



Western Cape
Government

Local Government



Annual Report 2015-16
Department of Local Government

WESTERN CAPE

**DEPARTMENT OF
LOCAL GOVERNMENT**

Annual Report

2015-16

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Department's General Information

Western Cape Government: Local Government

Private Bag x9076
80 St.George's Mall
Waldorf Building
Cape Town
8000

Tel: 021 483 8986

Fax: 021 483 0632

Albert.Dlwengu@westerncape.gov.za

<http://www.westerncape.gov.za>

List of Abbreviations

ABET:	Adult Basic Education and Training	HRDC:	Human Resource Development Committee
ADRA:	Adventist Development and Relief Agency	HRDVS:	Human Resource Development Verification System
AGSA:	Auditor General of South Africa	ICASA:	The Independent Communications Authority of South Africa
AO:	Accounting Officer	ICT:	Information Technology
APP:	Annual Performance Plan	ID:	Identity Document
BAS:	Basic Accounting System	IDP:	Integrated Development Plan
BMI:	Body Mass Index	ISDF:	Integrated Strategic Development Framework
CBW:	Capacity Building Workshops	IFM:	Integrated Fire Management
CDW:	Community Development Worker	IGR:	Intergovernmental Relations
CEO:	Chief Executive Officer	LGTAS:	Local Government Turnaround Strategy
CSC:	Corporate Service Centre	LRA:	Labour Relations Act, 1995 (Act 66 of 1995)
CWP:	Community Worker Programme	M&E:	Monitoring & Evaluation
D: ERM:	Directorate: Enterprise Risk Management	MEC:	Member of Executive Council
DCF:	District Co-ordinating Forum	MIG:	Municipal Infrastructure Grant
DCFTECH:	District Co-ordinating Forum Technical Committee	MINMAY:	Forum of Provincial Minister of Local Government and Executive Mayors
DCOG:	Department of Co-operative Governance	MINMAYTECH:	Forum of Head of Department: Local Government and Municipal Managers
DEADP:	Department of Environmental Affairs and Development Planning	MSA:	Municipal System Act, 2000 (Act, 32 of 2000)
DM:	District Municipality	MPAT:	Management Performance Assessment Tool
DORA:	Division of Revenue Act	MPRA:	Municipal Property Rates Act, 2004 (Act 6 of 2004)
DPSA:	Department of Public Service and Administration	MTEF:	Medium Term Expenditure Framework
EAP:	Employee Assistance Programme	NDMC:	National Disaster Management Centre
EE:	Employment Equity	NEMA:	National Environmental Management Act, 1998 (Act No.107 of 1998)
EH:	Employee Health	NTPSRMF:	National Treasury Public Sector Risk Management Framework
EHP:	Emergency Housing Programme	OD:	Organisational Design
EHWP:	Employee Health and Wellness Programme	OPMS:	Organisational Performance Management System
EPWP:	Expanded Public Works Programme	OSD:	Occupation-Specific Dispensation
ERM:	Enterprise Risk Management	PAIA:	Promotion of Access to Information Act, 2000 (Act 2 of 2000)
ERMCO:	Enterprise Risk Management Committee	PAJA:	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
FFA:	Fire Fighting Aviation	PCF:	Premier's Co-ordinating Forum
FLSE:	Fire and Life Safety Education		
GPSSBC:	The General Public Service Sector Bargaining Council		
HCT:	HIV & AIDS Counseling and Testing		
HDI:	Historically Disadvantaged Individuals		
HIV/AIDS:	Human Immunodeficiency/Acquire Immune Deficiency Syndrome		
HR:	Human Resources		

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PDMC:	Provincial Disaster Management Centre
PFMA:	Public Financial Management Act, 2003 (Act 56 of 2003)
PILIR:	Policy on Incapacity Leave and Ill- Health Retirement
PMS:	Performance Management System
PSCBC:	Public Service Co-ordinating Bargaining Council
RDP:	Reconstruction & Development Programme
RMT:	Regional Monitoring Team
SAPS:	South African Police Service
SASSA:	South African Social Security Agency
SCM:	Supply Chain Management
SDBIPs:	Service Delivery & Budget Implementation Plans
SDIP:	Service Delivery Improvement Plan
SIU:	Special Investigations Unit
SLA:	Service Level Agreement
SMMEs:	Small Medium and Micro Enterprises
SMS:	Senior Management Service
SoE:	State-owned Enterprises
SP:	Strategic Plan
SHEQ:	Safety Health Environment, Risk & Quality Management
Stats SA:	Statistics South Africa
TASK:	Tuned Assessment of Skills and Knowledge
UIF:	Unemployment Insurance Fund
UNAIDS:	The United Nations Programme on HIV & AIDS
WCG:	Western Cape Government
WP:	Wellness Programme
WSP:	Workplace Skills Plan

1. Minister's Foreword



Local Government, being the sphere closest to the people, operates in an environment where the need for service delivery is both visible and directly expected. Access to basic services such as water, sanitation and infrastructure are still a challenge in our communities and to fully eradicate this, will not be an easy task in the mist of budget constraints, under-resourced municipalities and, at times, political intolerance.

Notwithstanding this, the Department prides itself that, within the current challenging economic environment, it was still able to achieve over 90% of its planned targets and has utilised over 97% of its allocated budget. Various reports such as Municipal IQ and Stats SA clearly indicate that our municipalities have a good story to tell. The Western Cape Province is number one in the country when it comes to delivering basic services. The top ten list of most performing municipalities is dominated by municipalities from the Western Cape, and none are in the bottom part of the list. By the same token our municipalities continue to improve their audit outcomes. This due to combined

efforts of all those who work in the municipal space and I have no doubt that together we can do even more. It is encouraging that the support provided to municipalities to deliver on their constitutional mandate is not in vain.

Over the past financial year, this department positioned itself to address the Infrastructure challenges, while realising the excellence in municipal infrastructure creation and technical service delivery management, through embedding the aspects of sustainability, integration and governance. The Department supported a number of interventions aimed at strengthening project planning pipelines in the Province. This afforded the Department an opportunity to enhance the effort and to gain even more momentum. To date, the development of an Integrated Infrastructure Plan for each municipality in the Province is at an advanced stage. The planning horizon for the current revision of the Integrated Infrastructure Plans changed from the traditional 5-year increments to a 15-year planning horizon.

The Department continued with its support to municipalities and achieved 97% expenditure on Municipal Infrastructure Grant (MIG) by the end of June 2015. The investment in bulk infrastructure has unlocked many housing projects which have undoubtedly contributed to improved access to basic services.

Tackling local government challenges would not be possible without the support of the private sector who have partnered with us over the past year. My Department values and appreciates the support that it receives from the private sector partners such as Santam with their continued support around fire hazards, the Hans Saidel Foundation with the continued support around capacity-building for municipalities. During the year under review the Western Cape Disaster Management Centre received a giant boost to its provincial Hazardous Materials (Hazmat) management capability. Thanks to a generous donation from petroleum giant Sasol, Overberg District Municipality and the Central Karoo District Municipality will now receive

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modern Hazmat equipment. The municipalities are benefitting because of their locations on strategic routes which have been identified as being at risk of potential hazmat spillages. This donation is of critical importance in preventing and addressing potential disaster situations should they arise.

Also important to note is that three (3) of our municipalities were declared local hydrological drought stricken areas. The Department contributed R6.6 million towards the development of new boreholes and associated pipework, as well as the provision of sand filters in the case of one (1) of the municipalities. This goes to show that as we enter a period of anticipated drought we must be more proactive and alert, so that we can avert the effects before they affect our people.

To support municipalities in strengthening their interface with communities, the Bulk-SMS System was identified as one of the growing communication channels which has a potential to improve communication with citizens. An audit of the existence and functionality of the Bulk-SMS System across twenty-four (24) municipalities was conducted. The Department supported four (4) municipalities with the upgrade of the system to ensure that it is efficiently implemented.

Further to this initiative, the Department supported 18 municipalities across the Western Cape with an

online upgrade in the hope of enabling communities to receive greater and better access to services. This project aims to standardise municipal websites across the Province. With this programme my Department seeks to simply provide similar basic online platforms to our municipalities. The websites are standardised on a single platform that enable them to be in line with the Western Cape's e-government strategy, seeking to enhance service delivery through the use of technology for all people in the Province.

These websites are mobile friendly which will enable citizens in the most rural areas of the Province to interact with their municipality utilising their mobile phones. This will help to reduce the cost of getting access to municipal services for many of our people.

I have no doubt that both our support to municipalities in terms of the bulk SMS system and the upgrade of municipal websites will improve communication channels and enhance community participation for the recipient municipalities.



Anton Bredell

Minister of Local Government

Date: 31 August 2016

2. Accounting Officer's Overview



The period 2015/16 was the start of the new 5-year cycle in government planning and the first year of implementing the new 5-year strategic plan. As promised in the 2015/20 plan, the Department has continued to enhance its services to the advancement all citizens. This was achieved by focusing our efforts in ensuring good governance in municipalities, strengthening public participation, providing support and capacity-building initiatives, monitoring and evaluating municipal performance, co-ordinating access to government services, supporting municipalities with the provision and the maintenance of economic and social infrastructure, improving the quality of the Integrated Development Plans (IDP) of municipalities and finally to ensuring that the Province is Disaster resilient.

The year under review has been one of the most challenging years in the economic life of this country. We come out of a period where the economic environment has been characterised by high levels of uncertainty in the global outlook, the downward revision of growth forecast rates

and, more particular, a protracted period of lower global economic growth is expected. This is owed to economic pressures which relate to:

- The continued constrained economic and fiscal situation, due to the weakened outlook of the global economy;
- The downward revision to South Africa's growth forecast for 2016 by the International Monetary Fund;
- The severe drought;
- Continued depreciation of the currency;
- Interest rate hikes and market volatility, and
- Increased debt service costs.

Given these factors the Department had to start a process of realising the necessary savings needed to fund the new and pressing priorities. It is against this backdrop that the Department had to provide its support to municipalities and deliver its services to the citizens of this Province.

It is a given understanding that an increase in the population of the Province will lead to an increase in the demand for basic services. This results in municipal infrastructure being under severe strain due to load growth. It is for this reason that the electrical distribution system became one of the essential services which received attention. During the year under review the Department transferred funds to four (4) municipalities in support of the development of electrical master plans. These municipalities are now in a position to know what the future demands will be on the electrical distribution system in terms of finances, human resources, maintenance and planning.

The public opinion survey on local government performance conducted by Government Communication and Information System (GCIS) in the previous financial year indicated that the Province is going the right direction in terms of access to basic services. This indicates the success of our programmes aimed at supporting municipalities with planning and maintenance of infrastructure. However, the survey also highlights areas of concern such as ensuring reliable supply of electricity and inclusion or consultation issues

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which were reported as weak performance areas. With regards to improving the supply of electricity, the Department has embarked on supporting municipalities with electrical master plans as indicated above and will continue to rollout support over the next five (5) years. It is envisaged that the Department's support of municipalities with their communication platforms in the form of Bulk SMS and the websites, will ultimately improve the municipalities' interface with communities.

In order for municipalities to function effectively they have to enhance their revenue streams. The Department provided assistance to five (5) municipalities with water and electricity demand management. The municipalities replaced ageing water and electricity meters resulting in a positive impact on the beneficiary municipality's revenue streams.

Over the years most municipalities in the Province have positioned themselves as competitive in the country, for instance when it comes to performance you will find at least one (1) or two (2) in top five (5) of the list. To maintain the status quo and to encourage others to move to the same levels, the Department had to find innovative ways of getting municipalities to share best practices. To this effect, the Department established the Western Cape Association of Municipal Public Accounts Committees (MPAC), it is envisaged that through this platform municipalities will exchange ideas on how they can improve service delivery and to be innovative.

Municipalities cannot be treated as homogenous as they are at different levels of development. Through its support to municipalities the Department continues to realise this, for instance, differentiated levels of support were provided to municipalities through targeted and integrated capacity-building initiatives utilising the Back to Basics Programme as a vehicle for providing support.

The Department realises that the investment it has made in enhancing fire-fighting capacity in the

past few years, has resulted in the improvement in the ability to extinguish wildland fires. In the last financial year we came to a realisation that, the state of many Fire Services within the Province, especially outside the metropolitan areas, is a matter of increasing concern. This was due to the fact that investment in certain areas has been almost non-existent. The dire financial situation of most District Municipalities has resulted in old and obsolete equipment not being replaced. To this effect, the Department started a process of procuring fully equipped, purpose built fire-fighting vehicles which will be deployed to rural municipalities across the Province. Fire-fighting vehicles form part of a 3-year project that will see a total of R 37-million invested into the improvement of firefighting capacity across the Province. This initiative signifies the Department's commitment to strengthening firefighting capabilities in rural areas.

Moreover, in light of the climate change, work around disaster risk assessment and preparedness is now becoming important given the hazards associated with climate change. The Department provided support to the affected municipalities during the past financial year.

In conclusion, the Department has worked tirelessly to ensure that we support municipalities to be ready for the Local Government Elections. These efforts include the establishment of the elections task team, preparations around the establishment of an election help desk including hands on support. These efforts were aimed at mitigating the potential instability which might arise. Together, with the partners that work in the municipal space, we continue to monitor developments and deal with them as they arise.



G Paulse
Accounting Officer
 Date: 31 August 2016

Departmental Receipts

Departmental Receipts	2015/2016			2014/2015		
	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	80	(43)	37	88	(51)
Interest, dividends and rent on land	13	3	10	13	4	9
Sales of capital assets	-	115	(115)	-	24	(24)
Financial transactions in assets and liabilities	-	238	(238)	-	555	(555)
Total	50	436	(386)	50	671	(621)

Spending trends:

The Department utilised 97.5% of its total budget allocation. This was mainly due to a compulsory saving amounting to R3, 849 million on Compensation of Employees instituted by Provincial Treasury for the 2015/16 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 2015/16 financial year and technical support provided to Oudshoorn Municipality;

Provincial and Local Government Municipal Support Grant in three municipalities namely Oudtshoorn, Witzenberg and Prince Albert for urgent financial assistance in drought stricken towns; and

Payment of capital assets due to the increase of transport equipment during the 2015/16 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.

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 2016.

Yours faithfully



Accounting Officer
Department of Local Government
Date: 31 August 2016

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, co-ordinate 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 five 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. They define the powers and duties of various role players, regulate the delegation of powers and provide a code of conduct to govern both councillors and officials. In so doing, they provide the benchmark against which Provincial Government needs to regulate, monitor, support and coordinate 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 as well as to 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, to exclude certain properties from rating, to make provision for municipalities to implement a transparent and fair system of exemptions, to introduce a rebate through rating policies, to make provision for fair and equitable valuation methods of properties, and to make provision for an 'objection and appeal' process. The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015. The Act aims to provide the 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.

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

This Act provides for integrated and co-ordinated disaster management focused on rapid and effective response to, and recovery from disasters as well as the reduction of disaster risk. It also provides for the establishment of Provincial and Municipal Disaster Management Centres. The Act provides a framework under which the Provincial Disaster Management Centre operates and liaises with municipalities and relevant stakeholders on disaster-related matters.

f) 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; to align the functions of the National Disaster Management Advisory Forum to accommodate the South

African National Platform for Disaster Risk Reduction; to provide for the South African National Defence Force, South African Police Service and any other organ of state to assist the disaster management structures, strengthen the disaster risk reporting system in order to improve the country's ability to manage potential disasters.

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

This Act aims to establish a framework for national government, provincial governments and municipalities to promote and facilitate inter-governmental relationships, and to provide mechanisms and procedures to facilitate the settlement of inter-governmental disputes.

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

This Act 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 imbalance, 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 therewith.

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

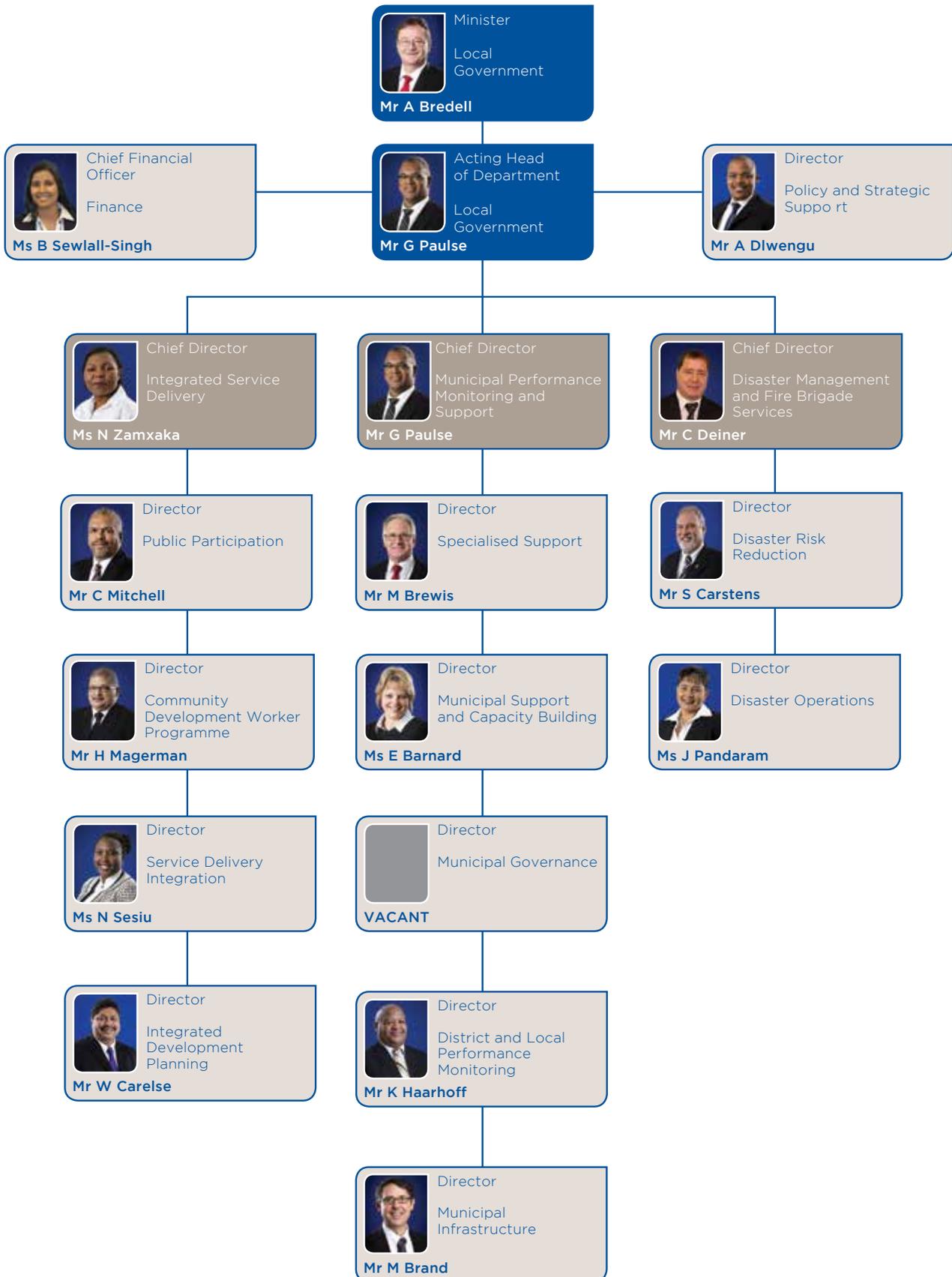
The work of local government is also affected by the following policy mandates:

- 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

- Provincial Integrated Planning and Budgeting Framework.
- Provincial Strategic Goal 5: Embed good governance and integrated service delivery through partnerships and spatial alignment.
- Provincial Strategic Goal 4: Enable a resilient, sustainable, quality and inclusive living environment, and
- Provincial Strategic Goal 1: Create opportunities for growth and jobs.

2.5 Organisational Structure





B

Photo: Patrick Ryan, Vulcan Wildfire Services

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 127).

2. Overview of Departmental Performance

2.1 Service Delivery Environment

During 2015/16 financial year, the Department achieved the following deliverables:

During the year under review, municipalities had to operate under the economic outlook which remained weak. This challenged municipalities to do more with the little resources they had at their disposal. They further had to deal with the task of balancing their efforts between delivery of basic services and adapting and complying to the changing legislative landscape. The Department continued to play a significant role in supporting municipalities in discharging their service delivery functions as legislated.

Strengthening capacity of municipalities to deliver:

With the view of improving governance, service delivery and sustainability within municipalities, it is essential to continuously strengthen the capacity of municipalities. Differentiated levels of support were provided to municipalities through targeted and integrated capacity-building initiatives, utilising the Back to Basics Programme as a vehicle for providing support.

A specific focus was placed on enhancing the Municipal Information Communication Technology ICT environment, in order to improve operating efficiencies and standardising ICT systems and

processes. The Department has through this programme supported eighteen (18) municipalities with the development of a standardised website.

The Municipal Training Programme provided accredited training opportunities to municipal officials. Nineteen (19) officials completed the Middle Management Training and twenty-one (21) officials completed the Junior Management Training.

A strong focus in terms of compliance has been placed on the implementation of the Municipal Property Rates Act (MPRA). Support in this regard was provided to twenty-five (25) municipalities. The Department conducted quarterly focus group sessions to provide advice and guidance to municipal practitioners on challenges and sharing of best practices.

Critical to service delivery functioning is infrastructure. To this effect the Department spearheaded a number of interventions that aimed to strengthen project planning pipelines in the Province, providing the opportunity to enhance the effort to gain even more momentum. The creation of an Integrated Infrastructure Plan for each municipality in the Province is in an advanced state. The planning horizon for the current revision of the Integrated Infrastructure Plans changed from the traditional 5-year increments to a 15-year planning horizon.

Improving governance and compliance in municipalities:

The Department strategically positioned itself to prepare municipalities to be ready for the 2016 local government election. Over the past, twelve (12) months the Department has monitored decision-making process of the municipal council meetings. Furthermore, municipalities were assisted with the functionality of Municipal Public Accounts Committees, which are key to good governance in municipalities. Legal support actions provided include the process of repealing by-laws and compilation of remuneration packages for directors and standard packages for directors.

DEPARTMENTAL PROGRAMME PERFORMANCE

To date three (3) municipalities requiring assistance on critical governance issues were supported through informal interventions. Furthermore, the Provincial Executive intervened in Oudtshoorn Municipality as the municipality failed to approve its 2015/16 annual budget by 1 July 2015. The budget was subsequently approved on 17 July 2015 after which the Provincial Executive validated it and legislative requirements were met. Due to the non-functionality of the Municipal Council and associated governance issues, the Provincial Executive in liaison with the Minister for Co-operative Governance and Traditional Affairs (COGTA) intervened in the Municipality with effect from 31 July 2015 by a way of appointment of an Administrator whilst council retained its powers.

The Department produces quarterly municipal performance reports, which highlights both the success and areas of developments within municipalities allowing them to actively engage areas where services are hampered. To ensure that the performances of senior municipal officials were aligned to the IDP, 80 performance agreements of S57 managers were assessed against Service Delivery and Budget Implementation Plans (SDBIP).

Strengthening joint co-ordination, planning and community involvement: Effective and efficient service delivery in municipalities rests on two pillars; namely, synchronised planning and budgeting by all spheres of government. To realise this, the Department continued to facilitate the process of getting the sector departments to assess the Integrated Development Plans (IDPs) of municipalities. In order to ensure municipalities' readiness and ability to deliver on their legislative mandate, the Department spearheaded a supporting role to municipalities by bringing all stakeholders together, assessing the IDPs and providing municipalities the opportunity to reflect and adjust their IDPs where applicable. Through this process, the Department assessed the IDPs of all municipalities with the exception of Oudtshoorn, who did not submit its IDP. The Department monitored all thirty (30) process plans adopted by council and co-ordinated the IDP Indaba Working Group Meeting, as well as the Joint Planning

Initiative (JPI) process which was rolled out to all districts.

The IDP is the most important vehicle for development in communities, as it is the foundation for aligning budgets of municipalities with the needs of the communities they serve. To this effect, the Department capacitated at least eight (8) municipalities with a Community Based Planning (CBP) Train-the-Trainer Course. This training was further rolled out to ward committee members and community stakeholders. Ten (10) municipalities have been assisted with the development of ward operational plans; these plans are ways of implementing the IDP of a municipality.

The Department continues to support municipalities to work with stakeholders within communities to find sustainable ways of improving their living conditions and quality of life. The Thusong programmes along with the Community Development Worker Programme continue to play a critical role in ensuring that information and government services are accessed by the intended recipients. At the end of the financial year, thirty-one (31) outreach mobiles were conducted in various communities bringing access to services closer to where people live.

No one government sphere can deal with the challenges facing municipalities alone. It is therefore of critical importance that National, Provincial and Local Government combine their efforts to the benefit of all citizens. The Department continues to encourage and sustain dialogue between all spheres through the MinMaytec, MinMay as well as the PCF meetings, during these engagements, Municipal Managers, Premier, and Senior Managers from the Department engaged on issues affecting local government. The Department hosted eight (8) intergovernmental engagements, co-ordinated the IDP Indaba Working Group Meeting, as well as the Joint Planning Initiative (JPI) process which was rolled out to all districts.

Enhancing Provincial response to disaster risks: Timely response to potential disaster risks facing the Province is critical in ensuring that negative impacts

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posed are minimised. The Department continues to conduct hazard awareness programmes in communities and schools. The Wolwelkooft training centre for emergency response has provided ten (10) training courses with over 400 emergency and

rescue personnel across the Province attending the courses. This is a major milestone for the Province in dealing with capacity of the emergency and rescue personnel.

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.

B

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Thusong Mobile Held	• Communities	25 Thusong Mobiles were implemented	Planning and Implementation of 30 Thusong Mobiles	31 Thusong Mobiles were held, serving approximately 19 000 people.
To provide information sessions to communities	• Communities	619 information sessions conducted	300 information sessions held in communities	624 information sessions conducted. The percentage increase of 108% is mainly due to addressing the requests from communities.

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Mobile Held Consultation: a) Consultation / planning meetings with departments and communities b) Written correspondence c) Communication d) Thusong Mobiles e) Evaluation forms completed by the communities	Consultation: a) Consultation / planning meetings with departments and communities b) Written correspondence c) Communication d) Thusong Mobiles e) Evaluation forms completed by the communities	Consultation: a) Consultation / planning meetings with departments and communities b) Written correspondence c) Communication d) Thusong Mobiles e) Evaluation forms completed by the communities

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

Current/actual arrangements	Desired arrangements	Actual achievements
<p>Thusong Mobile Held</p> <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>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 desk/complaints Centre at 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 c) Communication d) Thusong Mobiles e) Evaluation forms completed by community f) 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>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>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 desk/complaints Centre at Thusong Mobiles <p>Openness and Transparency:</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 community f) Annual Report <p>Value for Money:</p> <ul style="list-style-type: none"> a) Yes, communities are able to access services at one venue 	<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>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 desk/complaints Centre at Thusong Mobiles <p>Openness and Transparency:</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 community f) Annual Report <p>Value for Money:</p> <ul style="list-style-type: none"> a) Yes, communities were able to access services at one venue

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

Current/actual arrangements	Desired arrangements	Actual achievements
<p>To provide information sessions to communities</p> <p>Consultation:</p> <p>a) In communities CDWs participate in different community engagements platforms and safety forums such as Ward Committee meetings</p> <p>b) IDP meetings, CDW community meeting</p> <p>c) These meetings provide opportunity for communities to offer their inputs</p> <p>Access:</p> <p>a) In communities</p> <p>Courtesy:</p> <p>a) Communities can make use of CDWs</p> <p>b) CDW supervisors</p> <p>c) Regional Coordinators</p> <p>d) Municipal offices</p> <p>e) Behaviour can also be reported to the Department of Local Government (CDW section)</p> <p>Openness and Transparency:</p> <p>a) CDWs participate in different community meetings</p> <p>Value for Money:</p> <p>a) The total compensation budget for the unit amounts to R46 189 Million</p>	<p>Consultation:</p> <p>a) In communities CDWs participate in different community meetings such as Ward Committee meetings</p> <p>b) IDP meetings, CDW community meeting, etc.</p> <p>c) These meetings provide space for communities to make their inputs</p> <p>Access:</p> <p>a) In communities</p> <p>Courtesy:</p> <p>a) Communities can make use of CDWs</p> <p>b) CDW supervisors</p> <p>c) Regional Coordinators</p> <p>d) Municipal offices</p> <p>e) Behaviour can also be reported to the Department of Local Government (CDW section)</p> <p>Openness and Transparency:</p> <p>a) CDWs participate in different community meetings</p> <p>Value for Money:</p> <p>a) The total compensation budget for the unit amounts to R44 356 Million</p>	<p>Consultation:</p> <p>a) In communities CDWs participate in different community meetings such as Ward Committee meetings</p> <p>b) IDP meetings and CDW community meetings</p> <p>c) These meetings provide space for communities to make their inputs</p> <p>Access:</p> <p>a) In communities</p> <p>Courtesy:</p> <p>a) Communities can make use of CDWs</p> <p>b) CDW supervisors</p> <p>c) Regional Coordinators</p> <p>d) Municipal offices</p> <p>e) Behaviour can also be reported to the Department of Local Government (CDW section)</p> <p>Openness and Transparency:</p> <p>a) CDWs participate in different community meetings</p> <p>Value for Money:</p> <p>a) The total compensation budget for the unit amounted to R49 964 Million</p>

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Service delivery information tool

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Mobile Held		
a) Posters b) Pamphlets c) Loud hailing d) Newspaper articles e) Radio broadcasting, announcements regarding services f) Emails / telephone g) Annual Report	a) Posters b) Pamphlets c) Loud hailing d) Newspaper articles e) Radio broadcasting, announcements regarding services f) Emails / telephone g) Annual Report	a) Posters b) Pamphlets c) Loud hailing d) Newspaper articles e) Radio broadcasting, announcements regarding services f) Emails / telephone g) Annual Report
To provide information sessions to communities		
a) Posters b) Pamphlets c) Loud hailing d) Community meetings e) Ward Committees f) IDP & CDW meetings	a) Posters b) Pamphlets c) Loud hailing d) Community meetings e) Ward Committees f) IDP & CDW meetings	a) Posters b) Pamphlets c) Loud hailing d) Community meetings e) Ward Committees f) IDP & CDW meetings

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Complaints mechanism

Current/actual arrangements	Desired arrangements	Actual achievements
Thusong Mobile Held		
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 desk/complaints centre at Thusong Mobiles	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 desk/complaints centre at Thusong Mobiles	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 desk/complaints centre at Thusong Mobiles
To provide information sessions to communities		
a) Communities can make use of CDWs b) CDW supervisors, Regional Coordinators & Municipal Offices c) The Department of Local Government	a) Communities can make use of CDWs b) CDW supervisors, Regional Coordinators & Municipal Offices c) The Department of Local Government	a) Communities can make use of CDWs b) CDW supervisors, Regional Coordinators & Municipal Offices c) The Department of Local Government

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2.3 Organisational Environment

During the 2015/16 financial year, the Head of Department was seconded for six (6) months to lead the Energy Game Changer in the Province, a move that later became permanent. The Director for Specialised Support retired from public service after providing his expertise for more than thirty (30) years. The position of Director Municipal Governance could not be filled following the recruitment processes. The Position of a Director Service Delivery Integration became vacant. These changes meant that various persons had to be moved around to act in these positions, to ensure that the Department's service delivery was not interrupted. Fortunately, these factors did not have much impact on the performance, as systems and plans were already in place to deliver on the set targets for the period under review.

With the economic outlook of the country being weak owing to international and domestic factors, the Department was required to bear the effects of revised 2016 fiscal framework on compensation for employees over the 2016 Medium-Term Expenditure Framework (MTEF). For instance, the National Treasury announced that the all provinces needed to cut their MTEF budgets, which meant that the Department was not able to fill all vacant posts as anticipated, thus creating more pressure on the Department to deliver on its mandate.

This department continued to employ strategies around the rapidly increasing wage bill. Given these challenges, the Department was still able to commit itself to providing opportunities for its staff members to undertake training opportunities.

The vacancy rate as at 31 March 2016 was 4.4% consisting of 361 active posts, of which 345 were filled. To date, the Department has put in place measures to ensure that vacant and funded posts are filled after taking into consideration the necessary budget considerations as guided by the Provincial Treasury. Individual requests by directorates for evaluation of posts was set aside, priority was given to taking the necessary steps to review the entire organisational structure. This was in realisation of the fact that the environment within which the Department operates is changing, and therefore there is a need to strategically position it to ensure that it is better structured to respond to the changes that may be required. In the midst of forthcoming local government elections, there could have not been a more opportune time to undertake this exercise.

The challenges faced by the Department in the previous financial year meant that the Department had to adjust to ensure that it is able to do more with fewer resources. Judging by its performance for the year under review, there is no doubt that the Department was able overcome these challenges.

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2.4 Key Policy Developments and Legislative Changes

There were no key policy developments or legislative changes in 2015/16.

3. Strategic Outcome Oriented Goals

3.1 Strategic Objectives, Performance Indicators Planned Targets and Actual Achievement

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 Objectives	To partner with programmes so they can meet their service delivery requirements

Performance Indicators

a) Provincial Indicators

Sub-programme: 1.2 Corporate Services						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To partner with programmes so they can meet their service delivery requirements	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	-	

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Sub-programme: 1.2 Corporate Services

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations	
1. To partner with programmes so they can meet their service delivery requirements	1.4 Programme impact evaluation reports	2	2	2	-	Supported with impact assessment of the ward participatory system (see indicator Impact assessments of the ward participatory system- page 20: Sub-Programme 2.2 Public Participation.	
	2. To partner with programmes so they can meet their service delivery requirements	2.1 In-year monitoring reports submitted to PT	13	12	13	1	An additional In Year Monitoring report was completed during the first quarter.
		2.2 Properly costed budget aligned with APP/Strategic Plan	1	1	1	-	
		2.3 Submission of Annual financial statements	1	1	1	-	
	2.4 Submission of Interim Financial Statements	3	4	4	-		

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3.2 Programme 2: Local Governance

Programme Purpose	To promote viable and sustainable developmental local governance, integrated and sustainable planning and community participation in developmental processes
Sub-programme 2.1: Municipal Administration	
Strategic Objective	To promote good governance in municipalities
Sub-programme Purpose	To provide management and support services to local government within a regulatory framework
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
Sub-programme 2.3: Capacity Development	
Sub-programme Purpose	To capacitate municipalities to deliver effective services
Strategic Objective	To provide support and capacity-building initiatives to municipalities
Sub-programme 2.4: Municipal Performance, Monitoring, Reporting and Evaluation	
Sub-programme Purpose	To monitor and evaluate municipal performance
Strategic Objective	To monitor and evaluate municipal performance
Sub-programme 2.5: Service Delivery Integration	
Sub-programme Purpose	To manage the Thusong programme and support co-operative governance between the three spheres of government
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 2.6: Community Development Worker Programme	
Sub-programme Purpose	To provide information to communities to access government services and to facilitate community access to socio-economic opportunities
Strategic Objective	To co-ordinate improved access to government information, services and socio-economic opportunities

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Performance Indicators

a) Provincial Indicators

Sub-programme: 2.1: Municipal Administration						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To promote good governance in municipalities	1.1 Assessment reports on the functionality of Municipal Public Accounts committee (MPAC)	-	10	10	-	Assessment reports were completed for the following Municipalities: Langeberg, Stellenbosch, Saldanha Bay, City of Cape Town, Breede Valley, Cape Agulhas, Knysna, Overberg, Overstrand and Swartland.
	1.2 Support initiative to improve MPAC functionality	-	1	1	-	The Department supported the launch of Western Cape MPAC during November 2015.
	1.3 Assessment reports of decision-making processes in Municipal Councils	-	10	10	-	Assessment reports on the decision-making processes of municipal council were developed for the following municipalities: Breede Valley, Swartland, Cape Agulhas, Drakenstein, Overstrand, Bergrivier, City of Cape Town, Cape Winelands, West Coast and Langeberg.
	1.4 Good governance Practice notes	-	2	2	-	Roles and Responsibilities of councillors and Appointments of Senior Managers practise notes were compiled and circulated to all municipalities.
	1.5 Roles and Responsibilities Workshops for municipalities	-	2	2	-	The Department hosted two workshops on roles and responsibilities with Theewaterskloof Municipality and Beaufort West Municipality.

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Sub-programme: 2.1: Municipal Administration

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To promote good governance in municipalities	1.6 Legal support actions provided to municipalities	-	15	23	8	Municipalities were supported with various legal issues ranging from, Implications of establishing notice, process of repealing of by-laws, compilation of remuneration packages for directors and standard packages etc. The target was over-achieved owing to demand.
	1.7 Assessments of Code of Conduct matters ¹	-	-	1	1	One assessment on code of conduct matters was completed during 2015/16.
	1.8 Municipalities supported through legislation development	-	5	5	-	The following municipalities were supported: Langeberg, Swellendam, Stellenbosch, West Coast District Municipality and Western Cape Municipal Health Working Group consisting of officials from various district municipalities.
	1.9 Appointments assessed in accordance with the Municipal Systems Act	-	5	5	-	The following appointments were assessed In accordance with the MSA: Senior manager appointment in Knysna, An appointment of Director: Community Services in George, two appointments at Stellenbosch Municipality for Dir: Community and Protection Services and Dir: Strategic and Corporate Services, and one appointment in Overberg District Municipality for Dir: Community Services.

B

1 Indicator is demand-driven, hence no target was set

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Sub-programme: 2.1: Municipal Administration

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To promote good governance in municipalities	1.10 Informal Interventions	5	-	3	3	<p>Oudtshoorn</p> <ul style="list-style-type: none"> The issue of the validity of the acting MM of Oudtshoorn was taken up during consultation with the administration and via the Provincial Minister. This remains unresolved due to a variety of factors. <p>George Municipality</p> <ul style="list-style-type: none"> Assisted the Municipality dealing with the report received from the Public Protector on the appointment of a staff member. <p>Cederberg</p> <ul style="list-style-type: none"> An interest group declared a dispute with regard to the Municipality's Integrated Development Plan (IDP). Minister was a party to the dispute. The matter was facilitated by the Department and action not proceeded with by interest group.
	1.11 Formal interventions - S139 of the Constitution	-	-	1	1	<p>Oudtshoorn</p> <p>S139(4) of the Constitution - intervention</p> <p>Provincial Executive intervened due to failure by the Municipality to approve its 2015/16 annual budget by 1 July 2015. Council on 17 July 2015 approved the budget after which the Provincial Executive validated it and legislative requirements were met.</p>

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DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme: 2.1: Municipal Administration

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To promote good governance in municipalities	1.11 Formal inter-ventions – S139 of the Constitution					<p>S139(1)b of the Constitution - intervention</p> <p>Due to the non-functionality of the Municipal Council and associated governance issues, the Provincial Executive in liaison with the Minister for COGTA intervened in the Municipality with effect from 31 July 2015 by a way of appointment of an Administrator whilst council retained its powers.</p> <p>Report to Provincial Cabinet and way forward</p> <p>The Administrator drafted a report to the Provincial Executive on the progress during the first three months (August – October 2015) of the intervention and identified the remaining challenges.</p> <p>Extension of S139(1)(b) of the Constitution - intervention</p> <p>The Provincial Executive of the Western Cape extended the s139 (1) (b) intervention in Oudtshoorn Municipality from 31 January 2016 to 16 May 2016.</p>

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DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme: 2.1: Municipal Administration

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To promote good governance in Municipalities	1.12 Formal investigation in terms of section 106 of the Municipal System Act (S106 of MSA) and the Western Cape Monitoring and Support of the Municipalities Act (WC MSMA)	1	-	-	-	

B

b) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. Number of municipalities supported to comply with MSA regulations ²	-	-	5	5	The following appointments were assessed in accordance with the MSA: Senior manager appointment in (Knysna), An appointment of Director: Community Services in (George), two appointments at (Stellenbosch) Municipality for Dir: Community and Protection Services and Dir: Strategic and Corporate Services, and one appointment in (Overberg District) Municipality for Dir: Community Services.
2. Report on functional Provincial Anti-Corruption technical working groups developed	-	1	1	-	The Terms of Reference for the technical workgroup has been finalised, the group will commence during the new financial year.
3. Number of reports on fraud, corruption and maladministration cases reported and investigated	-	1	-	(1)	Once the Provincial Anti-corruption technical group is fully established, the Department will be able to provide the reports on fraud and corruption.

2 This Indicator is covered by 1.9 above

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a) Provincial Indicators

Sub-programme : 2.2 Public Participation						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To strengthen public participation through effective communication between municipalities and communities	1.1 Municipalities supported with ward committee training	9	8	8	-	Community Based Planning Training, Community Work Programme, refresher session on Ward Committee Roles & Responsibilities, Meeting Procedures for Ward Committees was provided to the following municipalities: Drakenstein, Mossel Bay, Matzikama, Oudtshoorn, Swellendam, Theewaterskloof, George and Knysna.
	1.2 Municipalities supported with ward committee establishment ³	-	-	-	-	
	1.3 Municipalities supported with ward committee functionality	13	8	10	2	The following municipalities were supported: Mossel Bay, Cederberg Theewaterskloof, Swellendam Cape Agulhas, Overberg District, Langeberg, City of Cape Town, Overstrand and Bitou. The overachievement is a result of two additional requests for support received.

B

3 At the time of finalising 2015/16 APP the date for Local Government elections was not known

DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme : 2.2 Public Participation

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To strengthen public participation through effective communication between municipalities and communities	1.4 Municipalities supported with the development and review of ward committee operational plans	14	10	10	-	The following municipalities were supported: Cape Agulhas, Hessequa, George, Overstrand, Knysna, Langeberg, Breede Valley, Kannaland, Laingsburg and Beaufort West
	1.5 Impact assessments of the ward participatory system	-	5	5	-	The assessment on the impact of the ward participatory system was conducted in Saldanha Bay, Mossel Bay, Overstrand, and Laingsburg and Langeberg municipalities.
	1.6 Communication training initiatives provided to municipalities	-	5	2	(3)	The Department conducted traditional, social media and bulk SMS training in the following municipalities: Swellendam, Matzikama, Cape Agulhas, Langeberg, Oudtshoorn, Breedevalley, Theewaterskloof, and Drakenstein. Due to technical requirements only two training initiatives could be offered to municipalities.

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Sub-programme : 2.2 Public Participation						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To strengthen public participation through effective communication between municipalities and communities	1.7 Communication support initiatives provided to municipalities	4	5	5	-	<p>The following communication initiatives were conducted in municipalities: Municipal Communication Summit, Media Networking Sessions, Bulk SMS, Communication Tech and Water Awareness Programme.</p> <p>Due to technical requirements the Department was not able to complete the GovClick Portal Website project; the project will be completed during the final 1st quarter of the new financial year.</p>
2. To provide support and capacity-building initiatives to municipalities	2.1 Municipalities supported with capacity-building initiatives on gender mainstreaming	4	3	3	-	<p>Municipalities supported with gender mainstreaming are: Witzenberg, Langeberg and Stellenbosch Municipality</p> <p>The support provided to municipalities is mainly to create awareness and provide capacity building programmes on gender equality issues for females and people with disabilities within the municipalities some of which are allocating contracts, appointment of female contractors, interview panels, programmes middle managers can equip females in municipalities, job shadowing etc.</p>

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b) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. Number of work opportunities created through the Community Work Programme in municipalities ⁴	6 890	-	8 342	8 342	As at end of March 2016, there were 8 342 work opportunities created through the Community Works Programme across the Western Cape Province. This programme is managed by DCOG. The Department is responsible for oversight, hence there were no targets set.
2. Number of ward committees supported on implementation of ward operational plans ⁵	14	-	10	10	The following municipalities were supported: Cape Agulhas, Hessequa, George, Overstrand, Knysna, Langeberg, Breede Valley, Kannaland, Laingsburg and Beaufort West
3. Number of municipalities supported on the development of a ward-level database with community concerns and remedial actions produced	-	-	20	20	The Department conducted an audit on the municipal complaints management system and implementation thereof. The audit revealed the following: <ul style="list-style-type: none"> • 20 of the 24 local municipalities in the Province have the complaints management system in place • Most municipalities use either the Collaborator or Ignite System. • In some municipalities, complaints and feedback are reported per ward.
4. Report on the number of community report back meetings convened by councillors in each ward	-	1	1	-	The total no. of report back meetings convened by councillors for the period April 2015 – December 2015 for the Province was 753, namely: <ul style="list-style-type: none"> • 1st quarter: 276 • 2nd quarter: 272 • 3rd quarter: 214
5. Number of municipalities supported to roll-out gender policy framework ⁶	-	-	3	3	Municipalities supported with gender mainstreaming are: Witzenberg, Langeberg and Stellenbosch Municipality.

4 The national Department of Co-operative Governance is implementing a CWP programme in Western Cape Municipalities and the Department is playing an oversight role.

5 This indicator is covered by the provincial indicator 1.4

6 This indicator is covered by the provincial indicator 2.1

DEPARTMENTAL PROGRAMME PERFORMANCE

a) Provincial Indicators

Sub-programme : 2.3 Capacity Development						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To provide support and capacity-building initiatives to Municipalities	1.1 Municipalities supported through targeted and integrated capacity-building initiatives	16	10	10	-	The following municipalities were supported through the Back to Basics Programme, Shared Services, Mentoring and Coaching Programme and governance related projects: Matzikama, Cederberg, Prince Albert, Laingsburg, Kannaland, Swellendam, Cape Agulhas, Beaufort West, Oudtshoorn and Central Karoo District.
	1.2 Initiatives to support municipalities with enhancement of ICT	2	3	3	-	The following ICT initiatives were provided to municipalities: Municipal Website Project, GIS Shared Services and Individualised ICT Support.
	1.3 Municipal training programmes implemented	3	1	2	1	The following training programmes were implemented: Junior and Middle Management Development Programmes.

B

DEPARTMENTAL PROGRAMME PERFORMANCE

b) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. Number of municipalities supported to institutionalise performance management system (PMS)	29	-	20	20	The Department together with SALGA collaborated in providing municipalities with the necessary support with PMS. All municipalities were invited to a 2-day workshop to discuss legal requirements and share best practices, only 20 municipalities attended the sessions. The Department also financially supported municipalities to cascade PMS to lower level.
2. Number of capacity-building interventions conducted in municipalities ⁷	16	-	10	10	This indicator is covered by the Provincial Indicator (Municipalities supported through targeted and integrated capacity-building initiatives)
3. Number of municipalities guided to comply with MPRA	25	25	25	-	Quarterly focus group sessions were conducted to provide advice and guidance to municipal practitioners relating to challenges and to share best practices.

⁷ This indicator will be covered by the Provincial Indicator 1.1 above

DEPARTMENTAL PROGRAMME PERFORMANCE

a) Provincial Indicators

Sub-programme 2.4: Municipal Performance Monitoring, Reporting & Evaluation						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To monitor and evaluate municipal performance	1.1 Quarterly Municipal Performance Reports produced	4	4	4	-	
	1.2 Sec 57 Performance agreements assessed against Service Delivery & Budget Implementation Plans (SDBIP)	63	80	80	-	
	1.3 Assessment of draft Municipal SDBIPs	-	30	30	-	
	1.4 Assessment reports of Municipal Section 46 Reports	-	30	29	(1)	Oudtshoorn Municipality did not comply with the annual report requirements hence no assessments were conducted.

B

DEPARTMENTAL PROGRAMME PERFORMANCE

b) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	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 assessed against service delivery bench marks	-	-	25	25	The Directorate managed to get an additional resources and was therefore able to deliver on the target.
3. Number of municipalities supported through Support Monitoring and Intervention Plans (SMIPs)	-	10	10	-	Performance output in respect of this national indicator will be linked to the actual output to be reported by Municipal Support and Capacity-building under indicator municipalities supported through targeted and integrated capacity-building initiatives. The reason being, SMIP was later changed to Back to Basics, and the Department committed to support 10 municipalities on Back to Basics. The reports will be provided as supporting evidence.
4. Number of municipalities supported to implement indigent policies	-	8	8	-	Municipalities supported with indigent policies were as follows: Drakenstein, Swartland, Cederberg, Breede Valley, Oudtshoorn, Kannaland, Bergriver and Bitou.

B

DEPARTMENTAL PROGRAMME PERFORMANCE

a) Provincial Indicators

Sub-programme 2.5: Service Delivery Integration						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To co-ordinate improved access to government information services, and socio-economic opportunities	1.1 Stakeholders participating in Thusong Programme	19	17	19	2	Various National and Provincial Departments, State-owned enterprises and municipalities participated in the Thusong programme. The Department continuously encourages a variety of stakeholders to partake in the Thusong Programme hence the over-achievement.
	1.2 Thusong outreach projects held	25	30	31	1	31 Thusong Mobiles were held, serving approximately 19,000 people. Mossel Bay Municipality requested additional support during the second quarter hence the over-achievement.
	1.3 Support actions to ensure effective functioning of the Thusong Programme	-	4	4	-	The Department ensured effective functioning of the Thusong Centres by: Establishing a new Thusong Centre in Kannaland, Ensuring that 11 centres around the Province received funding, commencing a sustainability pilot project in selected areas and updated the Thusong Plans.
	1.4 District referral	-	5	5	-	District Referral directories were developed of all five districts.

B

DEPARTMENTAL PROGRAMME PERFORMANCE

a) Provincial Indicators

Sub-programme 2.5: Service Delivery Integration

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To co-ordinate improved access to government information services, and socio-economic opportunities	1.5 Thusong programme M&E framework	-	1	1	-	A draft Thusong Programme Monitoring and Evaluation Framework was completed. The pilot implementation will be conducted within the Cape Winelands District during the 2016/17 financial year. Thereafter, the Framework will be reviewed to determine if the document is applicable and suitable to all stakeholders.
	1.6 Thusong capacity-building initiatives implemented	-	4	4	-	The following Thusong capacity-building initiatives were implemented: Occupational Health and Safety Training, Junior Management Development Programme Block 1 and 2 Training and Presentation skills provided to Thusong staff across the Province.
2. To support co-operative governance between the three spheres of government	2.1 Case referrals on IGR issues	40	45	33	(12)	The reason for under-achieving this target is due to the demand driven nature of case referrals.
	2.2 Provincial inter-governmental meetings convened	6	8	8	-	MinMayTech: 08 June 2015, 24 August 2015, 16 November 2015 and 29 February 2016. MinMay: 09 June 2015 and 17 November 2015. PCF: 25 August 2015 and 01 March 2016.
	2.3 District municipalities supported with IGR forms (DCF & DCTech)	5	5	5	-	All five districts were supported with at least two IGR forums throughout the duration of the year.

B

DEPARTMENTAL PROGRAMME PERFORMANCE

a) Provincial Indicators

Sub-programme 2.6: Community Development Programme						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To co-ordinated improved access to government information services and socio-economic opportunities	1.1 Information sessions in communities conducted	619	600	624	24	<p>The information sessions facilitated covered the following topics:</p> <p>Crime Prevention, Job Opportunities, Safety, Fire Awareness, Youth Development, Know Your CDW, Gender Based Violence, Skills Development, Flood Awareness, Economic Opportunities, Indigent Grant, Alcohol and Drug Abuse, Women's Day Wellness, Child Support, Housing Consumer Education, Solid Waste Awareness, etc.</p> <p>The Department over-achieved due to requests for more information sessions from communities.</p>
	1.2 Partnerships with stakeholders	21	20	21	1	<p>The Department entered into partnerships amongst others with:</p> <p>Afrikaanse Christelike Vrouevereniging, South African Police Services in Khayelitsha, Chumisa Primary School in Khayelitsha, Molosongololo in Cape Town, Family in Focus in Atlantis, Atlantis Community, Thuthuzela Centre, Elandskloof Elderly Cub, Genadendal Women's Network, Department of Home Affairs, Go Reach, College of Cape Town - Technical Vocational Education and Training College, Departments of Labour in Beaufort West, Correctional Services Overberg Management Area, Bonteheuwel Disabled Group in Bonteheuwel, Harambee disabled Children's Action Group and Epilepsy South Africa.</p>

B

DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme 2.6: Community Development Programme

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
B 1. To co-ordinated improved access to government information services and socio-economic opportunities	1.3 Government initiatives supported by CDWs	27	20	26	6	The Department over-achieved the target due to unplanned demands from government departments.
	1.4 Case referrals to government services	30 217	32 000	34 334	2 334	Case referrals relate to Learners' Licence, certification of documents, housing enquiries, ID Document applications, unfair dismissals, will and testimony enquiries, unemployment, indigent grants, study opportunities, disability grants and job seekers databases, etc. The Department over-achieved the target due to high demands for government services from communities.
	1.5 Community projects supported	60	60	60	-	A variety of community projects were supported, such as: Restoring Hope from Department of Correctional Services, Elevated Back Yard Food Garden, Beads Work Project, Needle Work, Women Day Event, Sominla Food Garden, School Holiday Programme, Job Opportunities in City of Cape Town (EPWP), One Big Family Stars Football Club, Disabled during Casual Day, Nature Reserve Fencing, Redelinghuys Small- Scale Farmer, Leaners License Classes.

DEPARTMENTAL PROGRAMME PERFORMANCE

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	
Sub-programme Purpose	To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure development
Strategic Objective	To support municipalities to provide and maintain economic and social infrastructure
Sub-programme 3.2: Disaster Management	
Strategic Objectives	To manage disaster management at the provincial and local level to ensure the establishment of effective and efficient disaster management mechanisms
Sub-programme Purpose	To co-ordinate effective disaster management preparedness, intergovernmental and recovery To co-ordinate reduction of risks posed by hazards To improve the Fire and Rescue Services capability
Sub-programme 3.3: Integrated Development Planning Co ordination	
Sub-programme Purpose	To strengthen intergovernmental planning and budgeting through establishment of IDP as the single co-ordinating plan of Government
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

B

DEPARTMENTAL PROGRAMME PERFORMANCE

Performance Indicators

a) Provincial Indicators

Sub-programme 3.1: Municipal Infrastructure						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To support municipalities to provide and maintain economic and social infrastructure	1.1 Municipalities supported with the development/ review of Infrastructure and Growth Plans	7	5	5	-	Municipalities assisted with Phase B: Infrastructure Growth Plans are: Saldanha Bay, Breede Valley, Swellendam, Bergrivier and Phase A: Mossel Bay Municipality.
	1.2 Municipalities supported with the development of Electricity Master Plans	2	4	4	-	The following municipalities were supported with the development of electrical master plans: George, Kannaland, Prince Albert and Beaufort West.
	1.3 Municipalities supported with the implementation of asset management	-	4	-	(4)	Asset Management is currently being piloted by the National Treasury; to avoid duplication the outcome of pilot project will determine how this project will be taken forward and rolled-out to the rest of the Province.
	1.4 Municipalities supported to spend MIG	24	24	24	-	
	1.5 Municipalities supported with water and electricity demand management	-	5	5	-	The following municipalities were supported with water and electricity demand management: Matzikama, Kannaland, Cape Agulhas, Hessequa and Prince Albert.
	1.6 CoCT quarterly infrastructure report	-	4	4	-	

DEPARTMENTAL PROGRAMME PERFORMANCE

b) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. Number of functional co-ordinating structures for infrastructure development and service delivery	-	1	1	-	
2. Number of municipalities supported with service delivery programmes ⁸	24	24	24	-	

B

a) Provincial Indicators

Sub-programme 3.2: Disaster Management & Fire Brigade Services						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To co-ordinate effective disaster management preparedness, inter-governmental and recovery	1.1 Stakeholders assisted in developing disaster preparedness plans	4	2	5	3	<p>Assistance was provided with the following plans:</p> <p>Departments:</p> <ul style="list-style-type: none"> Department of Education <p>Municipalities:</p> <ul style="list-style-type: none"> Theewaterskloof Swellendam Cape Agulhas Bergrivier. <p>The Department over-achieved this target due to additional request made by municipalities.</p>
	1.2 Centre enhancements to ensure functional Western Cape Disaster Management Centre	1	1	1	-	

⁸ This indicator is covered by Provincial indicator 1.4 above.

DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme 3.2: Disaster Management & Fire Brigade Services

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
B 1. To co-ordinate effective disaster management preparedness, Inter-governmental and recovery	1.3 Provincial Disaster Management Annual Report	1	1	1	-	
	1.4 Meetings inter-governmental disaster management fora	4	4	4	-	
	1.5 Disaster Damage assessments/ verifications conducted ⁹	4	-	6	6	<p>Assessments were conducted on:</p> <ul style="list-style-type: none"> • City fires, • West Coast drought assessments. The National Disaster Management Centre (NDMC) classified an agricultural disaster for two district municipal areas (Central Karoo and West Coast) and • Local hydrological disaster for three municipalities (Oudtshoorn, Prince Albert and Witzenberg), <p>Due to the nature of the indicator, a target could not be set at the beginning of the year.</p>
	1.6 Disaster declaration/ classifications facilitated ¹⁰	-	-	7	7	<p>The following declaration/classification was facilitated:</p> <ul style="list-style-type: none"> • Paardebont Fires, • Provincial Drought, • Agricultural disaster for Central Karoo and West Coast • Local Hydrological for Oudtshoorn, Prince Albert and Witzenberg. <p>Due to the nature of the indicator a target could not be set at the beginning of the year.</p>

9 The Department cannot predict this indicator; hence there was no target set.

10 The Department cannot predict this indicator; hence there was no target set.

DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme 3.2: Disaster Management & Fire Brigade Services						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To co-ordinate effective disaster management preparedness, Inter-governmental and recovery	1.7 Disaster recovery projects monitored and supported ¹¹	7	-	2	2	The following recovery projects were monitored and supported: <ul style="list-style-type: none"> • 2011/ 2012 Flooding event • 2013/2014 flooding event <p>Due to the nature of the indicator a target could not be set at the beginning of the year</p>
	2.1 Municipalities supported to develop applicable Disaster Risk reduction chapters in IDPs	6	6	6	-	Municipalities supported were: Saldanha Bay, Theewaterskloof, Cape Agulhas, Swellendam, Kannaland and Overberg.
	2.2 Municipalities supported with risk and vulnerability assessments	4	3	4	1	The following municipalities were supported: Swellendam, Oudtshoorn, Kannaland and Saldanha Bay. <p>Additional funding became available within the Chief Directorate which afforded the Department to support an additional municipality.</p>
	2.3 Data Repository at Western Cape Disaster management Centre maintained	-	1	1	-	Western Cape Flood Hazard Spatial Data and associated documents have been collated. This data is in the process of being integrated into the Western Cape Disaster Management Decision Support Tool.

11 The Department cannot predict this indicator, hence there are no targets set

DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme 3.2: Disaster Management & Fire Brigade Services

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
2. To co-ordinate reduction of risk posed by hazards	2.4 Disaster Hazard Awareness Programme	1	1	2	1	<p>Through SANTAM's Business Adopt a Municipality (BAAM) project, the WCDMC co-ordinated & implemented a Flood & Water Conservation Awareness campaign in Oudtshoorn & Kannaland municipalities.</p> <p>A hazard awareness programme was conducted 34 schools throughout the Province.</p>
	3. To improve Fire and Rescue Services capability	3.1 Provincial Emergency Service Training Centre projects at Wolwekloof	1	1	10	9
	3.2 Aerial Fire-Fighting and Ground Support Programme	-	1	3	2	<p>The Department supported Aerial Firefighting programmes with Fire Fighting Aviation, Working Ground Fire Ground and with all the Districts.</p> <p>The very intense fire season and increased risk necessitated the increase of the Province's preparedness level.</p>

B

DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme 3.2: Disaster Management & Fire Brigade Services

Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
3. To improve Fire and Rescue Services capability	3.3 Emergency Management Skills Capacity Development (Incident Command) Programme	-	1	4	3	<p>The Department supported the following incident command programmes:</p> <ul style="list-style-type: none"> • Dynamic Incidents management • Incident Command Training • WC Search and Rescue Training • Joint Hazmat Exercise <p>We were in a position to add additional programmes without increasing inputs.</p>
	3.4 Fire and Safety Programmes	4	2	9	7	<p>The Department supported the following Fire Safety programmes:</p> <ul style="list-style-type: none"> • Be Safe Training • Fire is Everyone Fight • WCSF for Fire & Bun Injury Prevention • Fire Prevention Tool Kid • Eden District Municipality: Fire Safe training • Theewaterskloof Municipality: Fire Prevention Tool kit • Fire Awareness Campaign • Training FLSE1 • Public information office <p>Additional funding obtained during the adjustment phase afforded the Department the opportunity to add additional outputs.</p>
	3.5 Special Operations Capacity-building Programme	4	1	2	1	<p>The following special operations capacity- building programmes were implemented.</p> <ul style="list-style-type: none"> • Rescue Technician – trench • Confined space rescue and confined space training. <p>Additional funding obtained during the adjustment phase afforded the Department the opportunity to add additional outputs</p>

B

DEPARTMENTAL PROGRAMME PERFORMANCE

b) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. Number of functional Municipal Disaster Management Centres	-	6	6	-	All Municipal Disaster Management Centres in the Province are functional. The centres are situated in all Districts and the Metro. <ul style="list-style-type: none"> • Eden District Municipality • Central Karoo District Municipality • Cape Winelands District Municipality • West Coast District Municipality • Overberg District Municipality • City of Cape Town (Metro)
2. Provincial fire brigade services established by target date	-	1	1	-	The Provincial Fire Brigade Services is established under the Chief Directorate: Disaster Management and Fire Brigade.

B

a) Provincial Indicators

Sub-programme 3.3: Integrated Development Planning						
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. To improve the quality of IDPs to give effect to service delivery	1.1 IDP Assessment reports compiled	30	30	29	(1)	The 2015/16 IDP Assessment Process commenced with the introduction and execution of the joint IDP and Budget analysis process. 29 Municipal IDP assessment reports were produced which contained comments from PT, DLG and DEADP and 11 Sector Departments, two National Departments and two Parastatals on the draft 2015/16 IDP and 2015/16 MTREF budgets of municipalities. Oudtshoorn municipality did not submit IDP.
	1.2 Process schedule plans monitored	-	30	30	-	The Department collected and monitored all 30 council adopted Municipal Process Schedule (Time Schedules).

DEPARTMENTAL PROGRAMME PERFORMANCE

Sub-programme 3.3: Integrated Development Planning							
Strategic Objective	Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations	
1. To improve the quality of IDPs to give effect to service delivery	1.3 Municipalities assisted with the planning, drafting, adoption or review of their IDPs	-	8	10	2	The following municipalities were assisted: All District Municipalities, City of Cape Town (Metro) as well the following municipalities: Stellenbosch, Laingsburg, Swartland and Knysna. Two additional municipalities requested support with their IDPs.	
	2. To strengthen Inter-governmental planning and budgeting through establishment of IDP as the single co-ordinating plan of Government	2.1 District and Metro IDP alignment workshops	-	3	3	-	The Department hosted various workshops with municipalities to clarify the role of the district and the division of powers and functions between the District and Local Municipalities.
		2.2 Inter-governmental co-ordination engagements	-	5	6	1	The Department co-ordinated the IDP Indaba Working Group Meeting, as well as the Joint Planning Initiative (JPI) process which was rolled out to all districts.
		2.3 Joint Planning Agreement reports	-	1	1	-	
	2.4 Sector departments' financial footprints shared with municipalities	5	8	13	5	Spatial investment maps were compiled for all local municipalities, except for the Metro, containing MIG, Education and Health final budget allocations. Subsequently, the 2015 Budget Estimates reflected the financial footprints for 13 sector departments.	

B

DEPARTMENTAL PROGRAMME PERFORMANCE

b) Nationally Prescribed Indicators

Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comments on deviations
1. Number of municipalities supported with development of legally compliant IDPs	6	6	18	12	<p>The National Department of Co-operative Governance requested that the Department of Local Government co-ordinate the roll out of a 3-day Training Course aimed at Integrated Development Planning practitioners and Human Resource officials of municipalities. A total of 17 municipalities were in attendance during that session Hence over-achievement.</p> <p>On-site technical support was also provided to the Oudtshoorn Municipality.</p>

B

DEPARTMENTAL PROGRAMME PERFORMANCE

3.4 Linking Performance with Budgets

Sub-programme	2015/2016			2014/2015		
	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	38,534	37,286	1,248	37,805	37,054	751
Total	38,534	37,286	1,248	37,805	37,054	751
2.1 Municipal Administration	10,029	9,976	53	9,237	9,187	50
2.2 Public Participation	7,890	7,669	221	5,954	5,928	26
2.3 Capacity Development	14,418	13,983	435	11,288	11,270	18
2.4 Municipal Performance, Monitoring, Reporting and Evaluation.	8,494	7,311	1,183	27,301	27,248	53
2.5 Service Delivery Integration	11,954	11,462	492	10,245	10,188	57
2.6 Community Development Programme	57,580	55,908	1,672	53,305	53,211	94
Total	110,365	106,309	4,056	117,330	117,032	298
3.1 Municipal Infrastructure	20,053	20,053	-	11,196	11,196	-
3.2 Disaster Management	42,202	42,202	-	26,522	26,462	60
3.3 Integrated Development Plan co-ordination	7,217	7,216	1	6,276	5,735	541
Total	69,472	69,471	1	43,994	43,393	601
4.1 Traditional Institutional Management	1	-	1	1	-	1
Total	218,372	213,020	5,352	199,130	197,479	1,651

B

DEPARTMENTAL PROGRAMME PERFORMANCE

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 2015 to 31 March 2016)

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
Beaufort West	CDW Operational grant	Yes	234	234	-
Bergrivier	CDW Operational grant	Yes	36	36	-
Bitou	CDW Operational grant	Yes	18	18	-
Breede Valley	CDW Operational grant	Yes	90	90	-
Cape Agulhas	CDW Operational grant	Yes	54	54	-
Cape Winelands District Municipality	CDW Operational grant	Yes	72	72	-
Cederberg	CDW Operational grant	Yes	162	162	-
City of Cape Town	CDW Operational grant	Yes	1,080	1,080	-
Drakenstein	CDW Operational grant	Yes	108	108	-
George	CDW Operational grant	Yes	90	90	-
Kannaland	CDW Operational grant	Yes	108	108	-
Knysna	CDW Operational grant	Yes	54	54	-
Laingsburg	CDW Operational grant	Yes	72	72	-
Matzikama	CDW Operational grant	Yes	144	144	-
Mossel Bay	CDW Operational grant	Yes	72	72	-
Oudtshoorn	CDW Operational grant	Yes	72	72	-
Overberg District Municipality	CDW Operational grant	Yes	72	72	-
Overstrand	CDW Operational grant	Yes	72	72	-
Prince Albert	CDW Operational grant	Yes	72	72	-
Saldanha Bay	CDW Operational grant	Yes	36	36	-
Stellenbosch	CDW Operational grant	Yes	54	54	-
Swartland	CDW Operational grant	Yes	36	36	-

B

DEPARTMENTAL PROGRAMME PERFORMANCE

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
Theewaterskloof	CDW Operational grant	Yes	108	108	-
Witzenberg	CDW Operational grant	Yes	144	144	-
Beaufort West	Thusong Operational Support Grant	Yes	100	100	-
Bitou	Thusong Operational Support Grant	Yes	100	100	-
Breede Valley	Thusong Operational Support Grant	Yes	100	100	-
Cape Agulhas	Thusong Operational Support Grant	Yes	211	211	-
George	Thusong Operational Support Grant	Yes	100	100	-
Hessequa	Thusong Operational Support Grant	Yes	100	100	-
Kannaland	Thusong Operational Support Grant	Yes	362	362	-
Langeberg	Thusong Operational Support Grant	Yes	200	200	-
Matzikama	Thusong Operational Support Grant	Yes	200	200	-
Mossel Bay	Thusong Operational Support Grant	Yes	211	211	-
Overstrand	Thusong Operational Support Grant	Yes	200	200	-
Prince Albert	Thusong Operational Support Grant	Yes	211	211	-
Saldanha Bay	Thusong Operational Support Grant	Yes	100	100	-
Swartland	Thusong Operational Support Grant	Yes	100	100	-
Swellendam	Thusong Operational Support Grant	Yes	100	100	-
Theewaterskloof	Thusong Operational Support Grant	Yes	312	312	-
Witzenberg	Thusong Operational Support Grant	Yes	211	211	-
Central Karoo District Municipality	IDP Hands-on support	Yes	200	200	-
Laingsburg	IDP Hands-on support	Yes	200	200	-
Matzikama	IDP Hands-on support	Yes	200	200	-
Prince Albert	IDP Hands-on support	Yes	200	200	-
Beaufort West	Municipal Infrastructure Support Grant	Yes	550	550	-
Cape Agulhas	Municipal Infrastructure Support Grant	Yes	300	300	-

B

DEPARTMENTAL PROGRAMME PERFORMANCE

B

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 Infrastructure Support Grant	Yes	500	500	-
Hessequa	Municipal Infrastructure Support Grant	Yes	300	300	-
Kannaland	Municipal Infrastructure Support Grant	Yes	890	890	-
Laingsburg	Municipal Infrastructure Support Grant	Yes	470	470	-
Matzikama	Municipal Infrastructure Support Grant	Yes	300	300	-
Outshoorn	Municipal Infrastructure Support Grant	Yes	2,470	2,470	-
Prince Albert	Municipal Infrastructure Support Grant	Yes	987	987	-
Witzenberg	Municipal Infrastructure Support Grant	Yes	1,153	1,153	-
Bergrivier	Municipal Performance Management Grant	Yes	200	200	-
Cape Winelands District Municipality	Municipal Performance Management Grant	Yes	200	200	-
Central Karoo District Municipality	Municipal Performance Management Grant	Yes	120	120	-
Beaufort West	Municipal Capacity Building Grant	Yes	250	250	-
Cederberg	Municipal Capacity Building Grant	Yes	500	500	-
Hessequa	Municipal Capacity Building Grant	Yes	267	267	-
Kannaland	Municipal Capacity Building Grant	Yes	250	250	-
Overberg District Municipality	Municipal Capacity Building Grant	Yes	200	200	-
Oudtshoorn	Municipal Capacity Building Grant	Yes	500	500	-
Theewaterskloof	Municipal Capacity Building Grant	Yes	500	500	-
West Coast District Municipality	Municipal Capacity Building Grant	Yes	180	180	-
Central Karoo District Municipality	Fire Service Capacity Building Grant	Yes	500	500	-
National Sea Rescue Institute (NSRI)	Operational Support	Yes	400	400	-
SABC	TV license	Yes	1	1	-

DEPARTMENTAL PROGRAMME PERFORMANCE

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
Cape Nature	Fire Awareness	Yes	350	350	-
Stellenbosch University	Monitoring and coaching project	Yes	250	250	-
NGO's: Thusong Centre Management	Thusong Operational Support Grant	Yes	230	230	-
Lifesaving SA	Operational Support	Yes	400	400	-
Disaster Management Institution of South Africa (DMISA)	Operational Support	Yes	80	80	-
Households	Leave gratuities	Yes	679	679	-
Households	Injury on duty	Yes	15	15	-

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.



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 2015/16 - 2016/17 approved by the Accounting Officer on 27 April 2015; and an ERM Strategy and Implementation Plan for 2015/16, approved by the Accounting Officer on 27 April 2015. 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 12 June 2015. 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 Audit Committee provided the independent oversight of the Department's system of risk management. The Audit Committee was furnished with Quarterly ERM progress reports and Departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process was in relation to the progress of implementation of the ERM Implementation Plan and risks faced by the Department and the relevant risk response/treatment strategies.

Impact on institutional performance

During the period under review, Enterprise Risk Management was more firmly mainstreamed into management praxis. 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

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

Various channels for reporting allegations of fraud and corruption exist and these are described in detail in the Provincial Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the 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 at the South African Police Services.

PFS issued a Case Movement Certificate reflecting the following movement of cases for the Department during this financial year:

Open cases as at 1 April 2015	0
New cases reported during 2015/16	7
Closed cases (2015/16)	(1)
Referred cases (2015/16)	(6)
Incorporated cases (2015/16)	0
Reclassified cases (2015/16)	0
Reallocated cases (2015/16)	0
Open cases as at 31 March 2016	0

The following table further analyses the closed cases indicated above:

Outcome of cases closed	Number
Outcome	
Allegations substantiated	1

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 assists the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

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

The following assurance engagements were approved in the 2015/16 Internal Audit Plan:

- Municipal Infrastructure;
- Supply Chain Management: Integrated Procurement Solution (IPS);
- Intergovernmental Relations (IGR); and
- Transfer Payments.

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

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- Review of AGSA management and audit report;
- Review of Departmental In year Monitoring;
- Departmental Risk Management;
- Internal Control;
- 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	8
Ms Judy Gunther	CIA; AGA; Masters in Cost Accounting; BCompt; CRMA	External	N/a	01 January 2013	2nd term expired 31 December 2015	7
Mr Louw van der Merwe	CA(SA); ACMA; CIA; CISA; CRMA	External	N/a	01 January 2014 (2nd term)	N/a	8
Mr Kerry Larkin	BCompt; ND:FIS; CRMA; CCSA; CIA	External	N/a	01 January 2013	2nd term expired 31 December 2015	5
Mr Zaid Manjra	BCom; Dip Acc; CA(SA); MBL	External	N/a	01 January 2016 (2nd term)	N/a	5
Ms Merle Kinnes	BA; LLB; Higher Certificate in Forensics Examination; Attorney of the High Court	External	N/a	01 January 2016	N/a	1

4. Audit Committee Report

Please refer to page 120 for the full report of the Audit Committee.

GOVERNANCE

5. Health Safety and Environmental Issues

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.
- OHS unit drafted monthly reports relating to OHASA complaints and incidents and submitted reports to management with the relevant recommendations to rectify shortcomings after compliance audits in the buildings were conducted.
- Occupational Health and Safety assessment were conducted at 32 sites of the Department, including departmental Public events.
- Three (3) prescribed evacuation exercises were conducted (1x announced and 2x unannounced).
- OHASA training (First AID, Floor Marshal, and Fire Marshal) was provided to all volunteers to ensure compliance.
- Occupational Health and Safety policy was approved by the Head of Department and implemented.
- Eight (8) Occupational Health and Safety Awareness sessions were conducted at five deferent sites of the Department

6. Promotion of Access to Information

- During the 2015/16 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 three official languages.



1. Legislation that Governs People Management

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

In addition to the Public Service Regulations, 2001 (as amended on 01 March 2013), the following prescribes direct People Management within the Public Service:

- **Occupational Health and Safety Act (Act 85 of 1993) (amended by Act 181 of 1993)**
To provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; and to provide for matters connected therewith.
- **Public Service Act (Act 103 of 1994) (amended by Act 30 of 2007)**
To provide for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.
- **Labour Relations Act (Act 66 of 1995) (amended by Act 6 of 2014)**
To regulate and guide the employer in recognising and fulfilling its role in effecting labour peace and the democratisation of the workplace; as well as to provide a framework in which employees and their trade unions, employers and employer organisations can bargain collectively and formulate industrial policy; and to promote orderly collective bargaining (also at sectoral level), employee participation in decision-making in the workplace (i.e. the establishment of workplace forums) and the effective resolution of labour disputes.
- **Basic Conditions of Employment Act (Act 75 of 1997) (amended by Act 20 of 2013)**
To give effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International Labour Organisation; and to provide for matters connected therewith.
- **Skills Development Act (Act 97 of 1998) (amended by Act 26 of 2011)**
To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.
- **Employment Equity Act (Act 55 of 1998) (amended by Act 47 of 2013)**
To promote equality, eliminate unfair discrimination in employment and to ensure the implementation of employment equity measures to redress the effects of unfair discrimination; to achieve a diverse and efficient workforce broadly representative of the demographics of the province.
- **Public Finance Management Act (Act 1 of 1999) (amended by Act 29 of 1999)**
To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with

financial management in those governments; and to provide for matters connected therewith.

- **Skills Development Levy Act (Act 9 of 1999) (amended by Act 24 of 2010)**

To provide for the imposition of a skills development levy; and for matters connected therewith.

- **Promotion of Access to Information Act (Act 2 of 2000) (amended by Act 54 of 2002)**

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

- **Promotion of Administrative Justice Act (Act 3 of 2000) (PAJA) (amended by Act 53 of 2002)**

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

2. Introduction

The Value of People in the Department

People are a key element in achieving the strategic objectives of the Department. It is through their efforts that the mandate of the Department is realised and that value-adding services are provided to citizens. In order to ensure sustained improvement in the way the Department conducts its business, it is important that suitable people, with the appropriate skills, competence and understanding of the provincial and departmental service delivery approach, are employed.

Planning for the consistent availability of the appropriate skills, at the right place and at the right time is often complex, as the Department has to contend with increasing budgetary constraints and dire skills shortages, especially in the highly technical and specialised occupations.

By means of workforce planning the Department has identified the current and future workforce needs and flagged the potential challenges that could impact on the achievement of the Department's strategic objectives.

HUMAN RESOURCE MANAGEMENT

Overview of People Management Matters at the Department

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

HR Planning Priorities	Risk	Outcomes	Approach to mitigate risk and achieve outcome
1. Recruitment and Selection	High	<ul style="list-style-type: none"> • Department adequately staffed • Reduced time frames to fill advertised posts • Availability of sufficient candidates from designated groups 	<ul style="list-style-type: none"> • Fast-track Recruitment of identified target groups (Women in SMS; etc.). • Skills retention in younger groups. • Job descriptions as well as advertisements to address competencies and job-specific requirements.
2. Employee Health and Wellness	High	<ul style="list-style-type: none"> • A healthier, more productive workforce • Increased staff morale • Increased resilience levels • Reduced absenteeism • Increased awareness and participation in wellness programmes • Group debriefing sessions especially for CDWs, Disaster Management staff, etc. will be implemented 	<ul style="list-style-type: none"> • Address perceived stigma around accessing the EAP (promotion of confidentiality as well as awareness raising in staff).
3. Training and Development	High	<ul style="list-style-type: none"> • A competent workforce • Availability of a pool of competent employees ready to fill vacant posts, especially in scarce and critical occupations • To create a learning organisation • Implement training and capacity development programmes • Shared values and culture alignment contributing to staff retention • Implement mentoring and coaching programmes 	<ul style="list-style-type: none"> • Employees to be encouraged to study in the field of critical and scarce skills when part-time bursaries are allocated. • Skills audit to be carried out in order to determine the explicit skills needs of current staff, which would, amongst others, also inform Bursaries.
4. Promotion of Employment Equity	High	<ul style="list-style-type: none"> • A diverse workforce with equal opportunity for all • Greater representation of women in SMS in the department • Greater representation of People with Disabilities in the Department 	<ul style="list-style-type: none"> • The Department should consider linking the Bursary programme to the departmental Affirmative Action Programme with specific reference to scarce and critical skills. • Recruitment drive to focus on the employment of women in SMS. • Further disclosures and continuous sensitisation programmes with regard to persons with disabilities.

Employee Performance Management Framework

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

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

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

This system sets the framework in which both the employer and employee can equally realise their goals and objectives to ensure the achievement of PSG 5, namely to Embed good governance and

integrated service delivery through partnerships and spatial alignment.

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).

HUMAN RESOURCE MANAGEMENT

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 and Planning

Table 3.1.1: Personnel expenditure by programme, 2015/16

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Programme 1	37,240	21,469	901	11,492	57.65	256	84
Programme 2	106,309	82,847	774	13,035	77.93	294	282
Programme 3	69,471	27,184	487	20,949	39.13	394	69
Total	213,020	131,500	2,162	45,476	61.73	943	435

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

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Table 3.1.2: Personnel expenditure by salary band, 2015/16

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)	1 345	1.0	35	38
Skilled (Levels 3-5)	6 394	4.8	152	42
Highly skilled production (Levels 6-8)	57 409	43.2	250	230
Highly skilled supervision (Levels 9-12)	50 534	38.0	468	108
Senior management (Levels 13-16)	17 290	13.0	1 017	17
Total	132 972	100.0	306	435

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

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

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2015/16

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	14 697	11.1	130	0.1	474	0.4	903	0.7
Programme 2	58 600	44.1	458	0.3	2 394	1.8	5 094	3.8
Programme 3	19 482	14.7	77	0.1	348	0.3	766	0.6
Total	92 779	69.8	665	0.5	3 216	2.4	6 764	5.1

Note: The table above does not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. Therefore, Salaries, Overtime, Housing Allowance and Medical Assistance amount to 77.8% of the total personnel expenditure.

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Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2015/16

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
Lower skilled (Levels 1-2)	1 322	1.0	21	0.02	-	-	-	-
Skilled (Levels 3-5)	4 433	3.3	48	0.04	304	0.2	511	0.4
Highly skilled production (Levels 6-8)	40 812	30.7	292	0.2	2 188	1.6	4 693	3.5
Highly skilled supervision (Levels 9-12)	35 841	27.0	305	0.2	507	0.4	1 305	1.0
Senior management (Levels 13-16)	10 370	7.8	-	-	217	0.2	256	0.2
Total	92 779	69.8	665	0.5	3 216	2.4	6 764	5.1

HUMAN RESOURCE MANAGEMENT

3.2 Employment and Vacancies

The following tables summarise the number of active posts on the establishment, the number of employees, 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). Table 3.2.3 provides establishment and vacancy information for the key critical occupations of the Department.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2016

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	63	53	15.9%
Programme 2	246	241	2.0%
Programme 3	52	51	1.9%
Total	361	345	4.4%

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2016

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)	33	30	9.1%
Highly skilled production (Levels 6-8)	209	207	1.0%
Highly skilled supervision (Levels 9-12)	103	94	8.7%
Senior management (Levels 13-16)	16	14	12.5%
Total	361	345	4.4%

Note: The information in each case reflects the situation as at 31 March 2016. An indication of changes in staffing patterns for the year under review is reflected in section 3.4 (Employee Changes) in this report.

HUMAN RESOURCE MANAGEMENT

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2016

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Engineer	4	4	0.0%
Project Manager	2	2	0.0%
Works Inspector	0	0	0.0%
Total	6	6	0.0%

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3.3 Job Evaluation

The Public Service Regulations, 2001 as amended, introduced job evaluation 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.

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 2015 to 31 March 2016

Salary Band	Total number of posts as at 31 March 2016	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)	33	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	209	1	0.3	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	103	9	2.5	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	12	1	0.3	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)	1	0	0.0	0	0.0	0	0.0
Total	361	11	3.0	0	0.0	0	0.0

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Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2015 to 31 March 2016

Beneficiaries	African	Indian	Coloured	White	Total
None					

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 grade. 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 2015 to 31 March 2016

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
Personal Assistant: HOD Support	1	7	0	6 notch increase	Attraction
Assistant Director: Assurance Services	1	9	0	2 notch increase	Retention
Director: Integrated Development Planning	1	13	0	11 notch increase	Attraction
Total				3	
Percentage of total employment				0.9	

Note: The Director in the table above was remunerated at a higher level in order to match the previous remuneration amount.

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Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2015 to 31 March 2016

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

HUMAN RESOURCE MANAGEMENT

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).

Table 3.4.1: Annual turnover rates by salary band, 1 April 2015 to 31 March 2016

Salary Band	Number of employees as at 31 March 2015	Turnover rate 2014/15	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2015/16 %
Lower skilled (Levels 1-2)	0	0.0	0	0	0	0	0.0
Skilled (Levels 3-5)	37	31.4	4	3	7	5	32.4
Highly skilled production (Levels 6-8)	218	3.7	5	2	11	3	6.4
Highly skilled supervision (Levels 9-12)	90	22.2	12	2	13	3	17.8
Senior Management Service Band A (Level 13)	11	0.0	1	0	2	0	18.2
Senior Management Service Band B (Level 14)	3	0.0	0	0	0	0	0.0
Senior Management Service Band C (Level 15)	1	0.0	0	0	0	0	0.0
Senior Management Service Band D (Level 16)	0	0.0	0	0	0	0	0.0
Total	360	11.9	22	7	33	11	12.2
			29		44		

Note: Transfers refer to the lateral movement of employees from one Public Service entity to another.

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Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2015 to 31 March 2016

Salary Band	Number of employees as at 31 March 2015	Turnover rate 2014/15	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2015/16 %
Engineer	4	50.0	0	0	0	0	0.0
Project Manager	2	0.0	0	0	0	0	0.0
Works Inspector	0	0.0	0	0	0	0	0.0
Total	6	33.3	0	0	0	0	0.0
			0		0		

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2015 to 31 March 2016

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2015
Death	2	4.5	0.6
Resignation *	20	45.5	5.6
Expiry of contract	8	18.2	2.2
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	4.5	0.6
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory	1	2.3	0.3
Transfers to other Public Service departments	11	25.0	3.1
Total	44	100.0	12.2

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.

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Table 3.4.4: Reasons why staff resigned, 1 April 2015 to 31 March 2016

Resignation Reasons	Number	% of total resignations
Family/personal circumstances	2	10.0
Lack of promotional opportunities	3	15.0
Nature of work	1	5.0
Need for a career change	6	30.0
No reason provided	3	15.0
Starting own business	3	15.0
Translation to permanent	2	10.0
Total	20	100.0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2015 to 31 March 2016

Age group	Number	% of total resignations
Ages <19	1	5.0
Ages 20 to 24	0	0.0
Ages 25 to 29	3	15.0
Ages 30 to 34	3	15.0
Ages 35 to 39	6	30.0
Ages 40 to 44	2	10.0
Ages 45 to 49	2	10.0
Ages 50 to 54	1	5.0
Ages 55 to 59	2	10.0
Ages 60 to 64	0	0.0
Ages 65 >	0	0.0
Total	20	100.0

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Table 3.4.6 Employee initiated severance packages.

Total number of employee initiated severance packages offered in 2015/ 2016	None
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Table 3.4.7: Promotions by salary band, 1 April 2015 to 31 March 2016

Salary Band	Employees as at 31 March 2015	Promotions to another salary level	Promotions as a % of total employees	Progressions to a other notch within a salary band	Notch progressions as a % of total employees within a salary band
Lower skilled (Levels 1-2)	0	0	0.0	0	0.0
Skilled (Levels 3-5)	37	0	0.0	19	51.4
Highly skilled production (Levels 6-8)	218	4	1.8	174	79.8
Highly skilled supervision (Levels 9-12)	90	12	13.3	55	61.1
Senior management (Levels 13-16)	15	0	0.0	10	66.7
Total	360	16	4.4	258	71.7

Table 3.4.8: Promotions by critical occupation, 1 April 2015 to 31 March 2016

Critical Occupation	Employees as at 31 March 2015	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees within a critical occupation
Engineer	4	0	0.0	2	50.0
Project Manager	2	0	0.0	2	100.0
Works Inspector	0	0	0.0	0	0.0
Total	6	0	0.0	4	66.7

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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 2016

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	1	0	0	1
Senior management (Levels 13-14)	1	5	0	3	1	1	1	1	0	0	13
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	11	23	2	9	16	25	0	8	0	0	94
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	28	48	1	1	59	66	0	5	0	0	208
Semi-skilled and discretionary decision making (Levels 3-5)	1	10	0	1	5	11	0	1	0	0	29
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	41	86	3	14	81	103	1	16	0	0	345
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	41	86	3	14	81	103	1	16	0	0	345

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

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

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

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Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2016

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								
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. Furthermore the information is presented by salary level and not post level.

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Table 3.5.3: Recruitment, 1 April 2015 to 31 March 2016

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)	1	4	0	2	3	3	0	0	1	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	1	0	1	1	3	0	0	0	0	7
Semi-skilled and discretionary decision making (Levels 3-5)	1	4	0	1	0	1	0	0	0	0	7
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	3	10	0	4	4	7	0	0	1	0	29
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	3	10	0	4	4	7	0	0	1	0	29

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

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

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Table 3.5.4: Promotions, 1 April 2015 to 31 March 2016

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)	3	2	0	0	2	5	0	0	0	0	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	2	0	0	0	2	0	0	0	0	4
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	3	4	0	0	2	7	0	0	0	0	16
Temporary employees	0	0	0								
Grand total	3	4	0	0	2	7	0	0	0	0	16

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.

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Table 3.5.5: Terminations, 1 April 2015 to 31 March 2016

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	1	1	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	2	0	2	3	3	0	2	1	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	1	0	1	4	6	0	0	0	0	14
Semi-skilled and discretionary decision making (Levels 3-5)	0	2	0	1	3	6	0	0	0	0	12
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
Total	5	5	0	5	11	15	0	2	1	0	44
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	5	5	0	5	11	15	0	2	1	0	44

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

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

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Table 3.5.6: Disciplinary actions, 1 April 2015 to 31 March 2016

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	1	0	0	0	0	0	0	0	0	1
Total	0	1	0	0	1						

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

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

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Table 3.5.7: Skills development, 1 April 2015 to 31 March 2016

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)	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	10	0	0	8	13	0	3	37
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	14	20	1	1	34	40	0	2	112
Semi-skilled and discretionary decision making (Levels 3-5)	0	2	0	1	6	9	0	1	19
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0
Total	17	33	1	2	48	62	0	6	169
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	17	33	1	2	48	62	0	6	169

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

Note: The above table refers to the total number of employees including interns 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.

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3.6. Signing of Performance Agreements by SMS Members

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2015

SMS Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Head of Department	1	1	1	100.0
Salary Level 14	3	3	3	100.0
Salary Level 13	13	11	11	100.0
Total	17	15	15	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 2015

Reasons for not concluding Performance Agreements with all SMS
None Required

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2015

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

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3.7. Filling of SMS Posts

Table 3.7.1: SMS posts information, as at 30 September 2015

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

Table 3.7.2: SMS posts information, as at 31 March 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	-
Salary Level 14	3	3	100.0	0	-
Salary Level 13	12	10	83.3	2	16.7%
Total	16	14	87.5	2	12.5%

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2016

SMS Level	Advertising	Filling of Posts	
	Number of Vacancies per Level Advertised in 6 Months of becoming Vacant	Number of Vacancies per Level Filled in 6 Months after becoming Vacant	Number of Vacancies per Level not Filled in 6 Months but Filled in 12 Months
Head of Department	0	0	0
Salary Level 14	0	0	0
Salary Level 13	3	0	1
Total	3	0	1

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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	None Required
Salary Level 14	None Required
Salary Level 13	<p>Director: Municipal Governance</p> <p>The post was advertised in February 2015, the panel then went through the applications list, but could not identify candidates of a good calibre. The CSC was then requested to assist.</p> <p>The CSCs advice was to take the best candidates within the list, and interview. This was then done and interviews were arranged for November 2015. What exacerbated this though was the fact that the candidates that were identified as reasonably good were taken up into other posts.</p> <p>The interviews were never the less conducted, and yielded no candidates.</p> <p>The post was then approved for headhunting in March 2016, and interviews were conducted in April 2016. Candidates are now attending competency assessment, and will be appointed shortly.</p>

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

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

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3.8. Employee Performance

Table 3.8.1: Notch progressions by salary band, 1 April 2015 to 31 March 2016

Salary Band	Employees as at 31 March 2015	Progressions to another notch within a salary band	Notch progressions as a % of total employees within a salary band
Lower skilled (Levels 1-2)	0	0	0.0
Skilled (Levels 3-5)	37	19	51.4
Highly skilled production (Levels 6-8)	218	174	79.8
Highly skilled supervision (Levels 9-12)	90	55	61.1
Senior management (Levels 13-16)	15	10	66.7
Total	360	258	71.7

Table 3.8.2: Notch progressions by critical occupation, 1 April 2015 to 31 March 2016

Critical Occupations	Employees as at 31 March 2015	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees within a critical occupation
Engineer	4	2	50.0
Project Manager	2	2	100.0
Works Inspector	0	0	0.0
Total	6	4	66.7

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To encourage good performance, the Department has granted the following performance rewards to employees for the performance period 2014/15, but paid in the financial year 2015/16. Not all employees are eligible for performance rewards. Employees who are on probation, employees who perform satisfactorily as well as poor performing employees do not qualify for performance rewards. For details of the Performance Management Framework, refer to the introduction to Part D. 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 2015 to 31 March 2016

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2015	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	26	125	20.8	376	14 457
Male	9	41	22.0	112	12 408
Female	17	84	20.2	264	15 542
Coloured	63	184	34.2	826	13 119
Male	22	75	29.3	357	16 234
Female	41	109	37.6	469	11 447
Indian	2	4	50.0	34	17 150
Male	2	3	66.7	34	17 150
Female	0	1	0.0	0	0
White	18	33	54.5	519	28 812
Male	9	15	60.0	282	31 320
Female	9	18	50.0	237	26 304
Employees with a disability	3	14	21.4	32	10787
Total	112	360	31.1	1 787	15 961

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Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2015 to 31 March 2016

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2015	% of total 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)	5	37	13.5	32	6 436	0.03
Highly skilled production (Levels 6-8)	57	218	26.1	539	9 464	0.5
Highly skilled supervision (Levels 9-12)	40	90	44.4	725	18 127	0.6
Total	102	345	29.6	1 296	12 713	1.1

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

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Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2015 to 31 March 2016

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2015	% of total 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	11	54.5	270	44 959	1.6
Senior Management Service Band B (Level 14)	3	3	100.0	153	51 160	0.9
Senior Management Service Band C (Level 15)	1	1	100.0	68	67 687	0.4
Senior Management Service Band D (Level 16)	0	0	0.0	0	0	0.0
Total	10	15	66.7	491	49 092	2.8

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

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Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2015 to 31 March 2016

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2015	% of total	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Engineer	2	4	50.0	64	32 138	0.1
Project Manager	0	2	0.0	0	0	0.0
Works Inspector	0	0	0.0	0	0	0.0
Total	2	6	33.3	64	32 138	0.1

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3.9 Foreign Workers

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

Table 3.9.1: Foreign Workers by salary band, 1 April 2015 to 31 March 2016

Salary Bands	1 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0
Highly skilled supervision (Levels 9-12)	1	100.0	0	0.0	-1	100.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0
Total	1	100.0	0	0.0	-1	100.0

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

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Table 3.9.2: Foreign Workers by major occupation, 1 April 2015 to 31 March 2016

Major Occupation	1 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% change
Assistant Director	1	100.0	0	0.0	-1	100.0
Total	1	100.0	0	0.0	-1	100.0

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

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3.10. Leave Utilisation for the Period 1 January 2015 to 31 December 2015

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 2015 to 31 December 2015

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees (Excluding Interns)	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	2	100.0	1	0	0.0	2	0
Skilled (Levels 3-5)	297	82.8	33	36	91.7	9	151
Highly skilled production (Levels 6-8)	1071	84.0	159	223	71.3	7	802
Highly skilled supervision (Levels 9-12)	629	78.2	85	108	78.7	7	887
Senior management (Levels 13-16)	97	88.7	11	17	64.7	9	284
Total	2096	82.3	289	384	75.3	7	2 124

Note: The three-year sick leave cycle started in January 2013 and ended in December 2015. 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.

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Table 3.10.2: Incapacity leave, 1 January 2015 to 31 December 2015

Salary Band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees (Excluding Interns)	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0.0	0	0	0.0	0	0
Skilled (Levels 3-5)	31	100.0	2	36	5.6	16	13
Highly skilled production (Levels 6-8)	66	100.0	6	223	2.7	11	52
Highly skilled supervision (Levels 9-12)	210	100.0	6	108	5.6	35	386
Senior management (Levels 13-16)	5	100.0	1	17	5.9	5	12
Total	312	100.0	15	384	3.9	21	463

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).

D 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).

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

Table 3.10.3: Annual Leave, 1 January 2015 to 31 December 2015

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Lower skilled (Levels 1-2)	491	57	9
Skilled (Levels 3-5)	755	44	17
Highly skilled production (Levels 6-8)	4 520	226	20
Highly skilled supervision (Levels 9-12)	2218	106	21
Senior management (Levels 13-16)	405	17	24
Total	8 389	450	19

Table 3.10.4: Capped leave, 1 January 2015 to 31 December 2015

Salary Band	Total capped leave available as at 31 Dec 2014	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2014	Total capped leave available as at 31 Dec 2015
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)	109	0	0	0	5	108
Highly skilled supervision (Levels 9-12)	350	12	1	12	15	365
Senior management (Levels 13-16)	349	0	0	0	6	349
Total	808	12	1	12	26	822

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.

HUMAN RESOURCE MANAGEMENT

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 2015 to 31 March 2016

Reason	Total Amount (R'000)	Number of Incidents	Average payment per employee (R)
Leave pay-outs during 2015/16 due to non-utilisation of leave for the previous cycle	18	1	18 272
Capped leave pay-outs on termination of service for 2015/16	397	2	198 733
Current leave pay-outs on termination of service 2015/16	197	15	13 158
Total	612	18	34 061

HUMAN RESOURCE MANAGEMENT

3.11. Health Promotion Programmes, including HIV and AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2015 to 31 March 2016

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
<p>The nature of the Department's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.</p>	<p>HIV&AIDS Counselling and Testing [HCT] and Wellness screenings sessions were conducted throughout the year. The outsourced Health and Wellness contract (Employee Health and Wellness Programme [EHWP]) provides employees and their immediate family members [it means the spouse or partner of an employee or children living with an employee] with a range of services. These services include the following:</p> <ul style="list-style-type: none"> • 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 2015 to 31 March 2016

Question	Yes	No	Details, if yes
<p>1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.</p>	✓		<p>Ms Reygana Shade, Director: Organisational Behaviour (Department of the Premier).</p>
<p>2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.</p>	✓		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to eleven (11) client departments, including the Department of Local Government.</p> <p>There is a designated Employee Health and Wellness unit within the Directorate Organisational Behaviour (Chief Directorate Organisation Development) which serves to promote the health and wellbeing of employees in the eleven (11) departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and three (3) team members. Budget : R2,5 m</p>



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Question	Yes	No	Details, if yes
<p>3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.</p>	✓		<p>The Department of the Premier has entered into a service level agreement with ICAS [Service Provider] to render an Employee Health and Wellness Service to the eleven (11) client departments within the Corporate Services Centre [CSC].</p> <p>The Department of the Premier conducted interventions namely, Employee Advocacy Awareness, E-Care Information, Financial Management, Managerial Referral, Self- Development, Child and Family Care, Work-Life Balance, Trauma Debriefing and Coaching for employees. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme [EHWP] reports provided by the service provider, ICAS, for the period 2015/16. 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. The Department of the Premier 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 also distributed.</p>
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	✓		<p>A new 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. Mathee and K. Adams.</p>

HUMAN RESOURCE MANAGEMENT

Question	Yes	No	Details, if yes
<p>5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	✓		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff members or applicants.</p> <p>During the period under review, the Department of the Premier has developed a Transversal Employee Health and Wellness Management and HIV and AIDS and TB Management policies, which was approved on 8th March 2016.</p> <p>Further to this, the Department of Health has currently approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that will be applicable to all departments of the Western Cape Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>
<p>6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p>	✓		<p>The Department of the Premier implemented the Provincial Strategic Plan on HIV and AIDS, STIs and TB 2012-2016 to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma. The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV and AIDS (UNAIDS). These educational programmes and information sessions were 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, and • Zero discrimination. <p>Also, the Department of the Premier is conducting the HCT and Wellness screening sessions to ensure that every employee in the Department is tested for HIV and screened for TB, at least annually,</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 Employee Relations Directorate addresses complaints or grievances and provides training to employees.



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Question	Yes	No	Details, if yes
			<p>Other key elements that addressed anti HIV and AIDS discrimination issues were: Wellness Screenings and TB Testing Sessions with specific requests from departments were conducted, posters and pamphlets were distributed, HIV and AIDS counselling [HCT] and TB Testing were conducted, condom programme and spot talks, including [HIV and AIDS Speak Out programme] were conducted as well.</p>
<p>7. Does the Department encourage its employees to undergo voluntary counselling and testing (VCT)? If so, list the results that you have you achieved.</p>	✓		<p>HCT SESSIONS: The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks.</p> <p>The Department of Local Government participated in 4 HCT and Wellness screening sessions.</p> <p>136 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's). There were no clinical referrals for TB, HIV or any other STIs.</p>
<p>8. Has the Department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.</p>	✓		<p>The impact of health promotion programmes are indicated through information provided by the Employee Health and Wellness Contract (external EAP service provider).</p> <p>The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by the External Service Provider. The most recent annual health review period was 1 April 2015 – 31 March 2016.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Human Capital Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, no. of cases.</p> <p>The review further provides amongst others service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the work place.</p>

3.12. Labour Relations

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

Table 3.12.1: Collective agreements, 1 April 2015 to 31 March 2016

Total collective agreements	None
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Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2015 to 31 March 2016

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Suspension without pay coupled with a Final Written Warning	1	100.0
Total	1	
Percentage of total employment		0.2

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

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2015 to 31 March 2016

Type of misconduct	Number	% of total
Dishonesty	1	100.0
Total	1	100.0

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Table 3.12.4: Grievances lodged, 1 April 2015 to 31 March 2016

Grievances lodged	Number	% of total
Number of grievances resolved	2	50.0
Number of grievances not resolved (Finalised)	2	50.0
Total number of grievances lodged	4	100.0

Note: *Grievances lodged* refer to cases that were finalised within the reporting period. *Grievances not resolved* refer 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 2015 to 31 March 2016

Disputes lodged with Councils	Number	% of total
None		

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 2015 to 31 March 2016

Strike actions	Number
None	

Table 3.12.7: Precautionary suspensions, 1 April 2015 to 31 March 2016

Precautionary suspensions lodged with Councils	Number
None	

Note: *Precautionary suspensions* refer to staff who were suspended with full pay, whilst the case was being investigated.

HUMAN RESOURCE MANAGEMENT

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 2015 to 31 March 2016

Occupational Categories	Gender	Number of employees as at 1 April 2015	Training needs identified at start of reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	5	0	5
	Male	9	0	7	0	7
Professionals	Female	113	0	2	0	2
	Male	71	0	5	0	5
Technicians and associate professionals	Female	47	0	63	0	63
	Male	37	0	32	0	32
Clerks	Female	66	0	97	0	97
	Male	29	0	30	0	30
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	8	0	8
Sub Total	Female	238	0	167	0	167
	Male	156	0	82	0	82
Total		394	0	249	0	249
Employees with disabilities	Female	6	0	0	0	0
	Male	8	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.

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Table 3.13.2: Training provided, 1 April 2015 to 31 March 2016

Occupational Categories	Gender	Number of employees as at 1 April 2016	Training needs identified at start of reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	5	0	1	0	1
	Male	9	0	1	0	1
Professionals	Female	105	0	70	0	70
	Male	74	0	42	0	42
Technicians and associate professionals	Female	51	0	41	0	41
	Male	37	0	19	0	19
Clerks	Female	35	0	135	0	135
	Male	15	0	80	0	80
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	201	0	247	0	247
	Male	144	0	143	0	143
Total		345	0	390	0	390
Employees with disabilities	Female	5	0	0	0	0
	Male	7	0	0	0	0

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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 2015 to 31 March 2016

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100.0
Temporary disablement	0	0.0
Permanent disablement	0	0.0
Fatal	0	0.0
Total	1	100.0
Percentage of total employment	0.2	

HUMAN RESOURCE MANAGEMENT

3.15. Utilisation of Consultants

Table 3.15.1: Utilisation of consultants

Report of consultant appointments using appropriated funds 2015/16										
Programme	Consulting firm	Project title / consultancy	Total number of consultants that worked on the project	Number of consultants from HDI group that work on the project	Duration: work days/ hours	% Ownership by HDI group	Contract value in Rand	Amount paid in the 2015/2016 financial year	HDI value in Rand (percentage of HDI ownership to the total contract value)	Number of consultants from HDI group that total number of project work on the project
Programme 1	Young & Rubicam SA	Municipal Communications Summit (OR-000710)	2	0	6hrs	25.10%	R 14 199.84	R 14 199.84	R 3 564.16	1
	Young & Rubicam SA	Municipal Communications Design App (OR-000715)	4	0	15hrs	25.10%	R 24 397.47	R 24 397.47	R 6 123.76	1
	Young & Rubicam SA	Fire Awareness Educational Booklet – Additional Adds (OR-000789)	2	0	3hrs	25.10%	R 595.88	R 595.88	R 149.57	1
	Bizxnet	Develop Media Services at Municipalities in the Western Cape (Social Media Training) (OR-001287)	2	2	106 days	100%	R 278 00.00	R 278 000.00	R 278 000.00	1
	The Media Shop	Fire Awareness Campaign – Media Placement (OR-000746)	1	1	1 day	100%	R 7 746.36	R 7 746.36	R 7 746.36	1
Programme 2	Siya-khana cc	Provide CBP train-the-trainer course (OR-001034)	6	5	20 days	100%	R 239 400.00	R 239 400.00	R 239 400.00	1
	Palmer development group	Impact assessment (OR-001694)	11	5	99 days	60%	R 990 900.00	R 990 900.00	R 594 540.00	1
	Ignite Advisory Services	Develop a legal services and shared services model in Overberg District and shared services governance model for Central Karoo District (OR-001711)	3	2	219 days	0%	R 659 161.68	R 631 477.92	R 0.00	1

HUMAN RESOURCE MANAGEMENT

Report of consultant appointments using appropriated funds 2015/16

Programme	Consulting firm	Project title / consultancy	Total number of consultants that worked on the project	Number of consultants from HDI group that work on the project	Duration: work days/ hours	% Owner-ships by HDI group	Contract value in Rand	Amount paid in the 2015/2016 financial year	HDI value in Rand (percentage of HDI ownership to the total contract value)	Number of consultants from HDI group that total number of project work on the project
Programme 2	Price Water House Coopers Inc	Develop a human resource strategy for Cape Agulhas Municipality (OR-001913)	5	2	200hrs	22.94%	R 399 475.00	R238 985.46	R 91 639.57	1
	Ignite Advisory Services	Differentiated Model (OR-001830)	3	1	500hrs	0%	R 400 140.00	R 234 840.00	R 0.00	1
	Blue Grass Technology	Implement a pre-defined Municipal Website Platform and content Management System (CMS) for 5 Municipalities in the Western Cape (OR-001513)	10	0	80 days	0%	R 399 420.00	R 399 420.00	R 0.00	1
	Blue Grass Technology	Implement a pre-defined Municipal Website Platform and content Management System (CMS) for 3 Municipalities in the Western Cape (OR-001839)	10	0	23 days	0%	R 248 624.00	R 248 624.00	R 0.00	1
	Four Zero Six	Transcription Service (OR-000908)	2	0	5 days	100%	R 1 800.00	R 1 800.00	R 1 800.00	1
	Four Zero Six	Transcription Service (OR-001818)	2	0	5days	100%	R 1 400.00	R 1 400.00	R 1 400.00	1
	Four Zero Six	Transcription Service (OR-001497)	2	0	5 days	100%	R 2 700.00	R 2 700.00	R 2 700.00	1
	Four Zero Six	Transcription Service (OR-001648)	1	0	5 days	100%	R 1 400.00	R 1 400.00	R 1 400.00	1
	Four Zero Six	Transcription Service (OR-001805)	3	0	5 days	100%	R 12 075.00	R 12 075.00	R 12 075.00	1
Four Zero Six	Business and Advisory Services (OR-000716)	1	0	7 days, 10hrs	100%	R 6 000.00	R 6 000.00	R 6 000.00	1	

D

HUMAN RESOURCE MANAGEMENT

Report of consultant appointments using appropriated funds 2015/16

Programme	Consulting firm	Project title / consultancy	Total number of consultants that worked on the project	Number of consultants from HDI group that work on the project	Duration: work days/ hours	% Ownership by HDI group	Contract value in Rand	Amount paid in the 2015/2016 financial year	HDI value in Rand (percentage of HDI ownership to the total contract value)	Number of consultants from HDI group that total number of project work on the project
Programme 2	Four Zero Six	Transcription Service (OR-001440)	1	0	14 days, 10hrs	100%	R 6 000.00	R 6 000.00	R 6 000.00	1
	Four Zero Six	Transcription Service (OR-001063)	1	0	14 days, 10hrs	100%	R 6 000.00	6 000.00	R 6 000.00	1
	Roth Communication	Transcription Service (OR-001831)	1	0	7 days, 10hrs	0%	R 7 150.00	R 7 150.00	R 0.00	1
Programme 3	Kambro Diggers Cc	Fire & Flood Awareness Campaign 2015/16 (OR-001667)	8	6	10 days	100%	R 283 220.00	R 283 220.00	R 283 220.00	1
	Aurecon Sa	Risk Assessment (Saldanha Bay Municipality) (OR-001066)	3	1	243 days, 8hrs	0.14%	R 456 713.66	R 456 713.66	R 639.40	1
	Stellenbosch University	Develop a Provincial Flood Hazard Index for the Western Cape Province (OR-001973)	3	0	60 days, 19hrs	0%	R 151 084.34	R 151 084.34	R 0.00	1
	DMS	Undertake a Disaster Risk Assessment in the Swellendam Municipality (OR-001901)	2	0	91 days, 6hrs	0%	R 284 373.00	R284 373.00	R 0.00	1
	Aurecon SA	Mig Tender	2	0	364 days	0.14%	R 1 149 120.00	R 1 140 142.93	R 1 608.77	1
	Chris Swartz Engineers	Assess the status of skills shortages and training needs of supervisors, plant managers, process controllers and other personnel working at wastewater treatment plants affecting the Berg River (OR-001849)	1	0	40 days	0%	R 114 000.00	R 114 000.00	R 0.00	1

HUMAN RESOURCE MANAGEMENT

Report of consultant appointments using appropriated funds 2015/16

Programme	Consulting firm	Project title / consultancy	Total number of consultants that worked on the project	Number of consultants from HDI group that work on the project	Duration: work days/ hours	% Ownership by HDI group	Contract value in Rand	Amount paid in the 2015/2016 financial year	HDI value in Rand (percentage of HDI ownership to the total contract value)	Number of consultants from HDI group that total number of project work on the project
	Chris Swartz Engineers	Assess the status of operation and maintenance plans at wastewater treatment plants affecting the Berg River (OR-001850)	1	0	40 days	0%	R 57 000.00	R 57 000.00	R 0.00	1
Grand Total							R620209623	R 5 084 524.47	R 1 544 006.58	



Position 1	Position 2	Position 3	Position 4	Position 5
156.75	189.00	212.50	238.00	265.00
278.88	368.00	450.50	532.75	615.00
470.50	648.75	822.75	1000.00	1180.00
200.50	343.75	483.50	623.00	768.00
30.75	84.50	132.00	180.00	228.00
181.00	268.00	355.00	442.00	529.00
740.00	827.50	915.00	1002.50	1090.00
813.00	900.50	983.50	1066.50	1150.00

Position 1	Position 2	Position 3	Position 4	Position 5
156.75	189.00	212.50	238.00	265.00
278.88	368.00	450.50	532.75	615.00
470.50	648.75	822.75	1000.00	1180.00
200.50	343.75	483.50	623.00	768.00
30.75	84.50	132.00	180.00	228.00
181.00	268.00	355.00	442.00	529.00
740.00	827.50	915.00	1002.50	1090.00
813.00	900.50	983.50	1066.50	1150.00

FINANCIAL INFORMATION

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Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2016.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from **Section 38 (1) (a) (ii)** of the **Public Finance Management Act (PFMA) and National Treasury Regulations 3.1**. The Audit Committee also reports that it has adopted an appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA 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:

- Municipal Infrastructure;
- Supply Chain Management - Integrated Procurement Solutions (IPS);
- Intergovernmental Relations (IGR); and
- Transfer Payments.

The above assignments were completed during the year, however one assignment was completed after year-end namely Inter-governmental Relations.

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 Reports

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.

Report of the Auditor-General South Africa

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

Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

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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.



Mervyn Burton
Chairperson of the Audit Committee
Western Cape Department of Local Government
Date: 19 August 2016

Report of the Accounting Officer

1. General review of the state of financial affairs

The Department utilised 97.5% of its total budget allocation mainly due to a compulsory saving amounting to R3, 849 million on Compensation of Employees instituted by Provincial Treasury for the 2015/16 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 2015/16 financial year and technical support provided to Oudshoorn Municipality;
- Provincial and Local Government Municipal Support Grant in three municipalities namely Oudtshoorn, Witzenberg and Prince Albert for urgent financial assistance in drought stricken towns; and
- Payment of capital assets due to the increase of transport equipment during the 2015/16 financial year as well as the procurement of computer equipment according to the departmental ICT refresh plan.

2. Capacity constraints

The under-spending on Compensation of Employees amounting to R3,849 million is mainly due to a compulsory saving instituted by Provincial Treasury for the 2015/16 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 29 and Annexures 1A - 1D of the Notes to the Annual Financial Statements.

Accountability arrangements 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

The internal audit and enterprise risk management functions were performed by the Corporate Services Centre.

Internal Audit continues to be offered independently by the shared Internal Audit Activity that was corporatised to the Corporate Services Centre in the Department of the Premier.

In line with the PFMA and KING III the Internal Audit Activity provides the Audit Committee and management with assurance that the internal controls relating to governance, risk management and control processes are adequate and effective. Consistent with the PFMA and King III, a risk-based 3-Year Rolling Strategic and Annual Operational Internal Audit Plan was approved by the Audit Committee, and the Audit Committee monitored the execution of the operational plan and management's implementation of corrective actions.

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No further funding was made available for the increase of Internal Audit capacity and this year the focus was on the optimal utilisation of the existing resources.

Internal Audit continues to recognise the role played by other assurance providers and envisages a combined assurance approach for the next year which will ensure that internal audit resources are applied to the most relevant risk areas.

The Department is served by the Governance and Administration Cluster Audit Committee, and all members are independent members, appointed by the Head of Provincial Treasury after consultation with the relevant Executive Authorities. The Audit Committee operates according to the Terms of Reference, approved on 18 July 2012.

The Audit Committee meets at least on a quarterly basis to give effect to its responsibilities as per the approved Terms of Reference. The Audit Committee further meets privately with the Executive Authority and Accounting Officer to discuss matters of concern.

The Department has an Anti-fraud and Anti-corruption Strategy comprising the following:

- The Fraud and Corruption Policy;
- The Fraud and Corruption Prevention Plan;
- The Fraud Response Plan;
- The Fraud Risk Register; and
- Code of Conduct.

The updated risk register informed the internal audit plan for 2015/16. Through co-operation between the Department, the Special Investigations Unit and the Forensic Investigative Unit of the Department of the Premier, the Department is making progress in the investigation of alleged corruption at municipalities.

The Department had regular engagements with the Audit Committee and other governance structures throughout the year. The Department has implemented a system to manage the conflicts of interest of employees by ensuring that all Senior Managers and all members of Bid Committees declare their conflict of interest annually.

8. Discontinued activities/activities to be discontinued

None.

9. New/proposed activities

None.

10. Asset management

The Supply Chain Management (SCM) unit within the Department allocates unique asset numbers to the Department's assets for verification, reconciliation and location purposes. All assets have been captured in an asset register and monthly reconciliations were performed between the register and BAS. The asset register complies with the minimum requirements.

11. Events after the reporting date

There were no events after the reporting date.

12. Information on predetermined objectives

During 2015/16 financial year, the Department achieved the following deliverables:

During the year under review, municipalities had to operate under the economic outlook which remained weak. This challenged municipalities to do more with the little resources they had at their disposal. They further had to deal with the task of balancing their efforts between delivery of basic services and adapting and complying to the changing legislative landscape. The Department

continued to play a significant role in supporting municipalities in discharging their service delivery functions as legislated.

Strengthening capacity of municipalities

to deliver: With the view to improving governance, service delivery and sustainability within municipalities, it is essential to continuously strengthen the capacity of municipalities. Differentiated levels of support were provided to municipalities through targeted and integrated capacity-building initiatives, utilising the Back to Basics Programme as a vehicle for providing support.

A specific focus was placed on enhancing the Municipal Information Communication Technology ICT environment, in order to improve operating efficiencies and standardising ICT systems and processes. The Department has through this programme supported eighteen (18) municipalities with the development of a standardised website.

The Municipal Training Programme provided accredited training opportunities to municipal officials. Nineteen (19) officials completed the Middle Management Training and twenty-one (21) officials completed the Junior Management Training.

A strong focus in terms of compliance has been placed on the implementation of the Municipal Property Rates Act (MPRA). Support in this regard was provided to twenty-five (25) municipalities. The Department conducted quarterly focus group sessions to provide advice and guidance to municipal practitioners on challenges and sharing of best practices.

Critical to service delivery functioning is infrastructure. To this effect the Department spearheaded a number of interventions that aimed to strengthen project planning pipelines in the Province, providing the

opportunity to enhance the effort to gain even more momentum. The creation of an Integrated Infrastructure Plan for each municipality in the Province is in an advanced state. The planning horizon for the current revision of the Integrated Infrastructure Plans changed from the traditional 5-year increments to a 15-year planning horizon.

Improving governance and compliance in municipalities:

The Department strategically positioned itself to prepare municipalities to be ready for the 2016 local government election. Over the past, twelve (12) months the Department has monitored decision-making process of the municipal council meetings. Furthermore, municipalities were assisted with the functionality of Municipal Public Accounts Committees, which are key to good governance in municipalities. Legal support actions provided include the process of repealing by-laws and compilation of remuneration packages for directors and standard packages for directors.

To date three (3) municipalities requiring assistance on critical governance issues were supported through informal interventions. Furthermore, the Provincial Executive intervened in Oudtshoorn Municipality as the municipality failed to approve its 2015/16 annual budget by 1 July 2015. The budget was subsequently approved on 17 July 2015 after which the Provincial Executive validated it and legislative requirements were met. Due to the non-functionality of the Municipal Council and associated governance issues, the Provincial Executive in liaison with the Minister for Co-operative Governance and Traditional Affairs (COGTA) intervened in the Municipality with effect from 31 July 2015 by a way of appointment of an Administrator whilst council retained its powers.

The Department produces quarterly municipal performance reports, which highlights both the success and areas of developments within

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municipalities allowing them to actively engage areas where services are hampered. To ensure that the performances of senior municipal officials were aligned to the IDP, 80 performance agreements of S57 managers were assessed against Service Delivery and Budget Implementation Plans (SDBIP).

Strengthening joint co-ordination, planning and community involvement:

Effective and efficient service delivery in municipalities rests on two pillars; namely, synchronised planning and budgeting by all spheres of government. To realise this, the Department continued to facilitate the process of getting the sector departments to assess the Integrated Development Plans (IDPs) of municipalities. In order to ensure municipalities' readiness and ability to deliver on their legislative mandate, the Department spearheaded a supporting role to municipalities by bringing all stakeholders together, assessing the IDPs and providing municipalities the opportunity to reflect and adjust their IDPs where applicable. Through this process, the Department assessed the IDPs of all municipalities with the exception of Oudsthoorn, that did not submit its IDP. The Department monitored all thirty (30) process plans adopted by council and co-ordinated the IDP Indaba Working Group Meeting, as well as the Joint Planning Initiative (JPI) process which was rolled out to all districts.

The IDP is the most important vehicle for development in communities, as it is the foundation for aligning budgets of municipalities with the needs of the communities they serve. To this effect, the Department capacitated at least eight (8) municipalities with a Community Based Planning (CBP) Train-the-Trainer Course. This training was further rolled out to ward committee members and community stakeholders. Ten (10) municipalities have been assisted with the development of ward operational plans; these plans are ways of implementing the IDP of a municipality.

The Department continues to support municipalities to work with stakeholders within communities to find sustainable ways of improving their living conditions and quality of life. The Thusong programmes along with the Community Development Worker Programme continue to play a critical role in ensuring that information and government services are accessed by the intended recipients. At the end of the financial year, 31 outreach mobiles were conducted in various communities bringing access to services closer to where people live.

No one government sphere can deal with the challenges facing municipalities alone. It is therefore of critical importance that National, Provincial and Local Government combine their efforts to the benefit of all citizens. The Department continues to encourage and sustain dialogue between all spheres through the MinMaytec, MinMay as well as the PCF meetings, during these engagements, Municipal Managers, Premier, and Senior Managers from the Department engaged on issues affecting local government. The Department hosted eight (8) intergovernmental engagements, co-ordinated the IDP Indaba Working Group Meeting, as well as the Joint Planning Initiative (JPI) process which was rolled out to all districts.

Enhancing Provincial response to disaster risks:

Timely response to potential disaster risks facing the Province is critical in ensuring that negative impacts posed are minimised. The Department continues to conduct hazard awareness programmes in communities and schools. The Wolwelkoof training centre for emergency response has provided ten (10) training courses with over 400 emergency and rescue personnel across the Province attending the courses. This is a major milestone for the Province in dealing with capacity of the emergency and rescue personnel.

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13. SCOPA Resolutions

Below were the concerns and recommendations of the committee:

Background/Concerns	Recommendations	Action
<p>Page: 57 of the Annual Report Heading: "Internal Audit and Audit Committees" Description: The Committee notes that the following assurance engagements were approved in the 2014/15 Internal Audit Plan:</p> <ul style="list-style-type: none"> • Interim Financial Statements; • Public Participation - Ward Committees; and • Transfer Payments. 	<p>1. That the Department briefs the Committee on the Ward Committees, of the respective municipalities in the Western Cape, that were not budgeted for to award funding for the 2014/15 financial year.</p>	<p>Briefing to be scheduled by the Public Accounts Committee.</p>
<p>Description: During its discussion with the Audit Committee, the Public Accounts Committee indicated that Municipalities should co-operate with the Department to ensure that the Department's objectives are achieved.</p>	<p>2. That the Department should improve the control measures regarding municipalities who receive support from the Departments.</p>	<p>Implementation to be monitored by the Public Accounts Committee.</p>

13.1 List of information required

The Committee requested that the Department, by 30 November 2014, submit:

- 6.13.2.1 A report detailing the support rendered to Hessequa municipality, as reflected on page 52 of the Annual Report. 544
- 6.13.2.2 A report detailing the value, circumstances and status of the assets stolen at the ISM Building at 27 Wale Street, as reflected on page 108 of the Annual Report
- 6.13.2.3 The attendance list of the Ward Committee Summit that was hosted by the Department, as reflected on page 110 of the Annual Report

14. Prior modifications to audit reports

None

15. Exemptions and deviations received from the National Treasury

None

16. Interim Financial Statements

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

17. Approval

The Annual Financial Statements set out on pages 131 to 189 have been approved by the Accounting Officer.



ACCOUNTING OFFICER

DATE: 31 August 2016

FINANCIAL INFORMATION

Report of the Auditor-General

Report of the auditor-general to Western Cape Provincial Parliament on vote 14: Western Cape Department of Local Government

Report on the financial statements

Introduction

1. I have audited the financial statements of the Western Cape Department of Local Government set out on pages 131 to 189, which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for financial statements

2. The accounting is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

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

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5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Local Government as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matter

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

Material underspending of the vote

8. As disclosed in note 4.1 to the appropriation statement, the department materially underspent its overall budget by R5,3 million (2,5%). The explanations of material variances from amounts voted per programme and the standard classifications are set out in notes 4.1 and 4.2 to the appropriation statement and include compulsory savings on compensation of employees as requested by the Provincial Treasury for provincial fiscal consolidation.

Additional matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 186 to 189 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

11. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives of selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

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Predetermined objectives

12. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2016:
 - Programme 2: Local Governance on pages 27 to 43
 - Programme 3: Development and Planning on pages 45 to 53
13. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information (FMPP)*.
14. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
15. I did not identify 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

Additional matter

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

Achievement of planned targets

17. Refer to the annual performance report on 24 - 53 for information on the achievement of the planned targets for the year.

Compliance with legislation

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

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Internal control

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

Auditor-General

Cape Town
29 July 2016



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

FINANCIAL INFORMATION

APPROPRIATION STATEMENT for the year ended 31 March 2016

Appropriation per programme									
Voted funds and Direct charges	2015/16							2014/15	
	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	38,627	-	(93)	38,534	37,240	1,294	96.6%	37,805	37,054
2. Local Governance	111,962	-	(1,597)	110,365	106,309	4,056	96.3%	117,330	117,032
3. Development and Planning	67,782	-	1,690	69,472	69,471	1	100%	43,994	43,393
4. Traditional Institutional Management	1	-	-	1	-	1	-	1	-
TOTAL	218,372	-	-	218,372	213,020	5,352	97.5%	199,130	197,479
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				386				621	
Actual amounts per Statement of Financial Performance (Total Revenue)				218,758				199,751	
Actual amounts per Statement of Financial Performance Expenditure					213,020				197,479

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Appropriation per programme									
Economic classification	2015/16							2014/15	
	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	188,756	(4,401)	(2,027)	182,328	176,976	5,352	97.1%	167,789	166,852
Compensation of employees	138,168	(1,939)	(880)	135,349	131,500	3,849	97.2%	123,871	123,726
Salaries and wages	120,073	(2,269)	(850)	116,954	113,538	3,416	97.1%	107,921	107,792
Social contributions	18,095	330	(30)	18,395	17,962	433	97.6%	15,950	15,934
Goods and services	50,588	(2,462)	(1,147)	46,979	45,476	1,503	96.8%	43,915	43,123
Administrative fees	473	225	-	698	698	-	100%	526	502
Advertising	1,880	279	-	2,159	2,159	-	100%	1,277	1,246
Minor assets	758	(157)	(10)	591	591	-	100%	777	769
Audit costs: External	2,056	604	-	2,660	2,660	-	100%	2,701	2,701
Bursaries: Employees	163	75	-	238	238	-	100%	283	283
Catering: Departmental activities	1,911	(316)	(134)	1,461	1,461	-	100%	1,713	1,373
Communication (G&S)	1,125	(117)	(31)	977	977	-	100%	1,153	1,143
Computer services	761	462	-	1,223	1,223	-	100%	965	965
Consultants: Business and advisory services	11,398	(3,686)	(594)	7,118	6,329	789	88.9%	8,658	8,621
Legal services	1,182	(335)	(292)	555	555	-	100%	892	892
Contractors	9,459	632	24	10,115	10,014	101	99%	8,030	8,019
Agency and support /outsourced services	574	69	(7)	636	636	-	100%	193	187
Entertainment	34	(11)	-	23	23	-	100%	25	22
Fleet services (including government motor transport)	2,311	117	-	2,428	2,428	-	100%	1,859	1,859
Consumable supplies	461	(195)	-	266	253	13	95.1%	843	813
Consumable: Stationery, printing and office supplies	1,107	(28)	(81)	998	910	88	91.2%	920	920
Operating leases	671	(182)	-	489	489	-	100%	523	523
Property payments	611	505	-	1,116	783	333	70.2%	208	208
Transport provided: Departmental activity	220	(11)	-	209	209	-	100%	172	159
Travel and subsistence	6,852	(373)	(1)	6,478	6,432	46	99.3%	6,479	6,355
Training and development	2,487	(325)	-	2,162	2,162	-	100%	1,735	1,735
Operating payments	1,767	390	-	2,157	2,084	73	96.6%	1,365	1,365
Venues and facilities	2,116	(230)	11	1,897	1,837	60	96.8%	2,358	2,203
Rental and hiring	211	146	(32)	325	325	-	100%	260	260
Interest and rent on land	-	-	-	-	-	-	-	3	3
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	3	3
Transfers and subsidies	15,364	4,039	1,367	20,770	20,770	-	100%	25,406	25,388
Provinces and municipalities	13,752	3,246	1,367	18,365	18,365	-	100%	23,459	23,441
Municipalities	13,752	3,246	1,367	18,365	18,365	-	100%	23,459	23,441
Municipal bank accounts	13,752	3,246	1,367	18,365	18,365	-	100%	23,459	23,441
Departmental agencies and accounts	404	347	-	751	751	-	100%	379	379
Departmental agencies (non-business entities)	404	347	-	751	751	-	100%	379	379
Higher education institutions	-	250	-	250	250	-	100%	200	200
Non-profit institutions	710	-	-	710	710	-	100%	593	593
Households	498	196	-	694	694	-	100%	775	775
Social benefits	498	196	-	694	694	-	100%	775	775
Payments for capital assets	14,127	393	660	15,180	15,180	-	100%	5,742	5,046
Machinery and equipment	14,108	387	660	15,155	15,155	-	100%	5,637	4,952
Transport equipment	12,424	418	100	12,942	12,942	-	100%	2,295	1,640
Other machinery and equipment	1,684	(31)	560	2,213	2,213	-	100%	3,342	3,312
Software and other intangible assets	19	6	-	25	25	-	100%	105	94
Payment for financial assets	125	(31)	-	94	94	-	100%	193	193
Total	218,372	-	-	218,372	213,020	5,352	97.5%	199,130	197,479

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Programme 1: Administration									
Sub programme	2015/16							2014/15	
	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	38,627	-	(93)	38,534	37,240	1,294	96.6%	37,805	37,054
Total	38,627	-	(93)	38,534	37,240	1,294	96.6%	37,805	37,054

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	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	35,398	(263)	(880)	34,255	32,961	1,294	96.2%	32,631	32,576
Compensation of employees	23,597	(27)	(880)	22,690	21,469	1,221	94.6%	19,358	19,358
Salaries and wages	20,713	(27)	(850)	19,836	18,798	1,038	94.8%	17,128	17,128
Social contributions	2,884	-	(30)	2,854	2,671	183	93.6%	2,230	2,230
Goods and services	11,801	(236)	-	11,565	11,492	73	99.4%	13,270	13,215
Administrative fees	183	64	-	247	247	-	100%	184	184
Advertising	1,689	(248)	-	1,441	1,441	-	100%	1,245	1,245
Minor assets	180	(11)	-	169	169	-	100%	338	330
Audit costs: External	2,056	604	-	2,660	2,660	-	100%	2,701	2,701
Bursaries: Employees	163	75	-	238	238	-	100%	283	283
Catering: Departmental activities	99	21	-	120	120	-	100%	20	20
Communication (G&S)	528	(15)	-	513	513	-	100%	710	710
Computer services	384	(102)	-	282	282	-	100%	526	526
Consultants: Business and advisory services	662	(275)	-	387	387	-	100%	1,703	1,666
Contractors	45	(20)	-	25	25	-	100%	64	54
Agency and support / outsourced services	-	60	-	60	60	-	100%	-	-
Entertainment	6	(1)	-	5	5	-	100%	5	5
Fleet services (including government motor transport)	2,292	(11)	-	2,281	2,281	-	100%	1,859	1,859
Consumable supplies	156	(128)	-	28	28	-	100%	261	261
Consumable: Stationery, printing and office supplies	854	(92)	-	762	762	-	100%	890	890
Operating leases	458	(97)	-	361	361	-	100%	348	348
Property payments	10	(7)	-	3	3	-	100%	-	-
Transport provided: Departmental activity	10	(7)	-	3	3	-	100%	-	-
Travel and subsistence	357	(60)	-	297	297	-	100%	219	219
Training and development	822	79	-	901	901	-	100%	1,006	1,006
Operating payments	637	(111)	-	526	453	73	86.1%	676	676
Venues and facilities	210	46	-	256	256	-	100%	232	232
Interest and rent on land	-	-	-	-	-	-	-	3	3
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	3	3
Transfers and subsidies	11	27	-	38	38	-	100%	12	12
Departmental agencies and accounts	2	(1)	-	1	1	-	100%	4	4
Departmental agencies (non-business entities)	2	(1)	-	1	1	-	100%	4	4
Households	9	28	-	37	37	-	100%	8	8
Social benefits	9	28	-	37	37	-	100%	8	8
Payments for capital assets	3,093	267	787	4,147	4,147	-	100%	5,031	4,335
Machinery and equipment	3,083	252	787	4,122	4,122	-	100%	4,926	4,241
Transport equipment	2,424	252	100	2,776	2,776	-	100%	2,295	1,640
Other machinery and equipment	659	-	687	1,346	1,346	-	100%	2,631	2,601
Software and other intangible assets	10	15	-	25	25	-	100%	105	94
Payment for financial assets	125	(31)	-	94	94	-	100%	131	131
Total	38,627	-	(93)	38,534	37,240	1,294	96.6%	37,805	37,054

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Sub-programme: 1.2: Corporate Services									
Economic classification	2015/16							2014/15	
	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	35,398	(263)	(880)	34,255	32,961	1,294	96.2%	32,631	32,576
Compensation of employees	23,597	(27)	(880)	22,690	21,469	1,221	94.6%	19,358	19,358
Goods and services	11,801	(236)	-	11,565	11,492	73	99.4%	13,270	13,215
Interest and rent on land	-	-	-	-	-	-	-	3	3
Transfers and subsidies	11	27	-	38	38	-	100%	12	12
Departmental agencies and accounts	2	(1)	-	1	1	-	100%	4	4
Households	9	28	-	37	37	-	100%	8	8
Payments for capital assets	3,093	267	787	4,147	4,147	-	100%	5,031	4,335
Machinery and equipment	3,083	252	787	4,122	4,122	-	100%	4,926	4,241
Software and other intangible assets	10	15	-	25	25	-	100%	105	94
Payment for financial assets	125	(31)	-	94	94	-	100%	131	131
Total	38,627	-	(93)	38,534	37,240	1,294	96.6%	37,805	37,054

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Programme 2: Local Governance									
Sub programme	2015/16							2014/15	
	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	10,523	-	(494)	10,029	9,976	53	99.5%	9,237	9,187
2. Public Participation	7,741	149	-	7,890	7,669	221	97.2%	5,954	5,928
3. Capacity Development	14,687	-	(270)	14,417	13,983	434	97.0%	11,288	11,270
4. Municipal Performance, Monitoring, Reporting and Evaluation	8,764	(145)	(123)	8,496	7,311	1,185	86.1%	27,301	27,248
5. Service Delivery Integration	12,262	(4)	(304)	11,954	11,462	492	95.9%	10,245	10,188
6. Community Development Worker Programme	57,985	-	(406)	57,579	55,908	1,671	97.1%	53,305	53,211
Total	111,962	-	(1,597)	110,365	106,309	4,056	96.3%	117,330	117,032

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	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	101,815	(407)	(1,470)	99,938	95,882	4,056	95.9%	92,739	92,459
Compensation of employees	85,627	(154)	-	85,473	82,847	2,626	96.9%	79,363	79,262
Salaries and wages	73,635	(809)	-	72,826	70,450	2,376	96.7%	68,091	68,006
Social contributions	11,992	655	-	12,647	12,397	250	98.0%	11,272	11,256
Goods and services	16,188	(253)	(1,470)	14,465	13,035	1,430	90.1%	13,376	13,197
Administrative fees	198	90	-	288	288	-	100%	267	256
Advertising	-	266	-	266	266	-	100%	-	-
Minor assets	26	(16)	(10)	-	-	-	-	81	81
Catering: Departmental activities	1,238	(426)	(134)	678	678	-	100%	811	802
Communication (G&S)	295	(71)	(31)	193	193	-	100%	178	176
Computer services	-	648	-	648	648	-	100%	-	-
Consultants: Business and advisory services	5,734	(1,292)	(594)	3,848	3,059	789	79.5%	4,470	4,470
Legal services	1,182	(335)	(292)	555	555	-	100%	892	892
Contractors	249	(78)	-	171	70	101	40.9%	34	34
Agency and support / outsourced services	559	10	(7)	562	562	-	100%	193	187
Entertainment	18	(6)	-	12	12	-	100%	14	12
Fleet services (including government motor transport)	19	120	-	139	139	-	100%	-	-
Consumable supplies	50	(6)	-	44	31	13	70.5%	40	40
Consumable: Stationery, printing and office supplies	245	55	(81)	219	131	88	59.8%	18	18
Operating leases	-	-	-	-	-	-	-	15	15
Property payments	357	-	-	357	24	333	6.7%	8	8
Transport provided: Departmental activity	210	(4)	-	206	206	-	100%	172	159
Travel and subsistence	4,051	(155)	(289)	3,607	3,561	46	98.7%	4,184	4,060
Training and development	229	545	-	774	774	-	100%	-	-
Operating payments	640	237	-	877	877	-	100%	378	378
Venues and facilities	680	16	-	696	636	60	91.4%	1,363	1,351
Rental and hiring	208	149	(32)	325	325	-	100%	258	258
Transfers and subsidies	9,864	404	-	10,268	10,268	-	100%	24,512	24,494
Provinces and municipalities	9,145	-	-	9,145	9,145	-	100%	23,459	23,441
Municipalities	9,145	-	-	9,145	9,145	-	100%	23,459	23,441
Municipal bank accounts	9,145	-	-	9,145	9,145	-	100%	23,459	23,441
Higher education institutions	-	250	-	250	250	-	100%	200	200
Non-profit institutions	230	-	-	230	230	-	100%	218	218
Households	489	154	-	643	643	-	100%	635	635
Social benefits	489	154	-	643	643	-	100%	635	635
Payments for capital assets	283	3	(127)	159	159	-	100%	22	22
Machinery and equipment	274	12	(127)	159	159	-	100%	22	22
Transport equipment	-	150	-	150	150	-	100%	-	-
Other machinery and equipment	274	(138)	(127)	9	9	-	100%	22	22
Software and other intangible assets	9	(9)	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	57	57
Total	111,962	-	(1,597)	110,365	106,309	4,056	96.3%	117,330	117,032

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Sub-programme: 2.1: Municipal Administration									
Economic classification	2015/16							2014/15	
	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	10,083	(23)	(494)	9,566	9,513	53	99.4%	9,237	9,187
Compensation of employees	6,795	(23)	-	6,772	6,719	53	99.2%	7,137	7,087
Goods and services	3,288	-	(494)	2,794	2,794	-	100%	2,100	2,100
Transfers and subsidies	440	23	-	463	463	-	100%	-	-
Households	440	23	-	463	463	-	100%	-	-
Total	10,523	-	(494)	10,029	9,976	53	99.5%	9,237	9,187

Sub-programme: 2.2: Public Participation									
Economic classification	2015/16							2014/15	
	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	7,741	142	-	7,883	7,662	221	97.2%	5,945	5,919
Compensation of employees	5,580	-	-	5,580	5,359	221	96.0%	4,635	4,635
Goods and services	2,161	142	-	2,303	2,303	-	100%	1,310	1,284
Transfers and subsidies	-	-	-	-	-	-	-	9	9
Households	-	-	-	-	-	-	-	9	9
Payments for capital assets	-	7	-	7	7	-	100%	-	-
Machinery and equipment	-	7	-	7	7	-	100%	-	-
Total	7,741	149	-	7,890	7,669	221	97.2%	5,954	5,928

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Sub-programme: 2.3: Capacity Development

Economic classification	2015/16							2014/15	
	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	12,024	(292)	(270)	11,462	11,028	434	96.2%	10,527	10,509
Compensation of employees	7,976	(42)	-	7,934	7,686	248	96.9%	8,570	8,570
Goods and services	4,048	(250)	(270)	3,528	3,342	186	94.7%	1,957	1,939
Transfers and subsidies	2,654	292	-	2,946	2,946	-	100%	761	761
Provinces and municipalities	2,647	-	-	2,647	2,647	-	100%	-	-
Higher education institutions	-	250	-	250	250	-	100%	200	200
Households	7	42	-	49	49	-	100%	561	561
Payments for capital assets	9	-	-	9	9	-	100%	-	-
Machinery and equipment	9	-	-	9	9	-	100%	-	-
Total	14,687	-	(270)	14,417	13,983	434	97.0%	11,288	11,270

Sub-programme: 2.4: Municipal Performance, Monitoring, Reporting and Evaluation

Economic classification	2015/16							2014/15	
	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	8,226	(145)	(123)	7,958	6,773	1,185	85.1%	9,043	8,990
Compensation of employees	6,506	-	-	6,506	5,924	582	91.1%	5,922	5,922
Goods and services	1,720	(145)	(123)	1,452	849	603	58.5%	3,121	3,068
Transfers and subsidies	538	(1)	-	537	537	-	100%	18,250	18,250
Provinces and municipalities	520	-	-	520	520	-	100%	18,250	18,250
Households	18	(1)	-	17	17	-	100%	-	-
Payments for capital assets	-	1	-	1	1	-	100%	8	8
Machinery and equipment	-	1	-	1	1	-	100%	8	8
Total	8,764	(145)	(123)	8,496	7,311	1,185	86.1%	27,301	27,248

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Sub-programme: 2.5: Service Delivery Integration									
Economic classification	2015/16							2014/15	
	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	9,099	(21)	(304)	8,774	8,282	492	94.4%	7,787	7,730
Compensation of employees	6,467	(21)	-	6,446	5,954	492	92.4%	5,533	5,533
Goods and services	2,632	-	(304)	2,328	2,328	-	100%	2,254	2,197
Transfers and subsidies	3,154	22	-	3,176	3,176	-	100%	2,444	2,444
Provinces and municipalities	2,918	-	-	2,918	2,918	-	100%	2,216	2,216
Municipalities	2,918	-	-	2,918	2,918	-	100%	2,216	2,216
Municipal bank accounts	2,918	-	-	2,918	2,918	-	100%	2,216	2,216
Non-profit institutions	230	-	-	230	230	-	100%	218	218
Households	6	22	-	28	28	-	100%	10	10
Payments for capital assets	9	(5)	-	4	4	-	100%	14	14
Machinery and equipment	-	4	-	4	4	-	100%	14	14
Software and other intangible assets	9	(9)	-	-	-	-	-	-	-
Total	12,262	(4)	(304)	11,954	11,462	492	95.9%	10,245	10,188

Sub-programme: 2.6: Community Development Worker Programme									
Economic classification	2015/16							2014/15	
	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	54,642	(68)	(279)	54,295	52,624	1,671	96.9%	50,200	50,124
Compensation of employees	52,303	(68)	-	52,235	51,205	1,030	98.0%	47,566	47,515
Goods and services	2,339	-	(279)	2,060	1,419	641	68.9%	2,634	2,609
Transfers and subsidies	3,078	68	-	3,146	3,146	-	100%	3,048	3,030
Provinces and municipalities	3,060	-	-	3,060	3,060	-	100%	2,993	2,975
Households	18	68	-	86	86	-	100%	55	55
Payments for capital assets	265	-	(127)	138	138	-	100%	-	-
Machinery and equipment	265	-	(127)	138	138	-	100%	-	-
Payment for financial assets	-	-	-	-	-	-	-	57	57
Total	57,985	-	(406)	57,579	55,908	1,671	97.1%	53,305	53,211

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Programme 3: Development and Planning									
Sub programme	2015/16							2014/15	
	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	17,118	1,269	1,666	20,053	20,053	-	100%	11,196	11,196
2. Disaster Management	42,150	28	24	42,202	42,202	-	100%	26,522	26,462
3. Integrated Development Planning Co-ordination	8,514	(1,297)	-	7,217	7,216	1	100%	6,276	5,735
Total	67,782	-	1,690	69,472	69,471	1	100%	43,994	43,393

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	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	51,542	(3,731)	323	48,134	48,133	1	100%	42,418	41,817
Compensation of employees	28,943	(1,758)	-	27,185	27,184	1	100%	25,149	25,106
Salaries and wages	25,724	(1,433)	-	24,291	24,290	1	100%	22,701	22,658
Social contributions	3,219	(325)	-	2,894	2,894	-	100%	2,448	2,448
Goods and services	22,599	(1,973)	323	20,949	20,949	-	100%	17,269	16,711
Administrative fees	92	71	-	163	163	-	100%	75	62
Advertising	191	261	-	452	452	-	100%	32	1
Minor assets	552	(130)	-	422	422	-	100%	358	358
Catering: Departmental activities	574	89	-	663	663	-	100%	882	551
Communication (G&S)	302	(31)	-	271	271	-	100%	265	257
Computer services	377	(84)	-	293	293	-	100%	439	439
Consultants: Business and advisory services	5,002	(2,119)	-	2,883	2,883	-	100%	2,485	2,485
Contractors	9,165	730	24	9,919	9,919	-	100%	7,932	7,931
Agency and support / outsourced services	15	(1)	-	14	14	-	100%	-	-
Entertainment	10	(4)	-	6	6	-	100%	6	5
Fleet services (including government motor transport)	-	8	-	8	8	-	100%	-	-
Consumable supplies	255	(61)	-	194	194	-	100%	542	512
Consumable: Stationery, printing and office supplies	8	9	-	17	17	-	100%	12	12
Operating leases	213	(85)	-	128	128	-	100%	160	160
Property payments	244	512	-	756	756	-	100%	200	200
Travel and subsistence	2,444	(158)	288	2,574	2,574	-	100%	2,076	2,076
Training and development	1,436	(949)	-	487	487	-	100%	729	729
Operating payments	490	264	-	754	754	-	100%	311	311
Venues and facilities	1,226	(292)	11	945	945	-	100%	763	620
Rental and hiring	3	(3)	-	-	-	-	-	2	2
Transfers and subsidies	5,489	3,608	1,367	10,464	10,464	-	100%	882	882
Provinces and municipalities	4,607	3,246	1,367	9,220	9,220	-	100%	-	-
Municipalities	4,607	3,246	1,367	9,220	9,220	-	100%	-	-
Municipal bank accounts	4,607	3,246	1,367	9,220	9,220	-	100%	-	-
Departmental agencies and accounts	402	348	-	750	750	-	100%	375	375
Departmental agencies (non-business entities)	402	348	-	750	750	-	100%	375	375
Non-profit institutions	480	-	-	480	480	-	100%	375	375
Households	-	14	-	14	14	-	100%	132	132
Social benefits	-	14	-	14	14	-	100%	132	132
Payments for capital assets	10,751	123	-	10,874	10,874	-	100%	689	689
Machinery and equipment	10,751	123	-	10,874	10,874	-	100%	689	689
Transport equipment	10,000	16	-	10,016	10,016	-	100%	-	-
Other machinery and equipment	751	107	-	858	858	-	100%	689	689
Payment for financial assets	-	-	-	-	-	-	-	5	5
Total	67,782	-	1,690	69,472	69,471	1	100%	43,994	43,393

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Sub-programme: 3.1: Municipal Infrastructure									
Economic classification	2015/16							2014/15	
	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	13,811	(1,978)	299	12,132	12,132	-	100%	11,084	11,084
Compensation of employees	9,404	(488)	-	8,916	8,916	-	100%	8,789	8,789
Goods and services	4,407	(1,490)	299	3,216	3,216	-	100%	2,295	2,295
Transfers and subsidies	3,307	3,247	1,367	7,921	7,921	-	100%	112	112
Provinces and municipalities	3,307	3,246	1,367	7,920	7,920	-	100%	-	-
Households	-	1	-	1	1	-	100%	112	112
Total	17,118	1,269	1,666	20,053	20,053	-	100%	11,196	11,196

Sub-programme: 3.2: Disaster Management									
Economic classification	2015/16							2014/15	
	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	30,017	(443)	24	29,598	29,598	-	100%	25,070	25,010
Compensation of employees	14,043	(563)	-	13,480	13,480	-	100%	11,958	11,958
Goods and services	15,974	120	24	16,118	16,118	-	100%	13,112	13,052
Transfers and subsidies	1,382	348	-	1,730	1,730	-	100%	760	760
Provinces and municipalities	500	-	-	500	500	-	100%	-	-
Departmental agencies and accounts	402	348	-	750	750	-	100%	375	375
Non-profit institutions	480	-	-	480	480	-	100%	375	375
Households	-	-	-	-	-	-	-	10	10
Payments for capital assets	10,751	123	-	10,874	10,874	-	100%	689	689
Machinery and equipment	10,751	123	-	10,874	10,874	-	100%	689	689
Payment for financial assets	-	-	-	-	-	-	-	3	3
Total	42,150	28	24	42,202	42,202	-	100%	26,522	26,462

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Sub-programme: 3.3: Integrated Development Planning Co-ordination									
Economic classification	2015/16							2014/15	
	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	7,714	(1,310)	-	6,404	6,403	1	100%	6,264	5,723
Compensation of employees	5,496	(707)	-	4,789	4,788	1	100%	4,402	4,359
Goods and services	2,218	(603)	-	1,615	1,615	-	100%	1,862	1,364
Transfers and subsidies	800	13	-	813	813	-	100%	10	10
Provinces and municipalities	800	-	-	800	800	-	100%	-	-
Households	-	13	-	13	13	-	100%	10	10
Payment for financial assets	-	-	-	-	-	-	-	2	2
Total	8,514	(1,297)	-	7,217	7,216	1	100%	6,276	5,735

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APPROPRIATION STATEMENT for the year ended 31 March 2016

Programme 4: Traditional Institutional Management									
Sub programme	2015/16							2014/15	
	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	2015/16							2014/15	
	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	-

Sub-programme: 4.1: Traditional Institutional Administration									
Economic classification	2015/16							2014/15	
	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	-
Total	1	-	-	1	-	1	-	1	-

FINANCIAL INFORMATION

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2016

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
Per programme:	R'000	R'000	R'000	%
Administration	38,534	37,240	1,294	3.36%

The under-spending is mainly due to a compulsory saving on Compensation of Employees instituted by Provincial Treasury for the 2015/16 financial year.

Local Governance	110,365	106,309	4,056	3.68%
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The under-spending is mainly due to a compulsory saving on Compensation of Employees instituted by Provincial Treasury for the 2015/16 financial year, delays in finalising the establishment of the Community Development Workers Programme (CDW) offices, reprioritisation of funds for the Standard Operating System (SOP) project in lieu of the anticipated request for assistance with drought from municipalities as well as fewer claims received for Legal costs than anticipated.

Development and Planning	69,472	69,471	1	0%
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The underspending is on Compensation of Employees for the 2015/16 financial year.

FINANCIAL INFORMATION

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2016

4.2 Per economic classification

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
Per economic classification:	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	135,349	131,500	3,849	2.84%
Goods and services	46,979	45,476	1,503	3.20%
Transfers and subsidies				
Provinces and municipalities	18,365	18,365	-	-
Departmental agencies and accounts	751	751	-	-
Higher education institutions	250	250	-	-
Non-profit institutions	710	710	-	-
Households	694	694	-	-
Payments for capital assets				
Machinery and equipment	15,155	15,155	-	-
Software and other intangible assets	25	25	-	-
Payments for financial assets	94	94	-	-

The under-spending amounting to R3,849 million is mainly due to a compulsory saving on Compensation of Employees instituted by Provincial Treasury for the 2015/16 financial year.

The under-spending on goods and services is mainly due to reprioritisation of funds for the Standard Operating System (SOP) project in lieu of the anticipated request for assistance with drought from municipalities, delays in finalising the establishment of the Community Development Workers Programme (CDW) offices as well as fewer claims received for Legal costs than anticipated.

FINANCIAL INFORMATION

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
REVENUE			
Annual appropriation	1	218,372	199,130
Departmental revenue	2	386	621
TOTAL REVENUE		218,758	199,751
EXPENDITURE			
Current expenditure			
Compensation of employees	3	131,501	123,726
Goods and services	4	45,476	43,123
Interest and rent on land	5	-	3
Total current expenditure		176,977	166,852
Transfers and subsidies			
Transfers and subsidies	7	20,769	25,388
Total transfers and subsidies		20,769	25,388
Expenditure for capital assets			
Tangible assets	8	15,155	4,952
Intangible assets	8	25	94
Total expenditure for capital assets		15,180	5,046
Payments for financial assets	6	94	193
TOTAL EXPENDITURE		213,020	197,479
SURPLUS/(DEFICIT) FOR THE YEAR		5,738	2,272
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		5,352	1,651
Annual appropriation		5,352	1,651
Departmental revenue and NRF Receipts	13	386	621
SURPLUS/(DEFICIT) FOR THE YEAR		5,738	2,272

FINANCIAL INFORMATION

STATEMENT OF FINANCIAL POSITION as at 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
ASSETS			
Current Assets		5,393	1,835
Cash and cash equivalents	9	4,990	670
Prepayments and advances	10	3	813
Receivables	11	400	352
Non-Current Assets		4	8
Receivables	11	4	8
TOTAL ASSETS		5,397	1,843
LIABILITIES			
Current Liabilities		5,368	1,788
Voted funds to be surrendered to the Revenue Fund	12	5,352	1,651
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	16	6
Payables	14	-	131
TOTAL LIABILITIES		5,368	1,788
NET ASSETS		29	55
Represented by:			
Recoverable revenue		29	55
TOTAL		29	55

FINANCIAL INFORMATION

STATEMENT OF CHANGES IN NET ASSETS as at 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
NET ASSETS			
Recoverable revenue			
Opening balance		55	104
Transfers		(26)	(49)
Debts recovered (included in departmental receipts)		(86)	(80)
Debts raised		60	31
Closing balance		29	55
TOTAL		29	55

FINANCIAL INFORMATION

CASH FLOW STATEMENT for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
		218,693	199,777
Annual appropriated funds received	1.1	218,372	199,130
Departmental revenue received	2	318	643
Interest received	2.2	3	4
Net (increase)/ decrease in working capital		635	(605)
Surrendered to Revenue Fund		(2,077)	(4,149)
Current payments		(176,977)	(166,849)
Interest paid	5	-	(3)
Payments for financial assets		(94)	(193)
Transfers and subsidies paid		(20,769)	(25,388)
Net cash flow available from operating activities	15	19,411	2,590
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(15,180)	(5,046)
Proceeds from sale of capital assets	2.3	115	24
Net cash flows from investing activities		(15,065)	(5,022)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		(26)	(49)
Net cash flows from financing activities		(26)	(49)
Net increase/ (decrease) in cash and cash equivalents		4,320	(2,481)
Cash and cash equivalents at beginning of period		670	3,151
Cash and cash equivalents at end of period	16	4,990	670

FINANCIAL INFORMATION

ACCOUNTING POLICIES for the year ended 31 March 2016

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 (MCS).

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment/receipt.

6 Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

FINANCIAL INFORMATION

ACCOUNTING POLICIES for the year ended 31 March 2016

7. Revenue

7.1 Appropriated funds

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

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

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

7.2 Departmental revenue

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

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

7.3 Accrued departmental revenue

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

FINANCIAL INFORMATION

ACCOUNTING POLICIES for the year ended 31 March 2016

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)

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

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

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.

Biological assets are subsequently carried at fair value.

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

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.

FINANCIAL INFORMATION

ACCOUNTING POLICIES for the year ended 31 March 2016

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:

ACCOUNTING POLICIES for the year ended 31 March 2016

- 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.

FINANCIAL INFORMATION

ACCOUNTING POLICIES for the year ended 31 March 2016

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

This 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 within the Minister's portfolio 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.

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

1. Appropriation

1.1 Annual Appropriation

Programmes	2015/16			2014/15	
	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	38,534	38,627	(93)	(978)	38,783
Local Governance	110,365	111,962	(1,597)	1,280	116,050
Development and Planning	69,472	67,782	1,690	(302)	44,296
Traditional Institutional Management	1	1	-	-	1
Total	218,372	218,372	-	-	199,130

2.

	Note	2015/16 R'000	2014/15 R'000
Departmental Revenue			
Sales of goods and services other than capital assets	2.1	80	88
Interest, dividends and rent on land	2.2	3	4
Sales of capital assets	2.3	115	24
Transactions in financial assets and liabilities	2,4	238	555
Total revenue collected		436	671
Less: Own revenue included in appropriation	13	50	50
Departmental revenue collected		386	621

Sales of capital assets is from disposals of redundant/obsolete equipment sold to staff.

2.1

Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		79	76
Other sales		79	76
Sales of scrap, waste and other used current goods		1	12
Total		80	88

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
2.2 Interest, dividends and rent on land	2		
Interest		3	4
Total		3	4

2.3 Sales of capital assets	2		
Tangible assets		115	24
Machinery and equipment	26	115	24
Total		115	24

2.4 Transactions in financial assets and liabilities	2		
Other Receipts including Recoverable Revenue		238	555
Total		238	555

3. Compensation of Employees			
3.1 Salaries and wages			
Basic salary		90,105	85,908
Performance award		1,767	1,952
Service Based		18	45
Compensative/circumstantial		4,214	3,424
Periodic payments		132	-
Other non-pensionable allowances		17,303	16,463
Total		113,539	107,792

The increase is due to permanent appointments.

3.2 Social Contributions			
Employer contributions			
Pension		11,184	10,570
Medical		6,751	5,338
Bargaining council		27	26
Total		17,962	15,934
Total compensation of employees		131,501	123,726
Average number of employees		396	382

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
4, Goods and services			
Administrative fees		697	502
Advertising		2,159	1,246
Minor assets	4.1	591	769
Bursaries (employees)		238	283
Catering		1,461	1,373
Communication		977	1,143
Computer services	4.2	1,223	965
Consultants: Business and advisory services		6,330	8,621
Legal services		555	892
Contractors		10,014	8,019
Agency and support / outsourced services		637	187
Entertainment		24	22
Audit cost - external	4.3	2,660	2,701
Fleet services		2,428	1,859
Consumables	4.4	1,163	1,733
Operating leases		489	523
Property payments	4.5	783	208
Rental and hiring		325	260
Transport provided as part of the departmental activities		209	159
Travel and subsistence	4.6	6,432	6,355
Venues and facilities		1,836	2,203
Training and development		2,162	1,735
Other operating expenditure	4.7	2,083	1,365
Total		45,476	43,123

Administrative fees include travel agency fees (R460 655.64)

Advertising fees include Water Savings Campaign (R403 811.35) and Fire Awareness Radio Campaign (349 371.35).

Catering includes catering for the CBP Training (R111 272.00)

Contractors include fire fighting services (R9 678 931.57)

Agency and support includes assistance of acting Chief Financial Officer for Oudtshoorn Municipality (R397 320.06) and Barrett Survey (R60 345.60)

Fleet Services: Additional vehicles were delivered which incur daily tariffs and kilometre costs.

Training and development includes Commercial Mediation Training (R522 000)

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
4.1			
Minor assets	4		
Tangible assets		591	769
Machinery and equipment		591	769
Total		591	769
4.2			
Computer services	4		
SITA computer services		423	850
External computer service providers		800	115
Total		1,223	965
<p>Included in computer services is Incident command systems toolkit phase 2 (R151 700) and the appointment of a service provider to implement a predefined municipal website platform and content management system (CMS) for various municipalities (R648 044).</p>			
4.3			
Audit cost - external	4		
Regularity audits		2,660	2,701
Total		2,660	2,701
4.4			
Consumables	4		
Consumable supplies		253	813
Uniform and clothing		15	231
Household supplies		75	91
Building material and supplies		125	220
Communication accessories		-	6
IT consumables		21	128
Other consumables		17	137
Stationery, printing and office supplies		910	920
Total		1,163	1,733
4.5			
Property payments	4		
Municipal services		2	1
Other		781	207
Total		783	208
<p>Included is fire protection (R495 000) and Security Services (R269 933).</p>			

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
4.6 Travel and subsistence	4		
Local		6,202	6,146
Foreign		230	209
Total		6,432	6,355

4.7 Other operating expenditure	4		
Professional bodies, membership and subscription fees		7	8
Resettlement costs		47	84
Other		2,029	1,273
Total		2,083	1,365

Included in other operating expenditure:

Branded Local Government Law library box set (R419 736)

Printing of educational flipcharts and posters (R324 711), Anti-corruption booklets (R98 174), and Ward Committee Resources (R143 841).

5. Interest and Rent on Land			
Interest paid		-	3
Total		-	3

6. Payments for financial assets			
Other material losses written off	6.1	38	167
Debts written off	6.2	56	26
Total		94	193

Included in other material losses are 13 damages to vehicles and one asset written off.

6.1 Other material losses written off	6		
Nature of losses			
GG vehicle damage		27	138
Equipment		6	29
Overpayment to supplier		5	-
Total		38	167

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
6.2 Debts written off	6		
Nature of debts written off			
Other debt written off			
Clearance Certificates		-	3
GG Vehicles		3	-
Equipment		44	23
Salary overpayments		9	-
Total debt written off		56	26

7. Transfers and Subsidies			
Provinces and municipalities	29	18,365	23,441
Departmental agencies and accounts	Annexure 1A	751	379
Higher education institutions	Annexure 1B	250	200
Non-profit institutions	Annexure 1C	710	593
Households	Annexure 1D	694	775
Total		20,770	25,388

8. Expenditure for capital assets			
Tangible assets		15,155	4,952
Machinery and equipment	26	15,155	4,952
Intangible assets	27	25	94
Software		25	94
Total		15,180	5,046

Included in additions is a prepayment for fire trucks purchased (R10 000 000).

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

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
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

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

8.2 Analysis of funds utilised to acquire capital assets - 2014/15

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	4,952	-	4,952
Machinery and equipment	4,952	-	4,952
Intangible assets	94	-	94
Software	94	-	94
Total	5,046	-	5,046

8.3

	Note	2015/16 R'000	2014/15 R'000
Finance lease expenditure included in Expenditure for capital assets			
Tangible assets		-	-
Machinery and equipment		2,560	1,640
Total		2,560	1,640

The increase is due to the increase in number of vehicles and daily tariffs.

9.

Cash and Cash Equivalents			
Consolidated Paymaster General Account		4,970	650
Cash on hand		20	20
Total		4,990	670

Included in the amount are unspent funds

10.

Prepayments and Advances			
Travel and subsistence		3	21
Prepayments (Not expensed)	10.1	-	792
Total		3	813

10.1

Prepayments (Not expensed)			
Goods and services		-	127
Capital assets		-	665
Total		-	792

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
10.2 Prepayments (Expensed)			
Capital assets		10,000	-
Total		10,000	-

The department expensed the payment for fire trucks as it was budgeted for and is material.

	Note	2015/16			2014/15		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
11. Receivables							
Claims recoverable	11.1	151	-	151	124	-	124
Recoverable expenditure	11.2	84	-	84	118	-	118
Staff debt	11.3	153	4	157	110	8	118
Other debtors	11.4	12	-	12	-	-	-
Total		400	4	404	352	8	360

	Note	2015/16 R'000	2014/15 R'000
11.1 Claims recoverable	11		
National departments		-	124
Provincial departments		151	-
Total		151	124

	Note	2015/16 R'000	2014/15 R'000
11.2 Recoverable expenditure (disallowance accounts)	11		
Damages: GG vehicles		71	90
Theft: Laptops		13	13
Overpayment of supplier		-	5
Theft: Equipment		-	5
Salary Reversal:CA		-	5
Total		84	118

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
11.3 Staff debt	11		
Bursaries		9	13
Leave without pay		38	-
Income Tax		2	7
Telephone		-	4
Salary		108	24
Recovery of assets		-	41
Other		-	29
Total		157	118

11.4 Other debtors	11		
Pension Recoverable		12	-
Total		12	-

11.5 Fruitless and wasteful expenditure	11		
Opening balance		-	2
Less amounts recovered		-	(2)
Total		-	-

11.6 Impairment of receivables			
Estimate of impairment of receivables		156	169
Total		156	169

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.

12. Voted Funds to be Surrendered to the Revenue Fund			
Opening balance		1,651	3,486
Transfer from statement of financial performance (as restated)		5,352	1,651
Paid during the year		(1,651)	(3,486)
Closing balance		5,352	1,651

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		6	(2)
Transfer from Statement of Financial Performance (as restated)		386	621
Own revenue included in appropriation		50	50
Paid during the year		(426)	(663)
Closing balance		16	6
14. Payables - current			
Clearing accounts	14.1	-	118
Other payables	14.2	-	13
Total		-	131
14.1 Clearing accounts	14		
Sal: Pension Fund: CL		-	5
Sal: Income Tax: CL		-	113
Total		-	118
14.2 Other payables	14		
Disallowance Miscellaneous		-	13
Total		-	13
15. Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		5,738	2,272
Add back non cash/cash movements not deemed operating activities		13,673	318
(Increase)/decrease in receivables - current		(44)	53
(Increase)/decrease in prepayments and advances		810	(783)
Increase/(decrease) in payables - current		(131)	125
Proceeds from sale of capital assets		(115)	(24)
Expenditure on capital assets		15,180	5,046
Surrenders to Revenue Fund		(2,077)	(4,149)
Own revenue included in appropriation		50	50
Net cash flow generated by operating activities		19,411	2,590

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
16. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		4,970	650
Cash on hand		20	20
Total		4,990	670

17. Contingent liabilities and contingent assets			
17.1 Contingent liabilities			
Liable to	Nature		
Intergovernmental payables (unconfirmed balances)	Annex 3	-	6
Total		-	6

17.2 Contingent assets	
<p>The Department of the Premier (Corporate Services Centre) monitored the twelve stockpiled PILIR cases with Metropolitan.</p> <p>All twelve cases were approved by 31 March 2016.</p>	

18. Commitments			
Current Expenditure			
Approved and contracted		1,349	1,880
		1,349	1,880
Capital Expenditure			
Approved and contracted		12	30
		12	30
Total Commitments		1,361	1,910

Pronto Security (R78 000) and Distinctive Choice (R204 646) are commitments for security services that are longer than one year.

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

			2015/16 R'000	2014/15 R'000
	30 days	30+ days	Total	Total
19. Accruals and payables not recognised				
19.1 Accruals				
Listed by economic classification				
Goods and services	633	-	633	1,610
Capital assets	10	-	10	8
Other	124	-	124	122
Total	767	-	767	1,740

	Note	2015/16 R'000	2014/15 R'000
Listed by programme level			
Programme 1: Administration		190	862
Programme 2: Local Governance		400	701
Programme 3: Development and Planning		177	177
Total		767	1,740

			2015/16 R'000	2014/15 R'000
	30 days	30+ days	Total	Total
19.2 Payables not recognised				
Listed by economic classification				
Goods and services	50	-	50	-
Other	137	-	137	-
Total	187	-	187	-

	Note	2015/16 R'000	2014/15 R'000
Listed by programme level			
Programme 1: Administration		16	-
Programme 2: Local Governance		89	-
Programme 3: Development and Planning		82	-
Total		187	-

Included in the above totals are the following:			
Confirmed balances with departments	Annex 3	-	379
Total		-	379

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
20. Employee benefits			
Leave entitlement		3,284	3,417
Service bonus (Thirteenth cheque)		3,488	3,276
Performance awards		2,126	2,173
Capped leave commitments		1,162	1,350
Other		46	18
Total		10,106	10,234

Leave with negative balances amounting to R190 038.78 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.

21 Lease commitments

21.1 Operating leases expenditure

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

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2014/15					
Not later than 1 year	-	-	-	432	432
Later than 1 year and not later than 5 years	-	-	-	633	633
Total lease commitments	-	-	-	1,065	1,065

Operating leases are for photocopy machines

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

21.2 Finance leases expenditure

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2015/16					
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

	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2014/15					
Not later than 1 year	-	-	-	1,635	1,635
Later than 1 year and not later than 5 years	-	-	-	5,210	5,210
Later than five years	-	-	-	150	150
Total lease commitments	-	-	-	6,995	6,995

The Department of Local Government leased 38 vehicles from GMT as at 31 March 2016 (March 2015: 34).

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.

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
22. Irregular expenditure			
22.1 Reconciliation of irregular expenditure			
Opening balance		63	310
Add: Irregular expenditure - relating to current year		-	63
Less: Amounts not condoned and not recoverable		-	(310)
Irregular expenditure awaiting condonation		63	63
Analysis of awaiting condonation per age classification			
Prior years		63	-
Total		63	-

The opening balance comprises of two cases

- Non compliance to cost containment measures
- Incorrect service provider captured at the winning supplier

	2015/16 R'000
22.2 Details of irregular expenditure under investigation (not included in the main note)	
Incident	
Possible non compliance to Supply Chain Procedures	2
Total	2

	Note	2015/16 R'000	2014/15 R'000
23. Fruitless and wasteful expenditure			
23.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		2	5
Less: Amounts resolved		(1)	(3)
Closing balance		1	2
23.2 Analysis of awaiting resolution per economic classification			
Current		1	2
Total		1	2

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

		2015/16
		R'000
23.3	Details of fruitless and wasteful expenditure under investigation (not in the main note)	
	Incident	
	Training non attendance	4
	Total	4

24 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 services 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.

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

	No. of Individuals	2015/16 R'000	2014/15 R'000
25. Key management personnel			
Officials:			
Level 15 to 16	2	2,402	1,553
Level 14 (incl CFO if at a lower level)	7	4,439	4,084
Total		6,841	5,637

During the financial year, the appointed 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 Palse was appointed as acting Head of Department as of 1 August 2015
- Mr M Brewis and Ms E Barnard were appointed as acting Chief Director
- Mr T Arendse was appointed as relief Chief Financial Officer.

26. Movable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	19,790	-	4,420	2,693	21,517
Transport assets	4,744	-	2,459	1,221	5,982
Computer equipment	9,104	-	966	1,248	8,822
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	-	4,420	2,693	21,517

The Department expensed the prepayment of R10 million for the purchase of 10 fire-trucks which will only be delivered in the 2016/17 financial year. This has resulted in a difference between the cost of the capital expenditure and the cash in the 2016/17 financial year. This has resulted in a difference between the cost of the capital expenditure and the cash addition in the asset note.

	Number	Value R'000
Movable Tangible Capital Assets under investigation		
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	153	1,590

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

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

26.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash R'000	Non-cash R'000	(Capital work- in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
MACHINERY AND EQUIPMENT	4,493	2,487	(2,560)	-	4,420
Transport assets	2,280	2,459	(2,280)	-	2,459
Computer equipment	966	-	-	-	966
Furniture and office equipment	85	28	-	-	113
Other machinery and equipment	1,162	-	(280)	-	882
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	4,493	2,487	(2,560)	-	4,420

An amount of R10 000 000 for the purchasing of fire trucks has been classified as prepayments expensed and therefore not included in the additions column of the asset register for Transport assets above. R662 000 for vehicles purchased in 2014/15 were delivered in 2015/16 and are classified as non cash additions

26.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash received Actual R'000
MACHINERY AND EQUIPMENT	1,130	1,563	2,693	114
Transport assets	-	1,221	1,221	-
Computer equipment	1,130	118	1,248	114
Furniture and office equipment	-	224	224	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	1,130	1,563	2,693	114

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

26.3 Movement for 2014/15

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

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	16,769	(10)	3,906	875	19,790
Transport assets	4,289	-	868	413	4,744
Computer equipment	7,624	(10)	1,880	390	9,104
Furniture and office equipment	3,399	-	263	5	3,657
Other machinery and equipment	1,457	-	895	67	2,285
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	16,769	(10)	3,906	875	19,790

26.3.1

Prior period error

Nature of prior period error

Relating to 2015/16 (affecting the opening balance)

Duplication of asset in asset register

Total

Note

2014/15
R'000

28

(10)

(10)

(10)

26.4 Minor assets

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	4,056	-	4,056
Additions	-	-	-	2,559	-	2,559
Disposals	-	-	-	961	-	961
TOTAL MINOR ASSETS	-	-	-	5,654	-	5,654

	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

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	189	315

Assets not presented for verification during the annual asset verification.

Minor assets

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	3,387	-	3,387
Prior period error	-	-	-	(7)	-	(7)
Additions	-	-	-	841	-	841
Disposals	-	-	-	165	-	165
TOTAL MINOR ASSETS	-	-	-	4,056	-	4,056

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	1,405	-	1,405
TOTAL NUMBER OF MINOR ASSETS	-	-	-	1,405	-	1,405

Assets to the value of R71 670.66 were received in 2014/15 and paid in 2015/16 financial year.

	Note	2014/15 R'000
26.4.1 Prior period error	28	
Nature of prior period error		
Relating to 2015/16 (affecting the opening balance)		(7)
Duplication of asset in asset register		(7)
Total		(7)

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

26.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2016

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	79	-	79
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	79	-	79

27. Intangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	466	-	15	-	481
TOTAL INTANGIBLE CAPITAL ASSETS	466	-	15	-	481

27.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash R'000	Non-cash R'000	(Development work-in-progress current costs) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
SOFTWARE	25	-	-	(10)	15
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	25	-	-	(10)	15

27.2 Movement for 2014/15

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

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	362	-	104	-	466
TOTAL INTANGIBLE CAPITAL ASSETS	362	-	104	-	466

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

		2014/15 R'000
28	Prior period error	
28.1	Correction of prior period errors	
	Expenditure	
	Movable tangible assets	(10)
	Minor assets	(7)
	Net effect	(17)

Duplication of assets in asset register.

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

29. Statement of Conditional Grants and other transfers to municipalities

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			2014/15
	Division of Revenue Act	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	-	234	-	-	234	234	-	-	192
Bergrivier	-	36	-	-	36	36	-	-	35
Bitou	-	18	-	-	18	18	-	-	35
Breede Valley	-	90	-	-	90	90	-	-	88
Cape Agulhas	-	54	-	-	54	54	-	-	52
Cape Winelands District Municipality	-	72	-	-	72	72	-	-	70
Cederberg	-	162	-	-	162	162	-	-	157
City of Cape Town	-	1,080	-	-	1,080	1,080	-	-	1,032
Drakenstein	-	108	-	-	108	108	-	-	105
George	-	90	-	-	90	90	-	-	87
Kannaland	-	108	-	-	108	108	-	-	105
Knysna	-	54	-	-	54	54	-	-	53
Laingsburg	-	72	-	-	72	72	-	-	70
Matzikama	-	144	-	-	144	144	-	-	140
Mossel Bay	-	72	-	-	72	72	-	-	70
Oudtshoorn	-	72	-	-	72	72	-	-	70
Overberg District Municipality	-	72	-	-	72	72	-	-	66
Overstrand	-	72	-	-	72	72	-	-	70
Prince Albert	-	72	-	-	72	72	-	-	70
Saldanha Bay	-	36	-	-	36	36	-	-	35
Stellenbosch	-	54	-	-	54	54	-	-	52
Swartland	-	36	-	-	36	36	-	-	59
Theewaterskloof	-	108	-	-	108	108	-	-	122
Witzenberg	-	144	-	-	144	144	-	-	140

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

29. Statement of Conditional Grants and other transfers to municipalities ...continued

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			2014/15
	Division of Revenue Act	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	-	-	100	100	-	-	222
Bitou	-	100	-	-	100	100	-	-	-
Breedee Valley	-	100	-	-	100	100	-	-	222
Cape Agulhas	-	211	-	-	211	211	-	-	222
George	-	100	-	-	100	100	-	-	218
Hessequa	-	100	-	-	100	100	-	-	-
Kannaland	-	362	-	-	362	362	-	-	-
Langeberg	-	200	-	-	200	200	-	-	222
Matzikama	-	200	-	-	200	200	-	-	-
Mossel Bay	-	211	-	-	211	211	-	-	222
Overstrand	-	200	-	-	200	200	-	-	-
Prince Albert	-	211	-	-	211	211	-	-	222
Saldanha Bay	-	100	-	-	100	100	-	-	-
Swartland	-	100	-	-	100	100	-	-	222
Swellendam	-	100	-	-	100	100	-	-	222
Theewaterskloof	-	312	-	-	312	312	-	-	-
Witzenberg	-	211	-	-	211	211	-	-	222
IDP Hands-on support									
Beaufort West	-	-	-	-	-	-	-	-	200
Cape Winelands District Municipality	-	-	-	-	-	-	-	-	200
Cederberg	-	-	-	-	-	-	-	-	200
Central Karoo District Municipality	-	200	-	-	200	200	-	-	-
Kannaland	-	-	-	-	-	-	-	-	200
Laingsburg	-	200	-	-	200	200	-	-	-
Matzikama	-	200	-	-	200	200	-	-	-
Prince Albert	-	200	-	-	200	200	-	-	-
Swellendam	-	-	-	-	-	-	-	-	200

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

29. Statement of Conditional Grants and other transfers to municipalities ...continued

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			2014/15
	Division of Revenue Act	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 Infrastructure Support Grant									
Beaufort West	-	100	-	450	550	550	-	-	500
Bergriver	-	-	-	-	-	-	-	-	1,745
Bitou	-	-	-	-	-	-	-	-	1,000
Cederberg	-	-	-	-	-	-	-	-	750
Cape Agulhas	-	300	-	-	300	300	-	-	-
George	-	-	-	500	500	500	-	-	-
Hessequa	-	300	-	-	300	300	-	-	-
Kannaland	-	600	-	290	890	890	-	-	1,850
Laingsburg	-	470	-	-	470	470	-	-	2,000
Matzikama	-	300	-	-	300	300	-	-	250
Oudtshoorn	-	1,000	-	1,470	2,470	2,470	-	-	207
Prince Albert	-	237	-	750	987	987	-	-	1,200
Swellendam	-	-	-	-	-	-	-	-	1,000
Theewaterskloof	-	-	-	-	-	-	-	-	1,018
Witzenberg	-	-	-	1,153	1,153	1,153	-	-	730
Municipal Performance Management Grant									
Beaufort West	-	-	-	-	-	-	-	-	200
Bergrivier	-	200	-	-	200	200	-	-	-
Cape Winelands District Municipality	-	200	-	-	200	200	-	-	50
Central Karoo District Municipality	-	120	-	-	120	120	-	-	50
Eden District Municipality	-	-	-	-	-	-	-	-	50
Matzikama	-	-	-	-	-	-	-	-	100
Oudtshoorn	-	-	-	-	-	-	-	-	200
Overberg	-	-	-	-	-	-	-	-	50
Prince Albert	-	-	-	-	-	-	-	-	150
Swellendam	-	-	-	-	-	-	-	-	100
West Coast	-	-	-	-	-	-	-	-	50

FINANCIAL INFORMATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

29. Statement of Conditional Grants and other transfers to municipalities ...continued

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER			2014/15
	Division of Revenue Act	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 Capacity Building Grant									
Beaufort West	-	250	-	-	250	250	-	-	500
Cape Agulhas	-	-	-	-	-	-	-	-	500
Cederberg	-	500	-	-	500	500	-	-	-
Central Karoo District Municipality	-	-	-	-	-	-	-	-	1,000
Hessequa	-	267	-	-	267	267	-	-	500
Kannaland	-	250	-	-	250	250	-	-	-
Langeberg	-	-	-	-	-	-	-	-	500
Matzikama	-	-	-	-	-	-	-	-	500
Overberg District Municipality	-	200	-	-	200	200	-	-	500
Oudtshoorn	-	500	-	-	500	500	-	-	-
Theewaterskloof	-	500	-	-	500	500	-	-	-
West Coast District Municipality	-	180	-	-	180	180	-	-	-
Fire Service Capacity Building Grant									
Central Karoo District Municipality	-	500	-	-	500	500	-	-	-
Total	-	13,752	-	4,613	18,365	18,365	-	-	23,441

FINANCIAL INFORMATION

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION			Total Available	TRANSFER		2014/15
	Adjusted appropriation	Roll Overs	Adjustments		Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000		R'000	%	R'000
NSRI (National Sea Rescue Institute)	400	-	-	400	400	100%	375
SABC	4	-	(3)	1	1	100%	4
CapeNature	-	-	350	350	350	100%	-
Total	404	-	347	751	751	100%	379

ANNEXURE 1B

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

INSTITUTION NAME	TRANSFER ALLOCATION			Total Available	TRANSFER			2014/15
	Adjusted appropriation	Roll Overs	Adjustments		Actual Transfer	Amount not transferred	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000		R'000	R'000	%	R'000
Stellenbosch University	-	-	250	250	250	-	100%	200
Total	-	-	250	250	250	-	100%	200

FINANCIAL INFORMATION

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

ANNEXURE 1C

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			Total Available	EXPENDITURE		2014/15
	Adjusted appropriation	Roll Overs	Adjustments		Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000		R'000	%	R'000
Transfers							
NGO's: Thusong centre management	230	-	-	230	230	100%	218
Lifesaving SA	400	-	-	400	400	100%	375
Disaster Management Institution of South Africa (DMISA)	80	-	-	80	80	100%	-
Total	710	-	-	710	710	100%	593

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			Total Available	EXPENDITURE		2014/15
	Adjusted appropriation	Roll Overs	Adjustments		Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000		R'000	%	R'000
Transfers							
Leave gratuities	498	-	181	679	679	100%	774
Injury on duty	-	-	15	15	15	100%	1
Total	498	-	196	694	694	100%	775

FINANCIAL INFORMATION

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	Nature of gift, donation or sponsorship	2015/16	2014/15
		R'000	R'000
Received in cash			
Santam	Sponsorship towards fire awareness radio campaign	-	350
Total		-	350

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	2015/16	2014/15
	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	-
Intshayeleso Primary	33	-
TOTAL	420	-

FINANCIAL INFORMATION

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2016

ANNEXURE 2

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2015/16*	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Receipt date up to six (6) working days after year end	Amount
DEPARTMENTS	R'000	R'000	R'000	R'000	R'000	R'000		R'000
KZN: Co-operative Governance and Traditional Affairs	-	73	-	-	-	73	-	-
Home Affairs	-	51	-	-	-	51	-	-
WC: Health	13	-	-	-	13	-	-	-
WC: Transport and Public Works	92	-	-	-	92	-	-	-
Government Motor Transport	46	-	-	-	46	-	-	-
Total	151	124	-	-	151	124	-	-

ANNEXURE 3

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2015/16*	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Receipt date up to six (6) working days after year end	Amount
DEPARTMENTS	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Current								
Government Motor Transport	-	341	-	6	-	347	-	-
WC: Premier	-	25	-	-	-	25	-	-
WC: Agriculture	-	13	-	-	-	13	-	-
Total Intergovernmental	-	379	-	6	-	385	-	-

Western Cape Government: Local Government

Private Bag x9076, 80 St. George's Mall, Waldorf Building,
Cape Town, 8000

Tel: 021 483 8986

Fax: 021 483 0632

www.westerncape.gov.za

Afrikaans and isiXhosa versions of this publication are available on request.
Email: Albert.Dlwengu@westerncape.gov.za



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