



Western Cape  
Government  
**FOR YOU**



**2024  
2025**

Department of Local Government

**Annual Report**  
2024-2025



# **Annual Report**

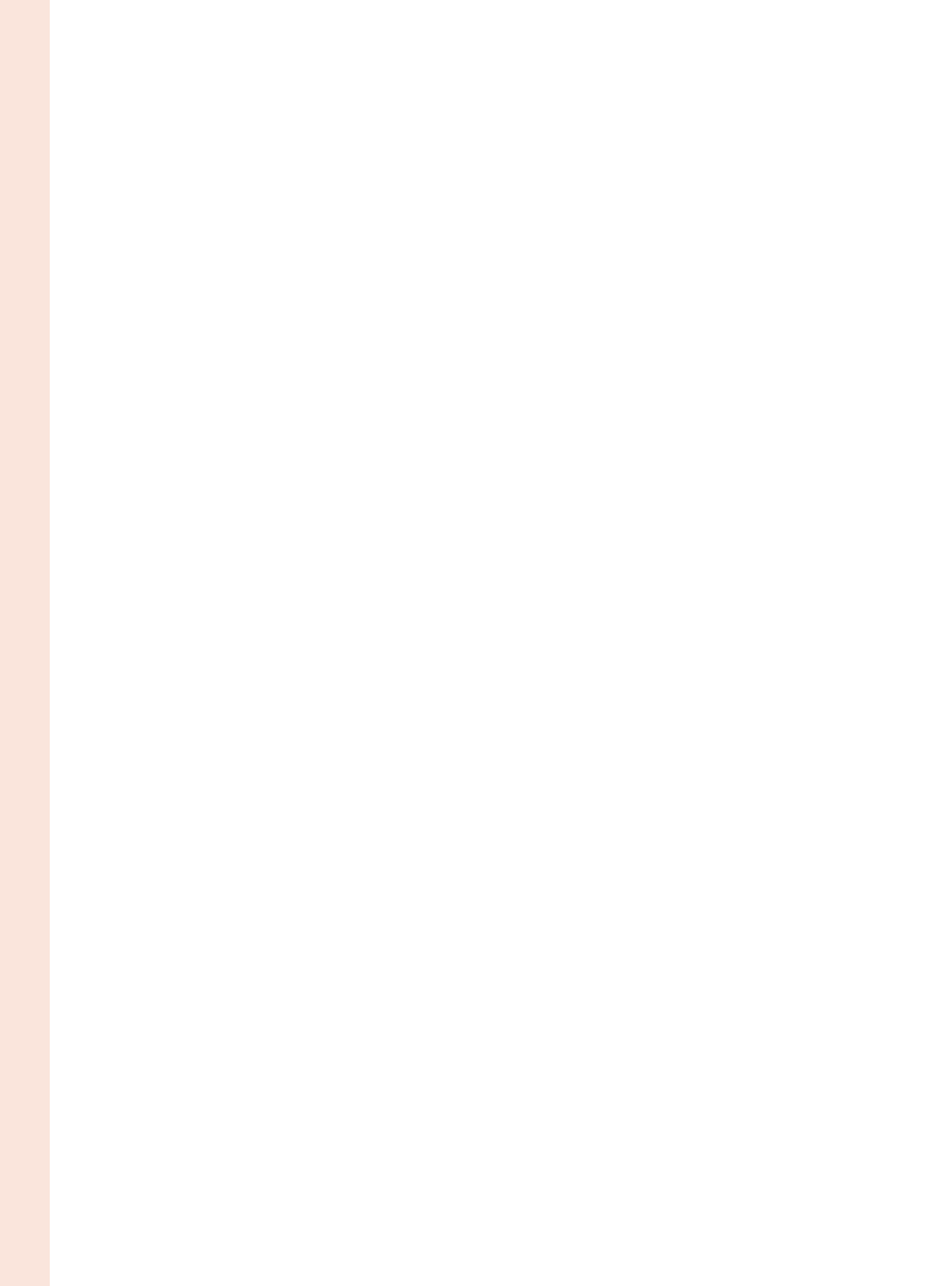
2024-2025

Western Cape Government  
Department of Local Government

Vote 14

<b>PART A - GENERAL INFORMATION</b>	<b>5</b>
1. Department's General Information	6
2. Abbreviations	7
3. Minister's Foreword	10
4. Accounting Officer Overview	12
5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report	16
6. Strategic Overview	17
6.1. Vision	17
6.2. Mission	17
6.3. Values	17
6.4. Legislative and Other Mandates	17
6.4.1 Constitutional Mandates	17
6.4.2 Legislative Mandates	17
6.4.3 Other Local Government Legislation	20
6.4.4 Transversal Legislation	20
6.4.5 Local Government Policy Mandates	20
6.4.6 Other Policy Mandates	20
6.5. Organisational Structure	22
<b>PART B - PERFORMANCE INFORMATION</b>	<b>23</b>
1. Auditor-General's Report: Predetermined Objectives	24
2. Overview of Departmental Performance	24
2.1. Service Delivery Environment	24
2.2. Service Delivery Improvement Plan	27
2.3. Organisational Environment	34
2.4. Key Policy Developments and Legislative Changes	35
3. Progress towards Achievement of Institutional Impacts and Outcomes	35
4. Institutional Programme Performance Information	37
4.1. Programme 1: Administration	37
4.2. Programme 2: Local Governance	38
4.3. Programme 3: Development and Planning	54
4.4. Transfer Payments	63
4.5. Conditional Grants and Earmarked Funds Received	72
4.6. Conditional Grants and Earmarked Funds Paid	78
4.7. Donor Funds	78
4.8. Capital Investment, Maintenance and Asset Management Plan	78
<b>PART C - GOVERNANCE</b>	<b>79</b>
1. Introduction	80
2. Risk Management	80
3. Fraud and Corruption	83
4. Internal Audit and Audit Committees	84
5. Minimising Conflict of Interest	88
6. Code of Conduct	88
7. Health Safety and Environmental Issues	89
8. Scopa Resolutions	89
9. Prior modifications to audit reports	90
10. Internal Control Unit	90
11. B-BBEE Compliance Performance Information	91

<b>PART D - HUMAN RESOURCE MANAGEMENT</b>	<b>93</b>
1. Introduction	94
2. Status Of People Management At The Department	94
2.1. Departmental Workforce Planning Priorities	94
2.2. Employee Performance Management	95
2.3. Employee Wellness	95
2.4. People Management Monitoring	95
3.. People Management Oversight Statistics	96
3.1. Personnel Related Expenditure	96
3.2. Employment and Vacancies	99
3.3. Job Evaluation	100
3.4. Employment Changes	101
3.5. Employment Equity	105
3.6. Signing of Performance Agreements by SMS Members	111
3.7. Filling of SMS Posts	112
3.8. Employee Performance	114
3.9. Foreign Workers	116
3.10. Leave Utilisation for the Period 1 January 2024 to 31 December 2024	117
3.11. Health Promotion Programmes, including HIV & AIDS	119
3.12. Labour Relations	122
3.13. Skills Development	124
3.14. Injury on Duty	126
3.15. Utilisation of Consultants	127
<b>PART E - PFMA COMPLIANCE REPORT</b>	<b>131</b>
1. Irregular Expenditure	132
2. Fruitless and Wasteful Expenditure	134
3. Unauthorised Expenditure	135
4. Late and/or Non-payment of Suppliers	137
5. Information on Supply Chain Management	137
<b>PART F - FINANCIAL INFORMATION</b>	<b>139</b>
Report of the Accounting Officer	141
Audit Committee's Report	144
Auditor-General's Report	145
Appropriation Statement	151
Notes to the Appropriation Statement	158
Statement of Financial Performance	160
Statement of Financial Position	161
Statement of Changes in Nett Assets	162
Cash Flow Statement	163
Notes to the Annual Financial Statements	164
Annexures to the Annual Financial Statements	195





PART  
**A**

# GENERAL INFORMATION

## 1. DEPARTMENT'S GENERAL INFORMATION

Western Cape Government: Local Government

Private Bag X9076  
80 St. George's Mall  
Waldorf Building  
Cape Town  
8 000

Tel: 021 483 8986

Fax: 021 483 0632

Albert.Dlwengu@westerncape.gov.za

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

## 1. ABBREVIATIONS

<b>AGSA:</b>	Auditor-General of South Africa
<b>AO:</b>	Accounting Officer
<b>AoPO</b>	Audit of Predetermined Objectives
<b>AR:</b>	Annual Report
<b>BAS:</b>	Basic Accounting System
<b>CAE:</b>	Chief Audit Executive
<b>CDW:</b>	Community Development Worker
<b>CoCT:</b>	City of Cape Town
<b>CSC:</b>	Corporate Service Centre
<b>CoE:</b>	Compensation of Employees
<b>CoSS:</b>	Cost of Supply Studies
<b>CWP:</b>	Community Work Programme
<b>D: ERM:</b>	Directorate: Enterprise Risk Management
<b>DCF:</b>	District Co-ordinating Forum
<b>DCFTECH:</b>	District Co-ordinating Forum Technical Committee
<b>DCOG:</b>	Department of Co-operative Governance
<b>DDG:</b>	Deputy Director General
<b>DEADP:</b>	Department of Environmental Affairs and Development Planning
<b>DLG:</b>	Department of Local Government
<b>DM:</b>	District Municipality
<b>DORA:</b>	Division of Revenue Act
<b>DotP</b>	Department of the Premier
<b>DPME:</b>	Department of Monitoring and Evaluation
<b>DPSA:</b>	Department of Public Service and Administration
<b>DRAP:</b>	Drought Recovery Action Plan
<b>DSD:</b>	Department of Social Development
<b>EAP:</b>	Employee Assistance Programme
<b>EE:</b>	Employment Equity
<b>EHP:</b>	Emergency Housing Programme
<b>EHWP:</b>	Employee Health and Wellness Programme
<b>ERM:</b>	Enterprise Risk Management
<b>ERMCO:</b>	Enterprise Risk Management Committee
<b>GCIS:</b>	Government Communications and Information Services
<b>GRPBMEAF:</b>	Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework 2023
<b>HAT:</b>	High Altitude Training
<b>HCT:</b>	HIV & AIDS Counselling and Testing
<b>HDI:</b>	Historically Disadvantaged Individuals
<b>HIV/AIDS:</b>	Human Immunodeficiency Virus /Acquired Immune Deficiency Syndrome
<b>HR:</b>	Human Resources

<b>IAF:</b>	Internal Audit Function
<b>ICG:</b>	Governance, Innovation and Culture
<b>ICT:</b>	Information and Communications Technology
<b>IESBA</b>	International Independence Standards
<b>IDMS:</b>	National Treasury Infrastructure Delivery Management System
<b>IDP:</b>	Integrated Development Plan
<b>IGR:</b>	Intergovernmental Relations
<b>IPPF:</b>	Internal Professional Practices Framework
<b>ISAs</b>	International Standards on Auditing
<b>JDMA:</b>	Joint District and Metro Approach
<b>LRA:</b>	Labour Relations Act, 1995 (Act 66 of 1995)
<b>MCS</b>	Modified Cash Standard
<b>MEC:</b>	Member of Executive Council
<b>MFMA:</b>	Municipal Finance Management Act
<b>MIG:</b>	Municipal Infrastructure Grant
<b>MINMAY:</b>	Forum of Provincial Minister of Local Government and Executive Mayors
<b>MINMAYTECH:</b>	Forum of Head of Department: Local Government and Municipal Managers
<b>MPRA:</b>	Municipal Property Rates Act, 2004 (Act 6 of 2004)
<b>MSA:</b>	Municipal System Act, 2000 (Act 32 of 2000)
<b>MTDP:</b>	Medium Term Development Plan
<b>MTEF:</b>	Medium-Term Expenditure Framework
<b>MTSF:</b>	Medium-Term Strategic Framework
<b>NDP:</b>	National Development Plan
<b>NEMA:</b>	National Environmental Management Act, 1998 (Act 107 of 1998)
<b>NSDP:</b>	National Spatial Development Perspective
<b>NTR:</b>	National Treasury Regulations
<b>OPMS:</b>	Organisational Performance Management System
<b>OSD:</b>	Occupation-Specific Dispensation
<b>PAC</b>	Public Accounts Committee
<b>PAJA:</b>	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
<b>PAY:</b>	Premier's Advancement of Youth
<b>PCF:</b>	Premier's Co-ordinating Forum
<b>PDMC:</b>	Provincial Disaster Management Centre
<b>PERMPS</b>	Provincial Enterprise Risk Management Policy and Strategy
<b>PERSAL:</b>	Personnel and Salary Administration System
<b>PFCTech:</b>	Premier's Co-ordinating Forum
<b>PFMA:</b>	Public Financial Management Act, 2003 (Act 56 of 2003)
<b>PILIR:</b>	Policy on Incapacity Leave and Ill-Health Retirement
<b>PMS:</b>	Performance Management System
<b>PPP:</b>	Public-private partnerships

<b>PRF:</b>	Provincial Revenue Fund
<b>PSDF:</b>	Provincial Spatial Development Framework
<b>PSRMF</b>	Public Sector Risk Management Framework
<b>PT:</b>	Provincial Treasury
<b>QAIP:</b>	Quality Assurance and Improvement Programme
<b>RMT:</b>	Regional Management Team
<b>SACSSP</b>	South African Council for Social Services Professions
<b>SAPS:</b>	South African Police Service
<b>SCM:</b>	Supply Chain Management
<b>SDF:</b>	Spatial Development Framework
<b>SDI:</b>	Service Delivery Integration
<b>SIDAFF:</b>	Sustainable Infrastructure Development Financial Facility
<b>SDIP:</b>	Service Delivery Improvement Plan
<b>SHE:</b>	Safety, Health and Environment
<b>SIME:</b>	Strategic Integrated Municipal Engagement
<b>SIU:</b>	Special Investigations Unit
<b>SMS:</b>	Senior Management Service
<b>SoE:</b>	State-owned Enterprises
<b>Stats SA:</b>	Statistics South Africa
<b>TOR</b>	Terms of Reference
<b>TPA's:</b>	Transfer payment agreements
<b>WCDRP:</b>	Western Cape Disaster Risk Profile
<b>WCG:</b>	Western Cape Government
<b>WCIDWRP:</b>	Western Cape Integrated Drought Water Responsive Plan
<b>WP:</b>	Wellness Programme
<b>WSP:</b>	Workplace Skills Plan
<b>WWTWs</b>	Waste-Water Treatment Works

### 3. MINISTER'S FOREWORD

The year under review was marked by a series of weather related and human made disasters. Still in our memories is the collapse of a five-story building under construction in George. The Western Cape Disaster Management Centre led a multi-agency search and rescue response, involving numerous Non-Governmental Organisations, municipal search and rescue officials, and both provincial and national departments. This collaborative effort resulted in the successful rescue of 29 individuals.

Also notable are several weather-related disasters, including severe weather events that caused extensive flooding and widespread damage across the Province. The investment made by the Western Cape Government in strengthening a disaster management system continues to prove worthwhile. These challenges were met through collective decision-making, co-ordinated planning, and unified action across government, the private sector, academia, civil society, and communities. All efforts are aimed at protecting citizens' lives. Valuable lessons were learned from how these stakeholders organise themselves, not only to respond to the crises, but also to act and speak in unity.

While challenges persist in local government, as evidenced in various reports, the efforts of stakeholders towards supporting a responsible and responsive local government have gained traction. Despite significant population growth, several municipalities in the Province rank among the top performers in the country. For example, the Financial Sustainability Index Report from Ratings Africa indicates that many Western Cape municipalities demonstrate adequate levels of financial sustainability. The Index tracked the financial performance of the largest municipalities in the country, including all eight metros, for the year ending June 2023. According to the report, these municipalities have well-established financial policies and sound long-term financial strategies.

A study conducted by the Department, in partnership with the Hanns Seidel Foundation South Africa through the School of Public Leadership at Stellenbosch University, found that municipalities in the Province were more resilient in withstanding the severe impact of COVID-19, which exerted short-term financial and operational sustainability pressures. These findings



*Mr AW Bredell  
Minister of Local Government,  
Environmental Affairs and  
Development Planning*

demonstrate that the Western Cape Government's efforts to support municipalities by ensuring governance stability and financial management capacity have placed them in a stronger position to adapt and respond during crises.

Audit outcomes of municipalities also serve as an important indicator of performance, given that poor financial management and performance directly affect the delivery of government priorities meant to improve citizens' lives. Municipalities in the Western Cape continue to serve as exemplars of what is possible. This is reflected in the report of the Auditor-General South Africa for the 2023/24 municipal financial year, which shows that the Western Cape accounts for 20 out of 41 municipalities in the country that achieved clean audit outcomes.

The Western Cape Government plays a pivotal role in supporting the implementation of the Municipal Infrastructure Grant (MIG) and the Integrated Urban Development Grant (IUDG), ensuring that municipalities across the Province are equipped to deliver essential services and infrastructure. This support includes technical guidance, capacity-building, and oversight to help municipalities plan,

prioritise, and implement projects effectively. The Western Cape achieves a commendable performance, with approximately over 95% of allocated MIG and IUDG funds spent by municipalities, reflecting sound financial management and effective project execution. The provincial government's proactive monitoring and hands-on support have contributed to improved grant compliance and reduced underspending. These efforts not only enhance infrastructure delivery but also promote sustainable urban development and improved living conditions, particularly in underserved areas.

Equally important to the health of the people of this province is the quality of drinking water. In this regard, the Western Cape Water Services Authorities continue to display excellence in drinking water quality and water resource management. This is evident in the reports of the Blue Drop and Green Drop certification programmes, which are administered nationally to improve water quality by Water Services Authorities.

The Thusong Programme remains the Department's flagship initiative for piloting various projects to create positive economic impacts on communities. The Programme's location and model have provided opportunities for establishing public-private partnerships, involving collaboration between government departments and the private sector on projects aimed at improving the lives of citizens in this province.

These partnerships have enabled the Department to implement a range of youth development and empowerment initiatives, establish active satellite centres, and host job readiness, placement, and career outreach events. The Programme continues to facilitate the delivery of over 1.2 million essential government services to communities annually.

The lessons and best practices developed over the years will serve as a foundation for improving and addressing the challenges facing service delivery, as well as the effects of poverty, inequality, and unemployment in our communities over the next five years.



**Mr AW Bredell**  
**Minister of Local Government,**  
**Environmental Affairs and Development Planning**  
**Date: 31 August 2025**

## 4. REPORT OF THE ACCOUNTING OFFICER

This report provides an overview of the progress made by the Department toward achieving the targets outlined in its 2024/25 annual performance plan. The Department has achieved 97% of the targets set for the reporting period, while partially achieving the remaining 3%, as explained in Part C of this report.

It is with profound honour to report that the Department received its 12<sup>th</sup> consecutive clean audit from the Auditor-General of South Africa for the 2024/25 financial year. This achievement stands as a testament to the dedication of all personnel within the Department, who demonstrated unwavering commitment under challenging circumstances to uphold high standards while fulfilling the Department's mandate. I extend my sincere gratitude to management, every staff member, and all partners who made this achievement possible.

A municipality's ability to deliver on its mandate relies heavily on the skills of both councillors and municipal officials in understanding and executing their roles and responsibilities. During the review period, the Department, in partnership with key stakeholders, offered targeted training programmes to both councillors and municipal staff. A particularly notable initiative was the collaboration with the Hanns Seidel Foundation. Through this partnership, councillors were capacitated in areas such as ethics, consequence management, and the basic principles of the law, while mentoring and coaching were provided to middle managers across all districts. Additionally, the Municipal Finance Management Programme was also rolled out to a targeted group of councillors.

Although governance challenges persist in some municipalities, there is clear evidence of positive outcomes stemming from the Department's extensive guidance and support. This assistance enabled some municipalities to better navigate coalition dynamics by institutionalising strong leadership practices and promoting good governance.

Investment in infrastructure remains a critical enabler of service delivery. The Western Cape Government (WCG) is progressing with the Sustainable Infrastructure Development and Financial Facility Programme, which aims to unlock both local and international funding for municipal infrastructure. Seventeen (17) water



*Accounting Officer  
Mr Graham Paule*

and wastewater projects, valued over R3 billion, have been identified and are currently at different stages of prefeasibility studies. The WCG has successfully facilitated the mobilisation of R73 million from the Swiss State Secretariat for Economic Affairs (SECO, Switzerland) and R33 million from the Infrastructure Finance Unit (IFU), a division of Danish Sustainable Infrastructure Finance (IFU, Denmark), contributing towards the R154 million required to move these projects from feasibility to bankability.

As part of the Western Cape Water Resilience Strategy, significant progress has been made in groundwater exploration and development to enhance water supply security in the Western Cape. Projects implemented in municipalities during 2024/25 financial year include, Groundwater/Water Demand Management, Groundwater Resource Potential Studies, Groundwater Development Plans, Water Usage License Applications (WULA's), Technical assistance, Wellfield development – Numeric modelling, and Conditional assessments.

In response to fiscal constraints, in collaboration with various partners, the Department continues to explore innovative ways to address the challenges facing local government. An example of such was the partnership between the Department, the State Information Technology Agency, the South African

Local Government Association, and the Garden Route District Municipality co-hosting the Local Government Innovation Summit 2025 under the theme “Embracing Technology for Service Delivery”. The summit focused on municipal sustainability, service optimisation, and citizen-centricity through a business needs-driven, technology- and data-centric approach, while also prioritising cybersecurity.

During the year under review, the Department hosted a Shared Services Summit, bringing together shared services practitioners from across the Province to discuss how shared services can enhance local service delivery. The fundamental motivation behind shared services model lies in its potential to deliver significant

benefits through the centralisation and standardisation of operations, leading to cost savings, improved efficiency, and enhanced service quality.

At local government level, shared services involve municipalities collaborating to share key functions, such as human resources, IT, in a centralised manner, improving efficiencies and reducing costs. In the context of limited resources, budget constraints and skill shortages, tailored service models and operational strategies in each functional area is, not only necessary but, important. Stakeholders will continue to explore inter-municipal collaboration as a means of leveraging on scarce critical resources to achieve efficiency gain.

## Departmental Receipts

Department of Local Government	2024/2025			2023/2024		
	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	108	117	(9)	104	115	(11)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-
Sales of capital assets		125	(125)			-
Financial transactions in assets and liabilities	16	7 164	(7 148)	15	3 347	(3 332)
<b>Total</b>	<b>124</b>	<b>7 406</b>	<b>(7 282)</b>	<b>119</b>	<b>3 462</b>	<b>(3 343)</b>

## Programme Expenditure

Department of Local Government	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	Over/under expenditure	Final Appropriation	Actual Expenditure	Over/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Administration	52 359	51 306	1 053	50 414	50 159	255
Programme 2: Local Governance	160 922	159 245	1 677	163 980	163 980	-
Programme 3: Development and Planning	223 183	212 239	10 944	196 859	195 197	1 662
Programme 4: Traditional Intuitional Management	798	422	376	373	373	-
<b>Grant Total</b>	<b>437 262</b>	<b>423 212</b>	<b>14 050</b>	<b>411 626</b>	<b>409 709</b>	<b>1 917</b>

## SPENDING TRENDS

The final appropriation for the Department of Local Government (DLG) amounts to R 437,262 million, and the expenditure incurred by DLG amounts to R 423,212 million as at 31 March 2025. This reflects an underspending of R14,050 million as it relates to the following:

### Compensation of employees (CoE)

The savings on CoE is mainly due to delays in the filling of funded vacant posts, resignations and to appoint additional critical skills to support the Energy Security programme in the Department (Earmarked funds). The unspent amount on CoE was surrendered to the Provincial Revenue Fund (PRF).

### Goods and services (G&S)

The underspending on G&S relates to Information Technology (IT) consumables procured during the 2024/25 financial year, but the supplier could not deliver the items by 31 March 2025.

Furthermore, the unspent amount on G&S relates to the following:

- costs relating to the replacement of the audio-visual infrastructure at the Disaster Management Centre. The audio-visual tender was re-advertised due to discrepancies with the quotations received, which delayed the process of awarding this tender early in 2024/25 financial year. The

procurement process was finalised and the tender was successfully awarded shortly before the end of the 2024/25 financial year, but the costs were higher than anticipated. Due to the challenging and complex SCM process, a request was submitted to PT to supplement the higher than anticipated tender price being carried into 2025/26 financial year.

- the earmarked funds relating to operational costs for the additional critical skills to support the Energy Security programme in the Department.
- the earmarked funds allocated for capacity-building and training of disaster management officials on the Disaster Management Learning Programme (E-Learning platform) by PTI, resulted in all courses held from January 2025 being reduced to only 50 participants.
- invoices relating to awareness campaigns and claims received from the Department of the Premier were lower than anticipated.

### Machinery and equipment

- The underspending on payment for capital assets relates to IT equipment procured during the 2024/25 financial year, but the supplier could not deliver the equipment by 31 March 2025.
- Furthermore, the underspending includes the costs for the replacement of the audio-visual infrastructure for which the rollover applications

have been submitted to PT to fund the commitments during the 2025/26 financial year.

### Virements/rollovers

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

The virements were undertaken within the guidelines of the Provincial Treasury.

### Public-Private Partnerships:

N/A

### New or proposed key activities:

N/A

### Supply Chain Management

- List all unsolicited bid proposals concluded for the year under review**
  - No unsolicited bids were received for the period under review.
- Indicate whether SCM processes and systems are in place to prevent irregular expenditure**
  - Yes, there are systems in place.
- Challenges experienced in SCM and how they were resolved**
  - No challenges were experienced during the year under review.
- Gifts and Donations received in kind from non-related parties**
  - Refer to Part F, Annexure 1 E.

### 5. Exemptions and deviations received from the National Treasury

- No exemption from the PFMA or TR or deviation from financial reporting requirements were received for the current and/or previous financial year can be reported.

### 6. Events after the reporting date

- No events after the reporting date can be reported.

### 7. Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made

- N/A

### 8. Other (Any other material fact or circumstance which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.)

- N/A



Accounting Officer  
Mr Graham Pause  
Date: 31 August 2025

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

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

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by the 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 2025.

Yours faithfully



**Mr Graham Paule**  
**Accounting Officer**  
**Department of Local Government**  
**Date: 31 August 2025**

## 6. STRATEGIC OVERVIEW

### 6.1 Vision

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

### 6.2 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.

### 6.3 Values

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

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

### 6.4 Legislative and Other Mandates

#### 6.4.1 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 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.

#### 6.4.2 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.

No	Legislation	Mandate
A	Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998)	This Act provides for <ul style="list-style-type: none"> <li>• criteria and procedures for the determination of municipal boundaries by an independent authority.</li> </ul>
B	Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)	This Act provides for <ul style="list-style-type: none"> <li>• the establishment of municipalities in accordance with the requirements relating to the categories and types of municipalities.</li> <li>• the criteria for determining the category of municipality.</li> <li>• establishment in the area.</li> <li>• a definition of the type of municipality that may be established within each category.</li> <li>• an appropriate division of functions and powers between categories of municipality.</li> <li>• the regulation of the internal systems, structures and office bearers of municipalities.</li> </ul>

No	Legislation	Mandate
C	Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)	<p>This Act provides for</p> <ul style="list-style-type: none"> <li>the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities.</li> <li>ensuring universal access to essential services that are affordable to all.</li> <li>defining the legal nature of a municipality, including the local community within the municipal area.</li> <li>municipal powers and functions.</li> <li>community participation.</li> <li>the establishment of an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change.</li> <li>a framework for local public administration and human resource development.</li> <li>empowerment of the poor, ensuring that municipalities establish service tariffs and credit control policies that take their needs into account; and</li> <li>investigations in relation to allegations of fraud, maladministration, corruption and/or failures to adhere to statutory obligations at a municipal level.</li> </ul>
D	Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)	<p>This Act provides for</p> <ul style="list-style-type: none"> <li>securing sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government.</li> <li>establishing treasury norms and standards for the local sphere of government.</li> </ul>
E	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)	<p>This Act provides for</p> <ul style="list-style-type: none"> <li>securing sound and sustainable management of the financial affairs of municipalities.</li> <li>the establishment of norms and standards against which the financial affairs can be monitored and measured.</li> <li>regulating the power of a municipality to impose rates on a property.</li> <li>excluding certain properties from rating, to make provision for municipalities to implement a transparent and fair system of exemptions.</li> <li>introducing a rebate through rating policies.</li> <li>making provision for fair and equitable valuation methods of properties.</li> <li>making provision for an 'objection and appeal' process.</li> </ul> <p>The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015.</p>
F	Disaster Management Act, 2002 (Act 57 of 2002)	<p>This Act provides for</p> <ul style="list-style-type: none"> <li>integration and coordination of disaster management policy, which focuses on preventing or reducing the risk of disasters mitigating the severity of disasters.</li> <li>emergency preparedness, rapid and effective response to disasters and post-disaster recovery.</li> <li>the establishment of national, provincial and municipal disaster management centres.</li> <li>disaster management volunteers.</li> <li>matters incidental thereto.</li> </ul>

No	Legislation	Mandate
G	Disaster Management Amendment Act, 2015 (Act 16 of 2015)	<p>This Act provides for</p> <ul style="list-style-type: none"> <li>• clarification of the policy focus on rehabilitation and functioning of disaster management centres.</li> <li>• the alignment of the functions of the National Disaster Management Advisory Forum to accommodate the South African National Platform for Disaster Risk Reduction.</li> <li>• the South African National Defence Force, South African Police Service and any other organ of state to assist the disaster management structures.</li> <li>• the strengthening of the disaster risk reporting systems to improve the country's ability to manage potential disasters.</li> </ul>
H	Inter-governmental Relations Framework Act, 2005 (Act 13 of 2005)	<p>The aim of this Act is.</p> <ul style="list-style-type: none"> <li>• to establish a framework for national government, provincial governments and municipalities to promote and facilitate inter-governmental relationships.</li> <li>• to provide mechanisms and procedures to facilitate the settlement of inter-governmental disputes.</li> </ul>
I	Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)	<p>This Act</p> <ul style="list-style-type: none"> <li>• provides a framework for spatial planning and land use management in the republic.</li> <li>• specifies the relationship between the spatial planning and the land use management system and other kinds of planning.</li> <li>• includes developmental, equitable and efficient spatial planning at the different spheres of government</li> <li>• provides a framework for the monitoring, coordination and review of the spatial planning and land use management system.</li> <li>• provides a framework for policies, principles, norms and standards for spatial development planning and land use management.</li> <li>• addresses past spatial and regulatory imbalances</li> <li>• promotes greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications.</li> <li>• provides for the establishment, functions and operations of Municipal Planning Tribunals.</li> <li>• directs the facilitation and enforcement of land use and development measures.</li> </ul>
J	Traditional and Khoi-San Leadership Act (2019), (Act 3 of 2019)	<p>This Act</p> <ul style="list-style-type: none"> <li>• co-ordinates the implementation of the Traditional and Khoi-San Leadership Act (No. 3 of 2019).</li> </ul>

### 6.4.3 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, 2011 (Act 2 of 2011).
- Consumer Protection Act, 2008 (Act 68 of 2008).
- Western Cape Monitoring and Support of Municipalities Act, 2014 (Act 4 of 2014).

### 6.4.4 Transversal Legislation

A series of transversal administrative requirements impacts 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 2013 (Act No. 2 of 2013).
- 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 Records 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).
- The Sustainable Development Goals: 2030 Agenda for Sustainable Development, adopted by all United Nations members in 2015.
- Medium Term Strategic Framework- 2019-2024.
- Medium Term Development Plan 2025-2030.
- Africa 2063 Development Agenda Africa We Want.

### 6.4.5 Local Government Policy Mandates

The following provides the policy framework for local government:

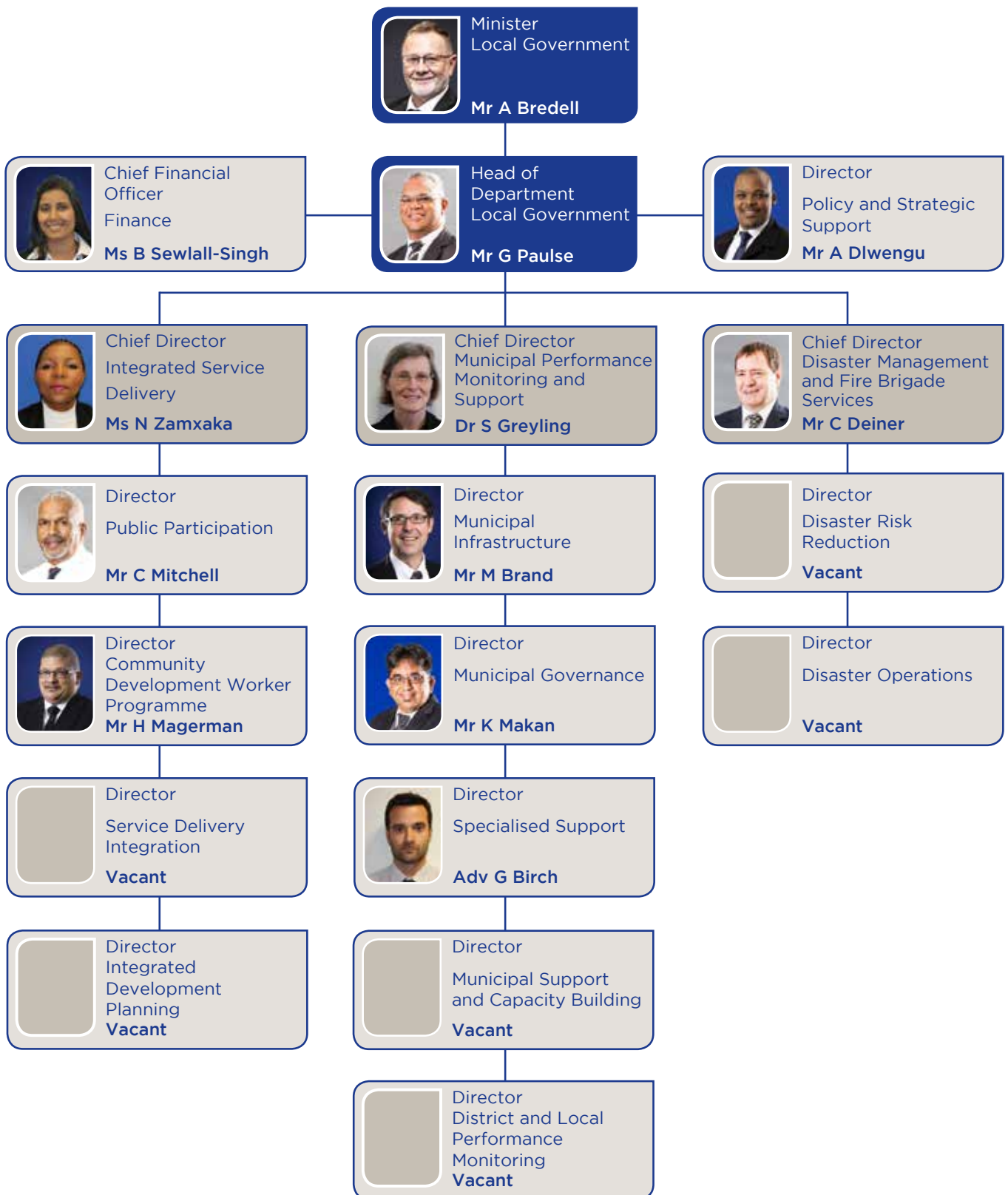
- White Paper on Local Government, 1998.
- National Local Government Turn Around Strategy 2009.
- Local Government Anti-Corruption Strategy, 2006.
- Free Basic Services Policy, 2000/01.
- National Public Participation Framework, 2007.
- National Back to Basics Strategy, 2014.

### 6.4.6 Other Policy Mandates

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

- Implementation of the Joint District and Metro Approach.
- National Development Plan (Vision 2030).
- National Skills Development Plan, 2030.
- Western Cape: Vision Inspired Priorities.
- Western Cape Disaster Management Framework, 2010.
- Batho Pele Principles.
- Policy Framework for Government-wide Monitoring and Evaluation System, 2007.
- South African Statistical Quality Assurance Framework, 2007.
- National Spatial Development Perspective, 2002.
- Provincial Spatial Development Framework, 2014.
- National Disaster Management Framework, 2005.
- Western Cape Recovery Plan, 2021.
- Western Cape Growth for Jobs Strategy 2023.
- Gender Responsive Planning, Budgeting.
- Monitoring, Evaluation and Auditing Framework 2023.

## 6.5 ORGANISATIONAL STRUCTURE







PART  
**B**

PERFORMANCE  
INFORMATION

## 1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General reported no material findings on the Annual Performance Report concerning usefulness and reliability of the information, please see the detailed Report in Part F: pages 145 to 148.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 Service Delivery Environment

#### Improving governance at municipalities

Legislation requires the MEC for Local Government to assess the appointment of senior managers in terms of adherence to the requirements set out in the Municipal Systems Act, the Regulation on Appointments and Conditions of Employment for Senior Managers, and the Municipal Regulations on Minimum Competency Levels. To enforce adherence and compliance to Legislation the MEC obtained judgment(s) or Court Order(s) against unlawful appointments during the financial period of 2024/2025.

Municipal Public Accounts Committees (MPACs) play a crucial oversight role in municipalities, promoting good governance. During the period under review, the Department assessed the functionality of MPACs in several municipalities. To further strengthen governance, the Department provided legal support to municipalities, including workshops on the draft standard rules of order, councillor roles and responsibilities, ethics, anti-corruption measures, and legislation relating to senior management appointments.

The South African Constitution mandates the Department to support and strengthen the capacity of municipalities to deliver services to communities. In line with this mandate, various measures were implemented, namely:

- The Councillor Seasonal School was conducted under the theme *Consequence Management: Financial Misconduct*. The objective was to equip councillors with the basic principles of law, with a focus on South African law. This training was

rolled out across all districts, addressing context specific issues.

- The Municipal Finance Management Programme was rolled out to a targeted group of Councillors.
- In collaboration with the Department of the Premier, South African Local Government Association (SALGA), and Local Government Sector Education and Training Authority (LGSETA), training on Municipal Staff Regulations was provided to municipal senior managers across the Western Cape. This was aimed at guiding senior managers in institutionalising chapter 5: skills development of the Municipal Staff Regulations.
- The Department assessed the compliance of municipalities with the requirements of the Skills Development Act. All Western Cape municipalities submitted the Workplace Skills Plan and the Annual Training Report to the LGSETA as required by the Act.
- In partnership with the Hans Seidell Foundation and the School of Public Leadership at the University of Stellenbosch, the Department provided Mentoring and Coaching to middle managers across all districts.
- To address future skills gaps, the Department transferred funding to the West Coast and Central Karoo Districts to recruit and appoint interns for all local municipalities within the respective districts.

#### ICT support to municipalities

Information and Communications Technology (ICT) is vital for improving operational efficiency, decision-making, and service delivery in municipalities. However, assessments of municipal governance of ICT environments reveal persistent challenges. These include a lack of strategic leadership, limited capacity to recover from disruptive incidents, and insufficient cyber threat intelligence and response capabilities. Compounding these ICT challenges is broader economic pressures where there is growing fiscal strain as service demands increase, rising unemployment, whilst urban growth increases the need for subsidised basic services, particularly in informal settlements, which strain aging and insufficient infrastructure.

To address these challenges, municipalities must embrace the use of technology to enhance service delivery, streamline operations, improve citizen communication, and foster citizen trust. By embracing

digital evolution, municipalities can improve service efficiency through automation and data-driven decision-making. Ultimately, strategic use of technology positions municipalities as responsive, citizen-centric entities capable of navigating economic and environmental challenges.

To facilitate this, the DLG revised the guiding 2015 municipal governance mechanism in the form of the Municipal Governance of ICT Policy Framework 2025. The purpose of the Policy Framework is to establish a municipal governance mechanism to facilitate value creation from the use of technology. The Policy Framework was piloted in Cederberg, Saldanha, Hessequa, Drakenstein, Knysna, and Witzenberg Municipalities to streamline its application in municipalities before publication. Full rollout is expected in the 2025/26 financial year.

With municipalities having to embrace the use of technology to improve service delivery, the Department of Local Government in collaboration with the State Information Technology Agency (SITA), the South African Local Government Association (SALGA), and the Garden Route District Municipality co-hosted the Local Government Innovation Summit 2025 under the theme “Embracing Technology for Service Delivery”. The Summit was attended by mayors, Municipal Managers, ICT Managers and industry. It was intended to create awareness of emerging methods and technology to enhance municipal sustainability, improve service delivery, and improve citizen centricity through a secure digital and data-centric approach. The hosting of the Summit improved the municipalities’ awareness of the role of the Department of Local Government, strengthened inter-governmental relationships, and expanded the municipal scope of what can be achieved through the use of technology. It also made municipalities aware of the value of correctly managed data for decision support. It lastly provided a platform for local SMMEs to showcase their solutions to municipalities.

### Expansion on Shared Services

Constrained fiscal resources continue to prompt municipalities to find innovative ways to deliver services. In this context, shared services have emerged as a viable alternative worth exploring. Accordingly, the province has been supporting certain municipalities in the implementation of tailored shared service models and operational strategies specific to each functional area.

During the year under review, the Department hosted a Shared Services Summit, bringing together Shared Services Practitioners from across the province to deliberate on how shared services can enhance service delivery at the local level. A common understanding that emerged from the summit was that the declining revenue base of municipalities compels them to seek cost-effective service delivery mechanisms. Consequently, shared services and inter-municipal cooperation (IMC) were recognized as viable alternatives.

A working group will be established to develop a Provincial Policy and Legislative Framework for Shared Services and IMC. This will include:

- i. the development of a sustainable funding model for shared services and IMC, and
- ii. the exploration of potential partnerships with donor funders and the private sector to support effective implementation.

### Implementation of the Western Cape Water Resilience Strategy

The draft Western Cape Water Resilience Strategy is structured around four key pillars: Augmentation, Water Conservation and Demand Management, Infrastructure Development and Management. Several projects initiated under these pillars aim to enhance water supply, optimising resource management, upgrading critical infrastructure, and strengthening governance for a sustainable water future in the Western Cape.

Significant progress has been made in groundwater exploration and development to enhance water supply security in the Western Cape. Projects implemented in municipalities during 2024/25 financial year include, Groundwater / Water Demand Management, Groundwater Resource Potential Studies, Groundwater Development Plans, Water Usage License Applications (WULA’s), Technical assistance, Wellfield development Numeric modelling, and Conditional assessments. Forthcoming augmentation priority projects for the 2025/26 financial year have been identified by all stakeholders by DLG, DWS & Local Municipalities.

### Implementation of the Western Cape Energy Resilience Strategy

In collaboration with other provincial sector departments, the Department supports municipalities in planning and functioning of municipal electrical infrastructure. Support is also provided with the

implementation of renewable energy and energy resilience projects within the province. The aim is to ensure reliable electricity access. The support to municipalities includes:

- Energy Master Plans and exploration of alternative energy generation initiatives to ensure “load-shedding-free” towns.
- The updating or developing new Energy Master Plans, updated Cost of Supply Studies for National Energy Regulator of South Africa (NERSA) for approval,
- Mini-Integrated Resource Plans (IRPs), and
- Renewable Energy Project planning.

Notably, Riversdale is on track to become the Western Cape’s first load-shedding-free town. In partnership with the Hessequa Municipality, this groundbreaking initiative, based on a 10MW peak solar photovoltaic (PV) and Battery Energy Storage System (BESS), integrated into the existing distribution infrastructure, is geared to achieve energy independence and sustainability. The initiative is expected to significantly impact the social and economic development of the town by attracting investment and serving as a catalyst for job growth in the region.

### Engaging the public

Public participation in local government relates to any process of a municipality that directly engages the local communities and civil society in decision-making and considers public inputs in decision making. One of the key enablers for engaging the public in municipalities, requires the implementation of policies and plans by municipalities.

Most municipalities in the Province have public participation or ward committee policies in place, the Department focused on assisting municipalities to review their policies to address policy shortcomings and ensure compliance with amendments to the Municipal Structures Act. The Department further drafted a Ward Committee Policy Framework, which was translated into Afrikaans and isiXhosa to aid municipalities in reviewing their policies. Continuous training of ward committees, particularly newly appointed members was also essential. The Refresher Ward Committee Training conducted during the period under review aimed to empower members. In addition, the Department supported 24 municipalities with the review of their Ward Committee Operational Plans.

This review aimed to identify gaps and ensure that the plans of ward committees were adequately captured, thus improving ward committee functionality.

An empowered citizen is an engaged citizen, and engaged citizens play a key role in holding local government accountable. This is a crucial element driving the Department’s implementation of the civic education on the Public Participation Programme. This Programme aims to empower members of the public on their rights and responsibilities, enabling them to actively participate in local government decision-making. During the period under review, civic education sessions were conducted at the Cape Agulhas, Swellendam, and Matzikama Municipalities.

### Strengthening planning

As part of strengthening collaboration between provincial departments and municipalities, the Department convened five district strategic municipal engagements as the platform for the provincial departments to engage municipalities in areas of mutual interest. The engagements afforded municipalities to reflect on the issues emanating from their public participation process in the integrated development planning process relating to provincial and national competencies. The outcomes of these engagements form the basis to influence the annual planning processes of provincial departments.

### Towards a disaster-resilient Province

During the 2024/25 financial year, the province experienced several disasters and major incidents, which included severe weather events in April, June, and July, which caused extensive flooding, resulting in damages across the province. The hardest-hit areas were the West Coast, Cape Winelands, and Overberg District Municipalities, with the Garden Route District being affected to a lesser degree.

The Provincial Disaster Management Centre (PDMC) coordinated the delivery of immediate response and/or recovery interventions with departments such as Social Development, Mobility, Local Government: Municipal Infrastructure, Cooperative Governance and Traditional Affairs, Agriculture, Infrastructure and Human Settlements. The centre facilitated applications for disaster funds from national government amounting to more than R1 billion for repairs and rehabilitation of damaged infrastructure to restore normal functioning of communities.

### Improving disaster management capacity

The Department approved funding for the Disaster Management Internship Programme in each district municipality. This initiative reflects the Department’s commitment to empowering the next generation of disaster management professionals and enhancing local municipalities’ capacity to manage disasters effectively.

The Department also launched a Disaster Management Learning Programme to capacitate municipal officials in various aspects of disaster management. This three-year project, which began in 2024/25, includes the development of 16 short courses tailored to the municipal environment.

### Fire and rescue services

Since 2016, the Fire Service Capacity Building Grant has introduced more than 100 firefighting equipment of various types across the Western Cape, significantly improving municipal firefighting capabilities. This Grant has enabled fire services to replace outdated vehicles and expand their fleets, improving response times and

operational efficiency. Aerial firefighting and ground support remain crucial in wildfire suppression efforts, with the Department securing essential resources to bolster the Garden Route District’s flood response strategy. The Department makes provision for municipalities to access funding related to Hazardous Materials (HAZMAT) to respond to incidents involving dangerous goods for managing chemical and hazardous incidents.

The Fire Safety Officer Development Programme ensures the professionalisation of fire safety enforcement, equipping officers with the necessary skills to conduct inspections, enforce regulations, and mitigate fire risks. The Incident Management Development Programme has positioned the Incident Command System (ICS) as the cornerstone of provincial incident management, improving coordination during major emergencies like wildfires, floods, and large-scale disasters.

## 2.2 Service Delivery Improvement Plan

The department has completed a Service Delivery Improvement Plan (SDIP) for 1 April 2023 to 31 March 2025. The tables below highlight the service delivery plan and the achievements to date.

### Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
<b>Key Service 1: Improved interface between the government and citizens</b>  <i>(Through the Thusong Programme).</i>	Citizens (communities)	Over <b>1.3 million</b> government services were accessed across the Province through the Thusong Programme during the period under review.	<b>1 million</b> government services across the Province are accessed annually through the Thusong Programme (Thusong centres and outreaches), reducing poverty and improving the quality of life in communities.	Over <b>1.3 million</b> government services were accessed across the Province through the Thusong Programme during the period under review.

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
<p><b>Key Service 2: Improved interface between the government and citizens</b></p> <p><i>(Through the Community Worker Programme).</i></p>	Citizens (communities)	<p><b>5</b> Government initiatives are provided across the Province to improve social well-being.</p> <p><b>Note:</b> <i>Community initiatives supported across the Province during the period under review included support to services such as education, health, municipal &amp; human settlements, safety &amp; security and social services.</i></p>	<p><b>5</b> Government initiatives are provided across the Province to improve social well-being.</p> <p>(Programmes to include social services, education, health, safety and human settlements, etc.)</p>	<p><b>5</b> Government initiatives were provided across the Province to improve social well-being.</p> <p><b>Note:</b> <i>Community initiatives supported across the Province during the period under review included support for services such as education, health, municipal &amp; human settlements, safety &amp; security and social services.</i></p>

**Batho Pele arrangements with beneficiaries (consultation, access, etc.)**

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Professional Standards</b>		
<p><b>Service 1:</b></p> <p>Percentage compliance of professional ethics promoted and maintained in the Department.</p> <p>Percentage of signed Code of Conduct by public servants.</p> <p>Percentage professionalism and dignified treatment to everyone attending Outreacheds/Centres.</p>	<p><b>100%</b> professionalism and dignified treatment to everyone attending Outreacheds/Centres.</p>	<p><b>100%</b> compliance with all professional ethical standards at Thusong centres and outreaches.</p> <p><b>100%</b> adherence to the code of conduct at Thusong centres.</p> <p><b>100%</b> professionalism and dignity treatment for everyone attending Thusong centres/outreaches.</p>
<p><b>Service 2:</b></p> <p><b>100%</b> compliance with professional ethical standards and code of conduct.</p>	<p><b>100%</b> compliance with professional ethical standards and code of conduct.</p>	<p><b>100%</b> compliance with professional ethical standards and code of conduct adhered to by all CDWs.</p>
<p><b>50%</b> of all public servants at Thusong centres/outreaches or community engagements wear name tags.</p>	<p><b>50%</b> of all public servants at Thusong centres/outreaches or community engagements always wear name tags.</p>	<p><b>70%</b> of all public servants at Thusong centres/outreaches or community engagements always wear their name tags.</p>
<b>Working Environment Standards</b>		
<p><b>Service 1:</b></p> <p><b>12</b> OHS inspections are conducted at facilities per annum.</p> <p><b>Note:</b> <i>OHS inspections were done at all facilities.</i></p>	<p><b>12</b> OHS inspections are conducted at facilities per annum.</p>	<p><b>12</b> OHS inspections were done at all facilities.</p> <p><b>Note:</b> <i>OHS inspections were done at all facilities.</i></p>

Current/actual arrangements	Desired arrangements	Actual achievements
100% visibility through banners, pamphlets, posters, and name tags was implemented at all Thusong programmes.	100% visibility through banners, pamphlets, posters, name tags, etc.	100% visibility through banners, pamphlets, posters, and name tags, where available, where applicable.
2 (Bi-annual) Thusong Stakeholder Forum engagements with stakeholders per year.  <i>Note: Bi-annual forum meetings took place with stakeholders.</i>	2 (Bi-annual) Thusong Stakeholder Forum Engagements to set the implementation schedule.	2 Bi-annual Forum meetings took place with stakeholders.  <i>Note: Bi-annual Forum meetings took place with stakeholders.</i>
±10 community engagements took place during the year, i.e. CDW/IDP/ward community engagements, etc.	±10 Minmay, MinmayTech, community engagements/ community engagements/ CDW/IDP/ward community engagements.	Over 10 community engagements took place during the year, i.e CDW/IDP /ward community engagements etc.
<b>Service 2:</b> 4 OHS inspections (1 quarterly) conducted at facilities per annum.	4 OHS inspections (1 quarterly) conducted at facilities per annum.	4 OHS inspections were conducted at facilities.
100% clear signage displayed.	100% clear signage displayed.	100% clear signage is displayed in all CDW's workplaces.
1 CDW per community.	1 CDW per community.	At least 1 CDW per municipal area.
100% CDWs with access to resources such as office space, laptops, internet, phones, etc, for the 2-year cycle.	100% CDWs with access to resources such as office space, laptops, internet, phones, etc, for the 2-year cycle.	100% CDWs have access to resources such as office space, laptops, internet, phones, etc, for the 2-year cycle.
Access Standards		
<b>Service 1:</b> 12 communities are supported through outreaches annually.	12 communities support through outreaches annually.	11 communities supported through outreaches.
22 fully fledged centres across the Province. (Allocated within a reasonable distance within communities).	22 fully fledged centres across the Province. (Allocated within a reasonable distance within communities).	22 fully fledged centres across the Province. (Allocated within a reasonable distance within communities).
10 satellites across the Province.	10 satellites across the Province.	10 satellites across the Province.
<b>Service 2:</b> 148 CDWs are located in the communities they serve.	148 CDWs are located in the communities they serve.	142 CDWs are located in communities that serve.
100 information sessions/ community engagements hosted by CDWs.	100 information sessions/ community engagements hosted by CDWs.	±200 information sessions/ community engagements hosted by CDWs.

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Information Standards</b>		
<p><b>Service 1:</b> Information available through:</p> <ul style="list-style-type: none"> <li>• <b>±5000</b> printed posters/pamphlets with relevant information/news made available at all centres and municipal spaces.</li> <li>• Advertising on print/talk media (4 sessions per annum), posters at municipal spaces and or loud hailing in communities up to 2 weeks before an outreach.</li> </ul> <p><i>Note: Various printed and radio media, such as community radio/social media/posters/pamphlets with relevant.</i></p>	<p>Information available through:</p> <ul style="list-style-type: none"> <li>• <b>±5000</b> printed posters/pamphlets with relevant information/news made available at all centres and municipal spaces.</li> <li>• Advertising on print/talk media (4 sessions per annum), posters at municipal spaces and or loud hailing in communities up to 2 weeks before an outreach.</li> </ul>	<p>Information available through:</p> <ul style="list-style-type: none"> <li>• <b>±5000</b> printed posters/pamphlets with relevant information/news made available at all Thusong centres and municipal spaces.</li> <li>• Advertising on print/talk media (4 sessions per annum), posters at municipal spaces and or loud hailing in communities up to 2 weeks before an outreach.</li> </ul> <p><i>Note: Various printed media, such as social media/posters/pamphlets with relevant information/news made available at all centres and municipal spaces.</i></p>
<p><b>Service 2:</b> More than <b>5000</b> posters and pamphlets distributed in communities.</p> <p><i>Note: Various printed and radio media, such as community radio/social media/posters, / pamphlets with relevant information/news made available at all Thusong centres and municipal spaces.</i></p>	<p><b>±5000</b> posters and pamphlets printed for distribution in communities, annually.</p>	<p>More than <b>5000</b> posters and pamphlets were distributed in communities.</p>
<p>More than <b>100</b> community meetings/Ward/IDP, and municipal engagements supported throughout all districts and municipalities.</p>	<p><b>±100</b> community meetings/Ward/IDP and municipal engagements supported throughout all districts and municipalities.</p>	<p>More than <b>100</b> community meetings/Ward/IDP and municipal engagements supported throughout all the districts and municipalities.</p> <p><i>Note: Various printed media such as the community social media/posters/pamphlets with relevant information/news made available at all Thusong centres and municipal spaces.</i></p>
<b>Redress Standards</b>		
<p><b>Service 1:</b> 1 information/service desk is set out at each Thusong centre and outreach.</p>	<p>1 information/service desk is set out at each Thusong centre and outreach.</p>	<p>1 information/service desk is set out at each Thusong centre and outreach.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
0 complaints were received during this reporting year.	All complaints are responded to immediately or within 30 days of the issue raised.	No compliments were received during this reporting year.
<b>Service 2:</b> 142 CDWs are allocated within communities.  <i>Note: Decrease in numbers due to budget constraints.</i>	200 CDWs allocated within communities throughout the Province.	142 CDWs allocated within communities.
Consultation Standards		
<b>Service 1</b> 2 Bi-annual stakeholder engagements.  (National, provincial, local, SOEs and the private sector, consultations with municipalities before hosting any outreach.)	2. Bi-annual stakeholder engagements.  (National, provincial, local, SOEs and the private sector, consultations with municipalities before hosting any outreach.)	2 Bi-annual Stakeholder engagements.  (National, provincial, local, SOEs and the private sector, consultations with municipalities before hosting any outreach.)
Client and stakeholder survey conducted after each Thusong outreach.	2 surveys conducted.	Client survey conducted after each Thusong outreach.  1 annual functionality scorecard Thusong centre concluded.
<b>Service 2:</b> CDWs participated in over 149 community forums.	CDWs participated in over 149 community forums. (CDWs to participate in 149 community engagements such as ward committees, IDP Forums, and community meetings)	CDWs participated in over 149 community forums.
All 142 CDWs are proficient in one of the official languages.	148 CDWs are proficient in 1 of the official languages and most efficient in the dominant language spoken in the specific community they serve.	All 142 CDWs are proficient in one of the official languages.
Openness & Transparency Standards		
<b>Service 1:</b> 1 announcement made to community before each outreach.  <i>(Municipal communication/local print or radio media announcement made before each outreach).</i>	1 announcement made to community before each outreach.  <i>(Municipal communication/local print or radio media announcement made before each outreach).</i>	1 community member was informed in advance before each outreach through various media platforms.  <i>(Municipal communication/local print or radio media announcement made before each outreach.)</i>

Current/actual arrangements	Desired arrangements	Actual achievements
2 Bi-annual consultations and review meetings were held with stakeholders during the year.	2 Bi-annual consultations and review meetings with stakeholders (National, provincial, local, SOEs and private sector, annually. Community/stakeholder engagements to determine community needs before each outreach).	2 Bi-annual consultations and review meetings were held with stakeholders during the year.
<b>Service 2:</b> 100 community information sessions held by CDWS.	100 community information sessions held by CDWS.	More than 100 community information sessions are held by CDWs.
30 feedback sessions were hosted by CDWS.	30 feedback sessions were hosted by CDWS.	More than 30 feedback sessions were hosted by CDWs.
Service Standards		
<b>Service 1:</b> Service Charter, with 100% set standards for identified citizen-centric services within the Department.  <i>Note: Departmental Service Charter included both the Thusong and CDW programme as two of its direct citizen-centric services.</i>	Service Charter with 100% set standards for identified citizen-centric services within the Department.	Service Charter with 100% set standards for identified citizen-centric services within the Department.  <i>Note: Departmental Service Charter included both the Thusong and the CDW programme as two of its direct citizen-centric services.</i>
<b>Service 2:</b> Service Charter with 100% set standards for identified citizen-centric services within the Department.  <i>Note: Departmental Service Charter included both the Thusong and CDW programme as two of its direct citizen-centric services.</i>	Service Charter with 100% set standards for identified citizen-centric services within the Department.	Service Charter, with 100% set standards for identified citizen-centric services within the Department.  <i>Note: Departmental Service Charter included both the Thusong and the CDW programme as two of its direct citizen-centric services.</i>
Value For Money Standards		
12 outreaches hosted at venues within the community.	12 outreaches hosted at venues within the community.	11 outreaches held during the period under review.
22 fully fledged Thusong centres and 10 zones situated within a reasonable distance in communities.	22 fully fledged Thusong centres and 10 zones situated within a reasonable distance in communities.	22 fully fledged Thusong centres and 10 zones/satellites situated within a reasonable distance in communities.
All Thusong centre and outreach staff are fluent in 1 of the 3 local languages.	All Thusong centre and outreach staff are fluent in 1 of the 3 local languages.	All Thusong centre and outreach staff are fluent in 1 of the 3 local languages.

## Service Delivery Information Tool

Current/actual arrangements	Desired arrangements	Actual achievements
Bi-annual stakeholder engagement held with relevant stakeholders	Bi-annual stakeholder engagements, scoping and planning needs of the chosen community	Bi-annual stakeholder engagement held with relevant stakeholders
Community announcements before outreaches using various forms of communication platforms.  <i>Note: Municipal communication platforms are used to make all announcements.</i>	Community announcements before outreaches using various forms of communication platforms.	Community announcements before outreaches using various forms of communication platforms.  <i>Note: Municipal communication platforms were used to make all announcements.</i>
Loud hailing is a means of communicating with communities.	Loud hailing is a means of communicating with communities.  <i>Note: Using communication platforms that are accessible to all.</i>	Loud hailing as a means of communicating with communities
Printed form of communication via Posters/ pamphlets/ community newsletters at information sessions.	Printed form of communication via Posters/ pamphlets/ community newsletters at information sessions.	Printed form of communication via posters/pamphlets/community newsletters at information sessions.

## Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Complaints/compliments systems are in place at Thusong centres and outreaches, but none were received during the reporting period.	Anonymous complaints/compliments desk at Thusong centres and outreaches.	Complaints/compliments systems are in place at Thusong centres and outreaches, however, none were received during the reporting period.
Complaints/compliments systems are in place at regional offices however, no complaints/compliments were received during the reporting period.	Complaints/compliments systems are in place at regional offices however, no complaints/compliments were received during the reporting period.	Complaints/compliments systems are in place at regional offices However, no complaints/compliments were received during the reporting period.
Departmental conduct details are available via all departmental citizen reports distributed annually to communities electronically and via Thusong programme.  <i>Note: Citizens may electronically submit complaints or compliments.</i>	An anonymous electronic complaints/compliments desk within the Department.	Departmental contact details are made available via all the departmental citizen reports were distributed annually to communities electronically and via Thusong programme.  <i>Note: Citizens may electronically submit complaints or compliments.</i>

## 2.3 Organisational Environment

The Department has a total staff complement of 388 active posts, of which 89% of the positions were filled as at 31 March 2025, resulting in a vacancy rate of 10.8%

### Employment and vacancies by programme, as at 31 March 2025

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	59	57	3,4
Programme 2	263	233	11,4
Programme 3	65	55	15,4
Programme 4	1	1	-
<b>Total</b>	<b>388</b>	<b>346</b>	<b>10,8</b>

The Disaster Management Centre is leading in ensuring the integration of disaster risk reduction and a coordinated response to disasters in the Province. This is largely due to the investment in infrastructure that the Province has made over the years which enabled an integrated disaster management system. The Centre, for years, has occupied a building within the premises of the Tygerberg Hospital. The planned renovation of the Tygerberg Hospital means that the Disaster Management Centre must relocate, to make way for the new Tygerberg Hospital complex. This has the potential to seriously compromise the ability of the Centre to effectively deal with disasters during the time of relocation. While the Department of Local Government and the Department of Health and Wellness have agreed to identify a workable solution, relocation to an alternative site may be costly and a time-consuming exercise that may affect the compliance of the Centre with the guidelines on the minimum infrastructure requirements for disaster management centres (notice 416 of 2017) issued by the National Disaster Management Centre (NDMC).

The budget cuts over the years, have put the Department on the backfoot to the extent that it approached the 2024 MTEF with already reduced Annual Performance Plan (APP) deliverables. Compelling it to be extremely selective in fulfilling its constitutional mandate as provided in Section 155(6) of the Constitution, namely, to support local government and promote the development of local government capacity to enable municipalities to perform their functions and manage their own affairs.

As the fiscus continues to shrink due to, inter-alia, global economic risks, domestic macro-economic risks and the under-collection of revenue, it is not only our financial capabilities that are pressurised but also our most valuable resource, our staff. The Department finds itself in a situation where it is required to do more with fewer resources. The current situation jeopardises, just not the Department's mandate, strategy, obligations, and good governance record, but also service delivery to citizens. Innovation, improvements on efficiency and effectiveness, limits on CoE expenditure and headcount, reduced project funding, co-funding on certain projects, and reduced operational budgets have been implemented to navigate around the challenges experienced. Notwithstanding the above, the Department's scope of work continues to expand, informed by the introduction of new legislation and amendments to existing legislation, largely, to address challenges experienced at local government in South Africa. The allocation of additional roles and responsibilities happens in the absence of the principle of "funds follow function".

The powers and functions relating to Traditional and Khoi-San Affairs in the Province were assigned to the Provincial Minister responsible for Local Government. The Department is tasked with providing institutional capacity to operationalise the legislation, supporting the Commission on Khoi-San Matters, and advising the Premier on the process. The priority for the Medium-Term Expenditure Framework is to establish institutional capacity, conduct research for policy development, and recognise Khoi-San leaders and communities.

## 2.4 Key policy developments and legislative changes.

- No key policy developments and legislative changes during this financial year.

## 3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department has identified four impact statements.

<b>Impact Statement 1</b>	High-performing department.
<b>Impact Statement 2</b>	An efficient, accountable, and enabling local government to enhance economic growth and service delivery.
<b>Impact Statement 3</b>	Active citizenry, reduced poverty and improved social well-being.
<b>Impact Statement 4</b>	A Disaster Resilient Province.

### Departmental outcomes

The following are eight departmental outcomes:

<b>Outcome 1</b>	Well-governed department enabling programmes to deliver on their mandates.
<b>Outcome 2</b>	Well-governed municipalities through efficient and effective oversight, capacity-building and governance structures.
<b>Outcome 3</b>	Data and Knowledge Management Hub that informs decision-making, planning and budget allocation within local government.
<b>Outcome 4</b>	The provision and maintenance of infrastructure towards infrastructure-led economic growth.
<b>Outcome 5</b>	Improved interface between government and citizens.
<b>Outcome 6</b>	Poverty reduction.
<b>Outcome 7</b>	Improved integrated planning, budgeting and implementation.
<b>Outcome 8</b>	Safer, Resilient Communities and Sustainable Development.

While the Department acknowledges that more must be done to safeguard service delivery, over the past five years, positive strides have been undertaken to support municipalities to deliver on their mandates, and these have yielded results. Evidence in various reports suggests that municipalities in the province generally perform well, have well-established financial policies, sound long-term financial strategies and adhere to good budgetary processes, strict financial control, and good revenue collection, and this has been the case even under challenging economic conditions. This section highlights some of the achievements.

- In 2021, 13 of the top 20 highest ranked local municipalities in the Country were in the Western Cape. In 2024, this number has risen slightly to 15. The City of Cape Town is the highest ranked amongst the 8 metros. While the top four ranked District Municipalities are located in the Western Cape. These are the findings of the financial

sustainability index conducted by Ratings Africa. The index tracked the financial performance of the largest municipalities in the country and all eight metros.

- The audit of performance of municipalities for the 2023/24 municipal financial year, indicates that the Western Cape accounts for 20 out of 41 municipalities in South Africa that received clean audit outcomes. This reflects the commitment of the Province and municipalities to financial and administrative practices which comply with relevant laws and prescripts, which are the foundation for service delivery.
- As reflected in the 2023 Blue Drop and no Drop report released by the National Department of Water and Sanitation, the Western Cape Water Services Authorities continue to display excellence, emerging overall winners and

dominating all categories in the field of drinking water quality and water resource management.

- Through the support to 22 Thusong Centre hubs and 13 Satellite Centres and implementing various Outreach Programmes, the Thusong Programme dispensed over a million essential government services to mostly rural communities, thereby pushing back the boundaries of poverty and inequality. This is implemented with various partners, government departments and stakeholders assisting with improving access to government services by citizens.
- Through the Civic Education Programme the Department empowered residents in various rural parts of the Western Cape with the knowledge and skills so that they can participate in processes of their respective municipalities.
- The Department initiated a Sustainable Infrastructure Development and Financial Facility (SIDAFF), as a model for raising grant funding and financing towards project preparation and implementation of catalytic projects identified in a municipality.
- Ensured Water Resilience through equipping new water sources, reducing water losses, implementing the 15-year Water plan and ensuring water sustainability over the medium and long term.
- The Department's support to municipalities through an Emergency Loadshedding Relief Grant, assisted with the functioning of water reservoirs and Waste Water Treatment plants. Municipalities were further supported with technical advisory services, the development of response strategies and the assessment of key infrastructure components. The Department prioritised the implementation of several initiatives aimed at exploring various energy generation alternatives, such as support to municipalities with the Energy Master Plans and support towards load-shedding free towns.
- The investment made by the Western Cape Government in strengthening the Provincial Disaster Management System ensured that the Province has one of the best disaster management centres in the country, capable of responding to increased incidents over the past years. The centre played a central role in co-ordinating response to the COVID-19 pandemic, the severe fire and flood incidents experienced in the province, including assisting other provinces such as the KwaZulu-Natal during the landslide disaster that the Province experienced.
- In support of the Khoi San Legislation implementation, the Department is currently in the process of creating an institutional capacity that will support the work of the Commission on Khoisan issues.
- The Joint District and Metro Approach (JDMA) has been successful through various projects implemented throughout the province.
- The Capacity of councillors and officials is a continuous priority for the Department, and various educational capacity-building programmes were implemented annually.
- Municipalities were provided with technical and administrative support on all ICT and GIS-related programmes.
- The Department continues to support municipalities with Gender mainstreaming programmes, in hopes that projects on gender mainstreaming will be institutionalised at municipal planning and implementing levels.
- The Department has received the 12<sup>th</sup> consecutive unqualified audit opinion from AGSA.
- The Department has delivered over 97% of its planned Strategic Outputs for 2020- 2025.

## 4 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

### 4.1 Programme 1: Administration

<b>Programme Purpose</b>	Provide overall management in the Department in accordance with all applicable acts and policies.
<b>Sub-Programme: Office of the MEC</b>	
<b>Sub-Programme Purpose</b>	To provide for the functioning of the Office of the MEC (provided for in Vote 9: Environmental Affairs and Development Planning).
<b>Sub-Programme: Corporate Services</b>	
<b>Sub-Programme Purpose</b>	Provide overall management in the Department in accordance with all applicable acts and policies.
<b>Outcome</b>	Well-governed department enabling programmes to deliver on their mandates.
<b>Progress towards Outcome</b>	During the 2024/25 financial year, the Department achieved 97% of its planned targets, while the remaining 3% were partially achieved.

#### A. Outcomes, Outputs, Performance Indicators, Targets, and actual achievements

Programme 1: Administration								
Sub-programme 1.2: Corporate Services								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement for	Reason deviations/ general comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Well-governed department enabling programmes to deliver on their mandates	1. Compliance with relevant planning/ budgeting & reporting legislative framework	1.1 Level of compliance with the planning & reporting legislative framework	100%	100%	100%	100%	-	All planning and reporting documents were submitted and tabled to parliament as per legislative requirements.
		1.2 Level of compliance with financial legislative framework	100%	100%	100%	100%	-	All financial reporting documents were submitted and tabled to parliament as per legislative requirements.

#### Strategy to overcome areas of underperformance/changes to planned targets.

- There were no changes to planned targets, and all targets were met with no overachievements.

## B. Linking Performance with Budgets: Programme 1: Administration

### Sub-Programme Expenditure

Sub-programmes	2024/25			2023/24		
	Final Appropriation	Actual Expenditure	Over/under Expenditure	Final Appropriation	Actual Expenditure	Over/under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC <sup>1</sup>	-	-	-	-	-	-
Corporate Services	52 359	51 306	1 053	50 414	50 159	255
<b>Total</b>	<b>52 359</b>	<b>51 306</b>	<b>1 053</b>	<b>50 414</b>	<b>50 159</b>	<b>255</b>

## 4.2 Programme 2: Local Governance

<b>Programme Purpose</b>	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in developmental processes.
<b>Sub-programme 2.1: Municipal Administration: Municipal Governance and Specialised Support</b>	
<b>Sub-Programme Purpose</b>	To provide management and support services to local government within a regulatory framework.
<b>Outcome</b>	Well-governed municipalities through efficient and effective oversight, capacity-building and governance structures.
<b>Progress towards Outcome</b>	Several legal support initiatives, such as the reviewing and amending of by-laws, training of councillors on various subject matter, including <i>inter alia</i> , Municipal Public Accounts Committees, Roles and Responsibilities, Code of Conduct, Rules of Order, with legal guidance provided to municipalities to enhance good governance. The Department conducted assessments and investigations relating to allegations of maladministration, fraud and corruption.
<b>Sub-programme 2.2: Public Participation</b>	
<b>Sub-Programme Purpose</b>	To strengthen interface between government and citizens through public participation for maximum service delivery.
<b>Outcome</b>	Improved interface between government and citizens
<b>Progress towards Outcome</b>	Municipalities were supported with public participation programmes such as Policy Development, Ward Operational Plans, Public Participation Training, Civic Education, Client Service Charters, and Customised Municipal Communication Support.
<b>Sub-programme 2.3: Capacity Development</b>	
<b>Sub-Programme Purpose</b>	To capacitate municipalities to deliver effective services.
<b>Outcome</b>	Well-governed municipalities through efficient and effective oversight, capacity building and governance structures.
<b>Progress towards Outcome</b>	Municipalities were supported with programmes such as Shared Services, Municipal Support Plans, Human Resources Support, Official /Councillor Training, Municipal Property Rates Act and Performance Management Systems.

<sup>1</sup> The budget of the MEC is reflected under the Department of Environmental Affairs and Development Planning.

Sub-programme 2.4: Municipal Performance, Monitoring, Reporting and Evaluation	
<b>Sub-Programme Purpose</b>	To monitor and evaluate municipal performance.
<b>Outcome</b>	Data and Knowledge Management Hub that informs decision-making, planning and budget allocations within local government.
<b>Progress towards Outcome</b>	As part of establishing knowledge management, a single repository knowledge management system has been rolled out within the Department. The Department also supported municipalities with Information Communication and Technology and Geographical Information Systems matters.  The Department also continued to assess and monitor municipal performance through the S47 report.
Sub-programme 2.5: Service Delivery Integration	
<b>Sub-Programme Purpose</b>	To manage the Thusong Programme and support cooperative governance between the three spheres of government.
<b>Outcome</b>	Poverty reduction.
<b>Progress towards Outcome</b>	The Thusong programme facilitated over one million services to be accessed by citizens through the Thusong Service Centres, Satellite Centres, Thusong Zones and Outreaches.  The Department also facilitated various platforms to improve the functionality of both the District and Provincial IGR Forums.
Sub-programme 2.6: Community Development Worker Programme	
<b>Sub-Programme Purpose</b>	To provide information to communities to access government services and to facilitate community access to socio-economic opportunities.
<b>Outcome</b>	Poverty reduction.
<b>Progress towards Outcome</b>	The Community Development Workers located in the metropole and the five districts continue to play a key role in improving access of citizens to government services and the strengthening of partnerships with various stakeholders to facilitate citizens' access to economic opportunities.

A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.1: Municipal Administration: Municipal Governance								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Well-governed municipalities through efficient and effective oversight, capacity-building and governance structures	2.1 Municipalities complying with applicable legislation & governance prescripts	2.1.1(a) Number of Legislation development initiatives implemented	4	4	4	4	-	Municipalities were supported with legislative support through initiatives such as Review/Amendments of By-laws, Systems of Delegations, comments on Provincial and National Bills.
		2.1.2(a) Number of assessments conducted on Senior Management Appointments in accordance with legal prescripts	37	27	20	30	10	Assessments of senior management appointments were conducted in various municipalities. This output is influenced by the recruitments undertaken by municipalities during the period, hence the deviation from the planned output.
		2.1.3(a) Number of Assessments on Municipal Public Account Committees (MPACs) conducted	10	10	10	10	-	The Department assessed the functionality of Municipal Public Accounts Committees of the following municipalities: Bergriver, Drakenstein, Breede Valley, Bitou, Mossel Bay, Saldanha Bay, Witzenberg, Overberg, Swartland, and Theewaterskloof.

Programme 2: Local Governance								
Sub-programme 2.1: Municipal Administration: Municipal Governance								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
		2.1.4(a) Code of Conduct cases assessed to ensure legislative compliance	4	4	10	3	(7)	This output is dependent on cases of appeal, requests for suspension or removal referred to by the MEC for Local Government during the period.
		2.1.5(a) Number of Legal Support initiatives provided to Municipalities to strengthen Municipal Governance	9	9	8	8	-	The support provided included hosting of workshops on inter alia the following: Rules of Order, MPACS, Code of Conduct for Councillors, Ethics, social media and the Law, Anti-Fraud & Corruption, Roles & Responsibilities and Appointment of Senior Managers.

#### B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:1</b> Number of municipalities supported to comply with MSA Regulations on the appointment of senior managers (Linked to MTSF 2019 - 2024, Priority 1)	30	30	30	30	-	All 30 municipalities were guided to comply with the Notice of Upper Limits of Remuneration Packages Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers.

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:2</b> Number of municipalities monitored on the extent to which anti-corruption measures are implemented (Linked to MTSF 2019 - 2024, Priority 1)	30	30	30	30	-	All 30 municipalities have Anti-Corruption Plans and/or Fraud Prevention Plans and have Anti-Corruption/Fraud & Risk Committees established.

**A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements**

Programme 2: Local Governance								
Sub-programme 2.2: Specialised Support								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Well-governed municipalities Through efficient and effective oversight, capacity building and governance structures	2.1.1(b) Assessments and investigations pertaining to allegations of maladministration, fraud, corruption or any other serious malpractice and formal provincial interventions justified or required in terms of section 139 of the Constitution	2.1.1(b) Quarterly reports in respect of assessments and investigations pertaining to allegations of maladministration, fraud, corruption or any other serious malpractice	4	4	4	4	-	
		2.1.2(b) Annual report in respect of formal provincial interventions justified or required in terms of Section 139 of the Constitution	1	1	1	1	-	

## A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 2: Local Governance								
Sub-programme 2.3: Public Participation								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Improved interface between the government and citizens	2.2(a) Actions implemented, monitored & supported to improve citizen interface	2.2.1(a) Number of support actions to improve citizen interface	6	6	5	5	-	Support programmes to improve citizens' interface included the Development of Client Service Charters, the Development and Review of Ward Committee Policies, Ward Committee Operational Plans Review of Ward Committee/Public Participation Policies, Ward Committee Training, and the Civic Education Programme.
		2.2.2(a) Number of municipalities supported with communication programmes	30	24	24	27	3	<p>Communication campaigns with municipalities included Fire Awareness, Summer Hazards, Responsible water usage, Social Media literacy, Artificial Intelligence Training, Anti-Vandalism, and a Communication Forum.</p> <p>All 24 local municipalities received support either directly or indirectly via the support provided to districts.</p> <p>Due to budget availability, more municipalities received support.</p>

Programme 2: Local Governance								
Sub-programme 2.3: Public Participation								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Well governed municipalities through efficient and effective oversight, capacity-building, and governance structures	2.2(b) Actions implemented and supported to improve Gender Mainstreaming and Human Rights in municipalities	2.2.1(b) Number of support actions to improve Gender Mainstreaming and Human Rights in municipalities	3	4	4	4	-	Municipalities received support through programmes such as Gender Mainstreaming/Gender Equality/Policy and Human Trafficking Awareness campaigns.

**B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:3</b> Number of municipalities supported to maintain functional ward committees (Linked to MTSF 2019 - 2024, Priority 1) <sup>2</sup>	24	25	24	25	1	All 24 local municipalities were supported with various actions to maintain functional ward committees.  City of Cape Town received support with the Development and Review of Ward Committee Operational Policies, resulting in an overachievement.

<sup>2</sup> This indicator is directly linked to the Provincial indicator 2.2.1(a) Number of support actions to improve citizen interface.

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:4</b> Number of municipalities supported to promote participation in community-based local governance processes (Priority 1: Capable, Ethical and Developmental State) (Priority 6 MTEF indicatory: Social Cohesion and Safer Communities)	3	3	3	3	-	Civic Education Workshops were conducted in Matzikama, Swellendam and Cape Agulhas Municipalities.
<b>SPI:5</b> Number of municipalities supported to resolve community concerns	1	1	1	1	-	All municipalities have a complaints management system and process in place. As part of ongoing efforts to enhance these systems, the Western Cape Government's EG4C unit was invited to present its complaints management approach during a CommTech session. This formed part of a peer learning exercise aimed at assisting municipalities in improving their current systems or exploring alternative options.
<b>SPI:6</b> Number of work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	16 689	16 112	16 647	14 362	(2 285)	Given that the CWP provides a safety net of 2 days per week, 8 days per month, participants exit the programme when there are seasonal work opportunities on farms.

**A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements**

Programme 2: Local Governance								
Sub-programme 2.3: Capacity Development								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Well-governed municipalities through efficient and effective oversight, capacity-building and governance structures	2.3 Capacity-building strategies in municipalities for improved service delivery implemented	2.3.1 Number of programmes implemented to enhance the capacity of municipalities	3	3	3	3	-	Capacity programmes implemented in municipalities included the Development and Implementation of Municipal Support Plans, Shared Services and HR Support.
		2.3.2 Monitor compliance to the Skills Development Act	1	1	1	1	-	The Department monitored and supported compliance with the Skills Development Act. All municipalities in the Western Cape are compliant and have submitted their Workplace Skills Plans to the Local Government Sector Education and Training Authority.
		2.3.3 Number of training and development programmes implemented in municipalities	3	2	2	2	-	Training for Councillors and Municipal Officials was conducted.

**B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

Output Indicator		Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
		2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:7</b>	Number of capacity-building interventions conducted in municipalities (Linked to MTSF 2019-2024, Priority 1) (B2B Pillar 5) <sup>3</sup>	3	3	3	3	-	Same support programmes as provincial indicator 2.3.1.
<b>SPI:8</b>	Number municipalities guided to comply with the MPRA (Linked to MTSF 2019-2024 Priority 1) (B2B Pillar4)	25	25	25	25	-	Municipalities received support through quarterly MPRA focus groups and a dedicated MPRA helpdesk.
<b>SPI:9</b>	Number of municipalities supported to institutionalise the performance management system (PMS) (Linked to MTSF 2019-2024, Priority 1)	4	4	29	29	-	Municipalities were supported with a workshop/training on performance management systems.

<sup>3</sup> This indicator is directly linked to the Provincial indicator (2.3.1 Number of programmes implemented to enhance the capacity of municipalities).

**A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements**

Programme 2: Local Governance								
Sub-programme 2.4: Municipal Performance Monitoring and Evaluation								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Data and Knowledge Management Hub that informs decision-making, planning and budget allocations within local government	2.4 Departmental & municipal data repository	2.4.1 A single repository for the management and dissemination of information relating to municipalities established	Development of a single data repository implemented	A single data repository implemented	Implementation of a single data repository	Implementation of a single data repository	-	The Knowledge Management System is currently implemented in the Department and serves as a departmental single repository.
		2.4.2 Number of reports providing insight into municipal status and functioning produced	4	4	4	4	-	Quarterly status reports for all municipalities were produced.
		2.4.3 Number of programmes implemented to institutionalise GIS in the municipal space	2	2	2	2	-	The Knowledge Management System is currently implemented in the Department and serves as a departmental single repository.

Programme 2: Local Governance								
Sub-programme 2.4: Municipal Performance Monitoring and Evaluation								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
		2.4.4 Number of programmes implemented to institutionalise ICT in the municipal space	2	2	2	2	-	Programmes implemented in municipalities were ICT forums and Municipal ICT support.

#### B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:10</b> Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	4	4	4	4	-	Indigent policy assessments were concluded in four municipalities, namely: Theewaterskloof, Beaufort West, Overstrand and Hessequa.
<b>SPI:11</b> Number of Section 47 Reports complied as prescribed by the MSA (Linked to MTSF 2019-2024, Priority 1) (B2B Pillar 5)	1	1	1	1	-	A consolidated municipal report was compiled (Section 47).

**A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements**

Programme 2: Local Governance								
Sub-programme 2.5: Service Delivery Integration								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Reduction in poverty	2.5(a) Opportunities created through the Thusong Programme	2.5.1(a) Socio-economic projects facilitated	4	5	4	4	-	The four socio-economic projects facilitated were: <ul style="list-style-type: none"> <li>• Development of skills centre: Beaufort West</li> <li>• Support for a Local Cooperative; Beaufort West</li> <li>• Business container hub: Oudtshoorn</li> <li>• After-school programme: Saldanha Bay</li> </ul>
	2.5(b) Effective Thusong Programme	2.5.1(b) Number of services accessed through the Thusong Programme	1 347 486	1 397 571	1 300 000	1 473 215	173 215	The over-achievement is due to an increased need for access to government services.
		2.5.2(b) Support actions to ensure effective functioning of the Thusong Programme	4	4	4	4	-	Support actions included: <ul style="list-style-type: none"> <li>• Establishment of satellite centres</li> <li>• Operational &amp; maintenance funding</li> <li>• Thusong provincial forums</li> <li>• Functionality assessments</li> </ul>

Programme 2: Local Governance

Sub-programme 2.5: Service Delivery Integration

Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Improved integrated planning, budgeting and implementation	2.5(c) Functional Inter-Governmental Relations (IGR) platforms	2.5.1(c) Support actions to improve District Inter-Governmental Relations (IGR) platforms	4	3	3	3	-	Support actions implemented to improve district IGR Platforms were: <ul style="list-style-type: none"> <li>• Compiling of district fora circulars</li> <li>• Revising of district fora TORs</li> <li>• Monitoring implementation of departmental actions emanating from the district fora.</li> </ul>
		2.5.2(c) Support actions to improve Provincial Inter-Governmental Relations (IGR) platforms	5	4	4	4	-	Support actions implemented to improve provincial IGR Platforms were: <ul style="list-style-type: none"> <li>• Supporting the implementation of provincial IGR forums.</li> <li>• Monitor the implementation of provincial IGR forums</li> <li>• Participating in IGR forums</li> <li>• Updating of municipal contact list.</li> </ul>

Programme 2: Local Governance								
Sub-programme 2.6: Community Development Worker Programme								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Reduction in poverty	2.6 Opportunities created through the Community Development Worker Programme	2.6.1. Government initiatives to enhance social well-being	5	5	5	5	-	Support initiatives conducted to enhance social well-being included Social Services, Education, Health Services, Safety and Security Support and Municipal & Human Settlement Support.
		2.6.2 Initiatives to support informal economy	4	4	4	4	-	Small-scale economic opportunities included support to establish co-operatives, informal traders, non-profit organisations and small business development.

**A. Strategy to overcome areas of underperformance/changes to planned targets.**

- No changes to targets were made during the year.
- Reasons for under- and over-performance have been addressed in detail in the indicator tables above.

## B. Linking Performance with Budgets: Programme 2: Local Governance

### Sub-programme Expenditure

Sub-programmes	2024/25			2023/24		
	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
Municipal Administration	16 150	15 984	166	15 058	15 058	-
Public Participation	11 492	11 492	-	11 483	11 483	-
Capacity Development	11 775	11 255	520	13 421	13 421	-
Municipality Performance Monitoring, Reporting and Evaluation	27 876	27 662	214	29 088	29 088	-
Service Delivery Integration	10 653	10 300	353	12 344	12 344	-
Community Development Worker Programme	82 976	82 552	424	82 586	82 586	-
<b>Total</b>	<b>160 922</b>	<b>159 245</b>	<b>1 677</b>	<b>163 980</b>	<b>163 980</b>	<b>-</b>

### 4.3 Programme 3: Development and Planning

<b>Programme Purpose</b>	To promote and facilitate effective disaster management practices, ensure well-maintained municipal infrastructure, and promote integrated planning.
<b>Sub-programme 3.1: Municipal Infrastructure</b>	
<b>Sub-Programme Purpose</b>	To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure.
<b>Outcome</b>	The provision and maintenance of infrastructure towards Infrastructure-led economic growth.
<b>Progress towards Outcome</b>	Infrastructure support is provided to municipalities through the MIG and IUDG programme, water and energy resilience programmes, and the SIDAFF programme.
<b>Sub-programme 3.2: Disaster Management</b>	
<b>Sub-Programme Purpose</b>	To manage disaster management at the provincial and local level to ensure the establishment of effective and efficient disaster management mechanisms.
<b>Outcome</b>	Safer, resilient communities and sustainable development.
<b>Progress towards Outcome</b>	The Province remained on high alert to various disasters threatening the province and continued to implement and adjust its programmes to ensure that the Province remains disaster resilient.  Programmes implemented included strengthening of partnerships with various stakeholders, facilitating Disaster Reduction incidents and supporting municipalities to improve fire services capacity.
<b>Sub-programme 3.3: Integrated Development Planning</b>	
<b>Sub-Programme Purpose</b>	To strengthen inter-governmental planning and budgeting through establishment of IDP as the single co-ordinating plan of government.
<b>Outcome</b>	Improved integrated planning, budgeting, and implementation.
<b>Progress towards Outcome</b>	The Department continued to provide support to improve the development, review, and amendment of Integrated Development Plans. The Department facilitated the implementation of the Joint District and Metro Approach (JDMA) in the Province to ensure co-planning, co-budgeting, and co-implementation towards the improvement of service delivery.

## A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 3: Development and Planning								
Sub-programme 3.1: Municipal Infrastructure								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
The provision and maintenance of infrastructure towards infrastructure-led economic growth	3.1 Strengthened basic service delivery	3.1.1 Number of programmes to strengthen basic service delivery	1	2	2	2	-	Municipalities were supported with: <ul style="list-style-type: none"> <li>the municipal infrastructure grants appraisals; and</li> <li>the provision of critical infrastructure services projects tailored to the needs of a municipality</li> </ul>
		3.1.2 Number of water resilience programmes	1	2	2	2	-	Municipalities were supported with: <ul style="list-style-type: none"> <li>water resilience projects; and</li> <li>geohydrological services.</li> </ul>
		3.1.3. Number of energy resilience programmes	1	2	2	2	-	The following support was provided: <ul style="list-style-type: none"> <li>electricity master planning; and</li> <li>loadshedding-free town project.</li> </ul>
		3.1.4 Number of infrastructure funding programmes	-	1	1	1	-	The Department facilitates the implementation of the Sustainable Infrastructure Development & Financing Facility (SIDAFF) Programme.

**B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

Output Indicator		Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
		2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:12</b>	Number of municipalities monitored on the implementation of infrastructure delivery programmes (Outcome 9, Sub-outcome 1) (B2B Pillar 5).	22	22	25	25	-	Municipalities were supported with municipal infrastructure grant-related matters.

**A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements**

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Safer, resilient communities and sustainable development	3.2(a) Integrated systems and structures for disaster management established and maintained	3.2.1(a) Facilitate co-ordination of disaster management partnerships	10	10	8	8	-	The Department facilitated various disaster management engagements with stakeholders.
		3.2.2(a) Monitor & evaluate the implementation of disaster management	1	1	1	1	-	An annual disaster management report was produced and distributed to stakeholders.
		3.2.3(a) Development and review of WC Disaster Management Policy Provisions	1	1	1	1	-	The Western Cape Disaster Management Framework was drafted.

Programme 3: Development and Planning

Sub-programme 3.2: Disaster Management and Fire Service

Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Safer, resilient communities and sustainable development	3.2.(b) Effective and rapid emergency/ disaster response and recovery mechanisms	3.2.1(b) Support organs of state to ensure disaster readiness and response	5	5	4	5	1	Support included winter and summer readiness plans, generic Western Cape Preparedness, Response and Relief Plan (WCPRRP), Functionality of the centre, taxi strike/ violence contingency plans.  The updating of the taxi strike/violence contingency plans caused the deviation from the planned output.
		3.2.2(b) Co-ordinate effective disaster recovery processes to enhance resilience	3	4	1	5	4	Recovery projects implemented were: <ul style="list-style-type: none"> <li>• assessments &amp; verifications</li> <li>• classifications &amp; declarations</li> <li>• funding request,</li> <li>• monitoring &amp; evaluation of funds; and</li> <li>• debriefings</li> </ul> The occurrence of disasters cannot be predicted.
	3.2 (c) Institutionalisation and advocacy of disaster risk reduction	3.2.1(c) Number of risk and vulnerability assessments conducted	1	2	1	2	1	The review and update of the standardised risk assessment methodology for Bergriver municipality was undertaken.

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Safer, resilient communities and sustainable development	3.2 (c) Institutionalisation and advocacy of disaster risk reduction	3.2.1(c) Number of risk and vulnerability assessments conducted						Towards the end of the FY, additional funding became available, allowing the Department to update and review the WC Provincial Disaster Risk Assessment.
		3.2.2(c) Upgrade & maintain disaster management spatial data repository	1	1	1	1	-	A decision support tool and dashboard upgrade WCG PDMC was completed.
		3.2.3(c) Number of municipalities supported in developing disaster risk reduction measures in their IDPs	5	2	1	2	1	Risk Reduction assessments were completed for Drakenstein and Witzenberg.  The roll-out of the Disaster Risk Reduction Plan project in municipalities in the Cape Winelands was done through a capacity-building approach. Disaster management officials and Interns were trained in how to conduct disaster risk reduction plans and were supported by the Department in the rollout, which allowed for an additional municipality to be assisted.

Programme 3: Development and Planning

Sub-programme 3.2: Disaster Management and Fire Service

Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Safer, resilient communities and sustainable development		3.2.4(c) Hazard awareness programme	1	1	1	1	-	A hazard awareness campaign was rolled out to 4 schools per District Municipality, identified by the District Disaster Management Centre Officials and the Western Cape Education Department: Safer Schools Coordinators. Over 18,000 learners were reached in the period under review.
	3.2(d) Fire and Rescue Services capability improved	3.2.1(d) Number of training programmes to improve fire & life safety in the Province	6	6	6	7	1	Training programmes such as fire & safety legislation, fire risk assessments, fundamentals of design of engineering solutions, fundamentals of fire investigations, interpretation and application of local authority bylaws, examination of building plans and Peace officer training were provided to municipalities.
		3.2.2(d) Number of training programmes to improve emergency & special capacity capability in the Province	4	3	3	3	-	Training programmes to improve Emergency and Special Capacity in the Province were: <ul style="list-style-type: none"> <li>• ICS Incident Management,</li> <li>• ICS Operations Section Chief Training, and</li> <li>• ICS Resource Unit Leader Training.</li> </ul>

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Safer, resilient communities and sustainable development	3.2(d) Fire and Rescue Services capability improved	3.2.3(d) Aerial firefighting and ground support programme implemented	1	1	1	1	-	Aerial firefighting programme implemented.

**B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:13</b> Number of municipalities supported to maintain functional disaster management centres	6	6	6	6	-	All disaster management centres in the Province are functional, the Department conducts quarterly monitoring of all district municipalities and the metro.
<b>SPI:14</b> Number of municipalities supported on Fire Brigade Services	6	11	5	9	4	The following municipalities received Fire Capacity Building Grants: Cape Winelands, Garden Route, Hessequa, Prince Albert, and West Coast. Beaufort, Central Karoo, Drakenstein and Laingsburg received Fire assessment support.  This project varies based on budget availability.

## A. Outcomes, Outputs, Performance Indicators, Targets, and Actual Achievements

Programme 3: Development and Planning								
Sub-programme 3.3: Integrated Development Planning								
Outcome	Outputs	Output Indicators	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
			2022/23	2023/24	2024/25	2024/25	2024/25	
Improved integrated planning, budgeting and implementation	3.3(a) Responsive IDPs developed	3.3.1(a) Initiatives to improve the quality of Integrated Development Plans	3	3	3	3	-	<p>The programmes implemented to improve IDPs were.</p> <ul style="list-style-type: none"> <li>Assessment of IDPs</li> <li>Provincial IDP managers forums; and</li> <li>Assessments of planning alignment of the district with respective local municipalities.</li> </ul>
	3.3.(b) Joint District Approach implemented	3.3.1(b) Number of functional district interface teams as part of the Joint District and Metro Approach	5	5	5	5	-	<ul style="list-style-type: none"> <li>All five district interface teams, which were established in 2019, are functional.</li> </ul>

## B. Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:15</b> Number of municipalities with legally compliant IDPs	30	30	30	30	-	Municipalities were supported with the development of IDPs through workshops, IDP managers forums and IDP assessments.

Output Indicator	Audited Actual Performance	Audited Actual Performance	Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reason deviations/ General comments
	2022/23	2023/24	2024/25	2024/25	2024/25	
<b>SPI:16</b> Number of Districts/ Metros monitored on the implementation One Plans (MTSF 2019 - 2024, Priority 5: Spatial integration, human settlements, and local government)	5	5	5	5	-	One Plans are monitored through DCF & DCF Technical Committees/ Municipal Managers Forums.

**A. Strategy to overcome areas of underperformance/changes to planned targets.**

- No changes to targets were made during the year.
- Reasons for under- and over-performance have been addressed in detail in the indicator tables above.

**B. Linking Performance with Budgets: Programme 3: Development and Planning**

**Sub-programme Expenditure**

Sub-programmes	2024/25			2023/24		
	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
<b>Municipal Infrastructure</b>	140 963	139 736	1 227	126 477	125 178	1 299
<b>Disaster Management</b>	75 887	66 170	9 717	64 057	63 694	363
<b>Integrated Development Planning</b>	6 333	6 333	-	6 325	6 325	-
<b>Total</b>	<b>223 183</b>	<b>212 239</b>	<b>10 944</b>	<b>196 859</b>	<b>195 197</b>	<b>1 662</b>

**C. Linking Performance with Budgets: Programme 4: Traditional Institutional Administration**

Sub-programmes	2024/25			2023/24		
	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
<b>Traditional Institutional Management</b>	798	422	376	373	373	-
<b>Total</b>	<b>798</b>	<b>422</b>	<b>376</b>	<b>373</b>	<b>373</b>	<b>-</b>
<b>Grand Departmental Total</b>	<b>437 262</b>	<b>423 212</b>	<b>14 050</b>	<b>411 626</b>	<b>409 709</b>	<b>1 917</b>

## 4.4 Transfer Payments

### 4.4.1 Transfer payments to Public Entities N/A

### 4.4.2 Transfer Payments (transfer payments made for the period 1 April 2024 to 31 March 2025)

Name of Transferee	Type of organisation	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
<b>Community Development Workers (CDW) Operational Support Grant</b>						
Beaufort West	Municipal Organisation	CDW Operational grant	Yes	226	129	The municipal financial year ends 30 June 2025
Bitou	Municipal Organisation	CDW Operational grant	Yes	19	4	The municipal financial year ends 30 June 2025
Breede Valley	Municipal Organisation	CDW Operational grant	Yes	94	-	The municipal financial year ends 30 June 2025
Cape Agulhas	Municipal Organisation	CDW Operational grant	Yes	57	34	The municipal financial year ends 30 June 2025
Cape Winelands District	Municipal Organisation	CDW Operational grant	Yes	76	30	The municipal financial year ends 30 June 2025
Cederberg	Municipal Organisation	CDW Operational grant	Yes	151	-	The municipal financial year ends 30 June 2025
City of Cape Town	Municipal Organisation	CDW Operational grant	Yes	1 018	509	The municipal financial year ends 30 June 2025
Drakenstein	Municipal Organisation	CDW Operational grant	Yes	113	77	The municipal financial year ends 30 June 2025
George	Municipal Organisation	CDW Operational grant	Yes	94	47	The municipal financial year ends 30 June 2025
Hessequa	Municipal Organisation	CDW Operational grant	Yes	38	31	The municipal financial year ends 30 June 2025
Kannaland	Municipal Organisation	CDW Operational grant	Yes	113	90	The municipal financial year ends 30 June 2025
Knysna	Municipal Organisation	CDW Operational grant	Yes	57	54	The municipal financial year ends 30 June 2025
Laingsburg	Municipal Organisation	CDW Operational grant	Yes	76	53	The municipal financial year ends 30 June 2025
Langeberg	Municipal Organisation	CDW Operational grant	Yes	38	38	All funds have been spent
Matzikama	Municipal Organisation	CDW Operational grant	Yes	94	1	The municipal financial year ends 30 June 2025
Mossel Bay	Municipal Organisation	CDW Operational grant	Yes	57	11	The municipal financial year ends 30 June 2025
Oudtshoorn	Municipal Organisation	CDW Operational grant	Yes	57	41	The municipal financial year ends 30 June 2025

Name of Transferee	Type of organisation	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
Overberg District	Municipal Organisation	CDW Operational grant	Yes	57	13	The municipal financial year ends 30 June 2025
Overstrand	Municipal Organisation	CDW Operational grant	Yes	76	19	The municipal financial year ends 30 June 2025
Prince Albert	Municipal Organisation	CDW Operational grant	Yes	76	18	The municipal financial year ends 30 June 2025
Saldanha Bay	Municipal Organisation	CDW Operational grant	Yes	76	16	The municipal financial year ends 30 June 2025
Stellenbosch	Municipal Organisation	CDW Operational grant	Yes	38	27	The municipal financial year ends 30 June 2025
Swartland	Municipal Organisation	CDW Operational grant	Yes	38	29	The municipal financial year ends 30 June 2025
Thee-waters-loof	Municipal Organisation	CDW Operational grant	Yes	113	8	The municipal financial year ends 30 June 2025
West Coast District	Municipal Organisation	CDW Operational grant	Yes	76	50	The municipal financial year ends 30 June 2025
Witzenberg	Municipal Organisation	CDW Operational grant	Yes	132	47	The municipal financial year ends 30 June 2025
<b>Thusong Service Centre Grant (Sustainability: Operational Support Grant)</b>						
George	Municipal Organisation	Thusong Operational Support Grant	Yes	150	150	Project completed
Hessequa	Municipal Organisation	Thusong Operational Support Grant	Yes	150	150	Project completed
Matzikama	Municipal Organisation	Thusong Operational Support Grant	Yes	150	-	The internal site visit took place to determine the specifications in process to advertise the Request for Quotations (RFQ)
Prince Albert	Municipal Organisation	Thusong Operational Support Grant	Yes	150	-	Developing the specification to start the procurement process
Swartland	Municipal Organisation	Thusong Operational Support Grant	Yes	150	141	Project completed and outstanding amount must be paid to the supplier
Thee-waters-kloof	Municipal Organisation	Thusong Operational Support Grant	Yes	146	75	Expenditure was towards access control staff and electrical repairs. The Department is waiting on quotations for roof repairs

Name of Transferee	Type of organisation	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
Witzenberg	Municipal Organisation	Thusong Operational Support Grant	Yes	150	29	The funds were utilised for the development of the structural plans. The structural plans were received towards the end of March 2025 and Supply Chain Management (SCM) was requested to provide guidance in terms of specifications and bid requests process. The bid request is yet to be finalised and thereafter a Bid specification is to be held and only once the document is approved can the bid be advertised
<b>Municipal Energy Resilience Grant</b>						
Hessequa	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	67 700	-	The project implementation is progressing well onsite, and the project is ahead of the schedule planned budget for this financial year. The project will be fully spent by the end June 2025
Kannaland	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	522	-	The Municipality commenced with the SCM processes in April 2025 and will apply for the rollover of unspent funds
Knysna	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	600	-	The Municipality commenced with the SCM processes in April 2025 and will apply for the rollover of unspent funds
Oudtshoorn	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	600	-	The service provider was appointed and the funds will be spent by end of June 2025
Prince Albert	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	400	-	The service provider was appointed and the funds will be spent by end of June 2025

Name of Transferee	Type of organisation	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
Witzenberg	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	700	29	The project implementation is progressing well onsite; the project will fully be completed by the end of June 2025
<b>Municipal Service Delivery and Capacity Building Grant</b>						
Bergervier	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	750	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Bitou	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
City of Cape Town	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	650	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Cape Winelands District	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	200	-	The Municipality commenced with the recruitment process and will apply for the roll-over of unspent funds
Garden Route District	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	1 200	-	The Municipality commenced with the SCM and recruitment processes and will apply for the roll-over of unspent funds
Overberg District	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	700	-	The Municipality commenced with the recruitment process and will apply for the roll-over of unspent funds
Prince Albert	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	454	-	The Municipality commenced with the SCM and recruitment processes and will apply for the roll-over of unspent funds

Name of Transferee	Type of organisation	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
Saldanha Bay	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	250	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Swellendam	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	600	-	The Municipality completed one project and commenced with the recruitment process for the other project and will apply for the roll-over of unspent funds
West Coast District	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	400	-	The Municipality commenced with the recruitment process and will apply for the roll-over of unspent funds
<b>Fire Service Capacity Building Grant</b>						
Bitou	Municipal Organisation	Fire Service Capacity Building Grant	Yes	980	980	All funds have been committed and spent
Central Karoo District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	1 500	1 500	All funds have been committed and spent
Breede Valley	Municipal Organisation	Fire Service Capacity Building Grant	Yes	466	466	All funds have been committed and spent
Cape Winelands District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	500	500	All funds have been committed and spent
Garden Route District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	3 000	3 000	All funds have been committed and spent
Hessequa	Municipal Organisation	Fire Service Capacity Building Grant	Yes	558	558	All funds have been committed and spent
Laingsburg	Municipal Organisation	Fire Service Capacity Building Grant	Yes	557	557	All funds have been committed and spent
Overberg District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	1 500	1 500	All funds have been committed and spent

Name of Transferee	Type of organisation	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
Prince Albert	Municipal Organisation	Fire Service Capacity Building Grant	Yes	980	980	All funds have been committed and spent
West Coast District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	500	500	All funds have been committed and spent
<b>Western Cape Municipal Interventions Grant</b>						
Beaufort West	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	2 241	-	The Municipality commenced with the SCM and recruitment processes and will apply for the roll-over of unspent funds
Cederberg	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	600	-	The Municipality commenced with the SCM and recruitment processes and will apply for the roll-over of unspent funds
Central Karoo District	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	600	-	The Municipality commenced with the recruitment process and will apply for the roll-over of unspent funds
Laingsburg	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	560	-	The Municipality commenced with the SCM and recruitment processes and will apply for the roll-over of unspent funds
Matzikama	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	400	-	The Municipality commenced with the recruitment process and will apply for the roll-over of unspent funds
Oudshoorn	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	1 000	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Prince Albert	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	500	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds

Name of Transferee	Type of organisation	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
<b>Municipal Water Resilience Grant</b>						
Beaufort West	Municipal Organisation	Municipal Water Resilience Grant	Yes	2 500	-	The Municipality commenced with the SCM and will apply for the roll-over of unspent funds
Cape Winelands District	Municipal Organisation	Municipal Water Resilience Grant	Yes	1 800	-	The Municipality commenced with the SCM and will apply for the roll-over of unspent funds
Cederberg	Municipal Organisation	Municipal Water Resilience Grant	Yes	8 000	-	The Municipality commenced with the SCM and will apply for the roll-over of unspent funds
Central Karoo District	Municipal Organisation	Municipal Water Resilience Grant	Yes	600	-	Municipality requested scope change Anticipated that a roll-over will be requested
Garden Route District	Municipal Organisation	Municipal Water Resilience Grant	Yes	1 800	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Kannaland	Municipal Organisation	Municipal Water Resilience Grant	Yes	4 000	-	The Municipality appointed a service provider and will apply for the roll-over of unspent funds
Knysna	Municipal Organisation	Municipal Water Resilience Grant	Yes	9 136	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Laingsburg	Municipal Organisation	Municipal Water Resilience Grant	Yes	2 000	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Matzikama	Municipal Organisation	Municipal Water Resilience Grant	Yes	4 000	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds

Name of Transferee	Type of organisation	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
Oudtshoorn	Municipal Organisation	Municipal Water Resilience Grant	Yes	2 000	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Overberg District	Municipal Organisation	Municipal Water Resilience Grant	Yes	1 800	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Prince Albert	Municipal Organisation	Municipal Water Resilience Grant	Yes	1 000	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
Swellendam	Municipal Organisation	Municipal Water Resilience Grant	Yes	1 000	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
West Coast District	Municipal Organisation	Municipal Water Resilience Grant	Yes	600	-	The Municipality commenced with the SCM processes and will apply for the roll-over of unspent funds
<b>Disaster Management Grant</b>						
George	Municipal Organisation	Disaster Management Grant	Yes	2 500	-	-
<b>Other</b>						
Departmental agencies and accounts	National Sea Rescue Institute	Operational Support	Yes	6	6	N/A
Departmental agencies and accounts	South African Broadcasting Corporation (SABC)	TV license	Yes	376	376	N/A
Non-Profit Institutions	Lifesaving Western Province (WP)	Operational Support	Yes	376	376	N/A

Name of Transferee	Type of organisation	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
Non-Profit Institution	Western Cape Umbrella Fire Protection Association	Operational Support	Yes	3 000	3 000	N/A
Household	Departmental	Leave gratuities	-	-	-	N/A

#### 4.4.3 Transfers not made: N/A

## 4.5 Conditional grants and earmarked funds received

<b>Department to whom the grant has been transferred</b>	Local Government: Municipal Infrastructure
<b>Purpose of the Grant</b>	To strengthen existing and explore innovative responses to deepen water resilience interventions in the face of increased climate change volatility
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Repair of vandalized boreholes (e.g. Beaufort West Mun)</li> <li>• Wellfield development (e.g. Cederberg Mun - Lamberts Bay)</li> <li>• Refurbishment of WTW (e.g. Cederberg Mun - Clanwilliam WTW)</li> <li>• Telemetric systems upgrading</li> <li>• Upgrading of sewage pump stations</li> <li>• Provision of water tankers x 6 to all WCape District Municipalities</li> </ul>
<b>Actual outputs achieved</b>	All projects are currently in execution stage - to be completed by end of June 2025. 24/25 WR Grant funding transferred to all relevant municipalities - by end of March 2025. Transfer Payment Agreements signed.
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R31 553
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R31 553
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	Reviewing business plans (before legal vetting process), legal vetting of Transfer payment agreements (TPA's), tracking of BAS payments, and tracking of expenditure reports.

<b>Department to whom the grant has been transferred</b>	Local Government: Municipal Infrastructure
<b>Purpose of the Grant</b>	To fund dedicated project management support to ensure the successful rollout of the Sustainable Infrastructure Development and Finance Facility programme
<b>Expected outputs of the grant</b>	Operationalisation of the Grant Finance Facility and development of the Financing Framework
<b>Actual outputs achieved</b>	Framework for Municipal Selection developed Financing Modality reviewed Project pipeline developed
<b>Amount per amended DORA</b>	
<b>Amount transferred (R'000)</b>	R2 000
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R2 000
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	The Department signed a Service Level Agreement with the service provider. Bi-Weekly meetings are held with the service provider to assess the services rendered.

<b>Department to whom the grant has been transferred</b>	Local Government: Municipal Infrastructure
<b>Purpose of the Grant</b>	To provide financial assistance to municipalities for the pilot sustainable energy solutions to assess the feasibility of the technology. The use of a solar PV array to charge containerized battery storage is to be used at Hessequa Local Municipality (Riversdale) to reduce the impact of loadshedding and reliance on the Eskom grid.
<b>Expected outputs of the grant</b>	Help towards the goal of decreasing carbon footprint, which is the global initiative. To reduce the impact of loadshedding that affects safety & security, business continuity. Municipal revenue protection. To improve economic growth in Riversdale town.
<b>Actual outputs achieved</b>	In progress, actual outputs expected after the implementation and operations after close out.
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R67 000
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R67 000
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	Reviewing business plans (before legal vetting process), legal vetting of Transfer payment agreements (TPA's), tracking of BAS payments, and tracking of expenditure reports.

<b>Department to whom the grant has been transferred</b>	Local Government: Municipal Infrastructure
<b>Purpose of the Grant</b>	Financial assistance to municipalities to assist with the roll-out of the Municipal Electricity Master Planning programme. This includes updating cost of supply studies (CoSS) and preparatory work towards renewable energy projects.
<b>Expected outputs of the grant</b>	Improved functioning of municipal electrical infrastructure and improved energy resilience in the province. Furthermore, energy resilience will enable the mitigation of loadshedding risks and will promote local energy-related economic development which will result in job creation.
<b>Actual outputs achieved</b>	Enhanced energy planning and policy alignments. Informed tariff setting and financial sustainability planning. Projections and best suitable options for renewable energy projects. Implementation of pilot projects, eg. installing solar PVs on top of municipal buildings, at wastewater treatment plants and sewage pump systems, etc. Reduction of basic services outages (water and sanitation).
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R1 760
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R1 760
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	Reviewing business plans (before legal vetting process), legal vetting of Transfer payment agreements (TPA's), tracking of BAS payments, and tracking of expenditure reports.

<b>Department to whom the grant has been transferred</b>	Local Government: Municipal Infrastructure
<b>Purpose of the Grant</b>	Additional critical skills and capacity to support the Energy Security programme in the Department.
<b>Expected outputs of the grant</b>	To increase the human capital within the Energy Resilience Programme in order support Municipalities.
<b>Actual outputs achieved</b>	The available additional capacity is undertaking the activities that ensure energy resilience programme is implemented, in line with WCG objectives. Project management oversight and reporting on active projects. Providing support and technical advice on municipal requests. Service delivery, monitoring and evaluation of energy municipal infrastructure. Planning and identifying beneficiaries for near future funding.
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R4 260
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R3 620
<b>Reasons for the funds unspent by the entity</b>	Resignation of professional/s
<b>Monitoring mechanism by the receiving department</b>	Performance agreements and Performance reviews. Bi-annual Budget adjustments, which were made due to staff resignations.

<b>Department to whom the grant has been transferred</b>	Local Government
<b>Purpose of the Grant</b>	Resilient Connectivity
<b>Expected outputs of the grant</b>	Fibre was installed in June 2024. Monthly subscription fee for a period of 3 years
<b>Actual outputs achieved</b>	The fibre was installed in the 2024/25 financial year. With the first payment in July 2024
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R 151
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R 151
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	The Department signed a 3-year agreement with the service provider. Quarterly meetings were held with the service provider to assess the services rendered.

<b>Department to whom the grant has been transferred</b>	Local Government
<b>Purpose of the Grant</b>	Technical Communications during major electricity disruptions
<b>Expected outputs of the grant</b>	To provide an alternative, communications system for emergency communications to ensure connectivity in the event of a national electricity blackout or any other event which may result in the collapse of established communications infrastructure.
<b>Actual outputs achieved</b>	A Business Analyst was appointed for a period of three months in 2024/25. Engagements took place with Department of Health & Wellness and Departments of Infrastructure and Agriculture regarding the viability of utilising the already established radio network. The DLG was informed accordingly that the radio network cannot be utilised and recommended a satellite solution for uninterrupted communication. The Request for Information for a satellite solution was published on two occasions in the 2024/25 financial year and no responses were received.
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R 339
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R 339
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	The business analyst completed the business requirement document to ensure connectivity in the event of a national electricity blackout. An electricity disruption exercise was headed up and facilitated by him together with lessons learnt. In addition, the lessons learnt from the Central Karoo electricity outage were facilitated and finalised by him. Monthly progress reports were provided by him.

<b>Department to whom the grant has been transferred</b>	Local Government: Disaster Risk
<b>Purpose of the Grant</b>	Capacity Building and Training of municipal officials
<b>Expected outputs of the grant</b>	Development and facilitation of Disaster Management Learning Programme short courses
<b>Actual outputs achieved</b>	Development of 16 short courses and 4 short courses completed (Introduction to Disaster Management, Disaster Management Legislation and Policy, Strategic Disaster Management, Institutional Capacity)
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R 2 485
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R 2 310
<b>Reasons for the funds unspent by the entity</b>	Number of participants per online course was restricted to 50 due to restrictions on the PTI Moodle Platform. This restriction was imposed from the third course and is applicable to all future courses.
<b>Monitoring mechanism by the receiving department</b>	Quarterly reports as per the SLA requirements

<b>Department to whom the grant has been transferred</b>	Local Government: Disaster Fire Brigade
<b>Purpose of the Grant</b>	Response to incidents involving dangerous goods
<b>Expected outputs of the grant</b>	All 5 Districts have been allocated an amount of R500 000 for procurement of Hazmat Goods and Equipment
<b>Actual outputs achieved</b>	4 Districts namely Garden Route, Overberg, West Coast and Central Karoo have procured a Hazmat Trailer and Equipment and Cape Winelands procured Hazmat equipment
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R2 500
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R2 500
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	Quarterly meetings and feedback reports as per the TPA requirements

<b>Department to whom the grant has been transferred</b>	Local Government: Disaster Fire Brigade
<b>Purpose of the Grant</b>	To support municipalities to be better equipped to effectively plan for disaster risk reduction, and to effectively respond to disasters once a disaster strikes
<b>Expected outputs of the grant</b>	To support the province when a flooding incident takes place
<b>Actual outputs achieved</b>	The amount was allocated to Garden Route District Municipality whereby the hover craft and equipment was procured to assist with any potential flooding incidents
<b>Amount per amended DORA</b>	N/A
<b>Amount transferred (R'000)</b>	R2 500
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the Department (R'000)</b>	R2 500
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	Quarterly meetings and feedback reports as per the TPA requirements

#### 4.6 Conditional grants and earmarked funds paid.

The Department does not pay conditional grants and earmarked funds.

#### 4.7 Donor funds

The Department did not receive donor funds.

#### 4.8 Capital investment, maintenance, and asset management plan

The Department does not have infrastructure projects.



PART  
C

# GOVERNANCE

## 1. INTRODUCTION

The Department continues to maintain the highest standards of governance to ensure that public finances and resources are effectively utilised. The Department has good governance structures in place such as Enterprise Risk Management (ERM) to ensure that state resources are utilised effectively, efficiently and economically. The Accounting Officer (AO) takes responsibility for implementing 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.

## 2. RISK MANAGEMENT

The AO for the Department of Local Government takes responsibility for implementing ERM in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Enterprise Risk Management Directorate in the Department of the Premier (DotP) provides a centralised strategic support service to the Department. The Department established an ERMCO to assist the AO in executing his responsibilities relating to risk management.

### Enterprise Risk Management Policy and Strategy

The Department adopted an ERM Policy on 9 April 2020 for the 2020/21 - 2024/25 financial years. This

policy articulates the risk management philosophy and captures, on a high-level, the roles and responsibilities of the different role players. It provides the basis for the risk management process which is supplemented with the detail in the strategy.

The ERM strategy and implementation plan outlines how the Department will go about implementing the ERM Policy adopted by the AO. This ERM strategy is informed by the Provincial Enterprise Risk Management Policy and Strategy (PERMPS) as well as its own ERM Policy and risk profiles.

### ERMCO Responsibility

ERMCO reports that it has complied with its responsibilities arising from Section 38 (1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMCO also reports that it has adopted the appropriate formal Terms of Reference (TOR) and regulated its affairs in compliance with these TOR and has discharged all its responsibilities as contained therein.

### ERMCO Members

The ERMCO comprises of the AO, top management, and selected members of the department's management team. As per its TOR, the ERMCO met four times during the year under review. The associated table reflects the number of meetings attended by each member.

The table below discloses relevant information on ERMCO members:

Member	Position	Attended
Mr G Paulse	AO (Chairperson)	4
Ms B Sewlall-Singh	Chief Financial Officer and Risk Champion	4
Mr A Dlwengu	Director: Policy and Strategic Support	3
Ms N Zamxaka	Chief Director: Integrated Service Delivery	3*
Mr C Deiner	Chief Director: Disaster Management and Fire Brigade Service	4
Dr S Greyling	Chief Director: Municipal Performance Monitoring and Support	2*
Secretariat: P Solomons	Directorate: Financial Management	4

\*There has always been representation of the unit when the members were unable to attend the meeting

The following is an indication of other officials who attended the ERMCO meetings for the year under review:

Other Attendees	Position	Attended
Mr K Makan	Director: Municipal Governance	1
Mr M Brand	Director: Municipal Infrastructure	1
Mr L Naphakade	Security and Occupational Health and Safety	3
Mr I Kahaar	Assistant Director: Governance Fraud and Losses Management	2
Ms S Kennedy	Assistant Director: Assurance Services	4
Mr K Adams	Assistant Director: Corporate Services Relations Management	4
Ms R van Wyk	Deputy Director: Communications	3
Ms A Haq	Director: ERM (DotP)	3
Mr D Micketts	Chief Risk Advisor: Enterprise Risk Management (DotP)	4
Ms B Cebekhulu	Deputy Director: Provincial Forensic Services (DotP)	2
Ms J Stratford	Forensic Consultant: Provincial Forensic Services (DotP)	1
Mr C Pieterse	Forensic Consultant: Provincial Forensic Services (DotP)	2
Mr M Williams	Director: Internal Audit (DotP)	3
Ms B Dyani	Deputy Director: Internal Audit (DotP)	3
Mr E Peters	ICT Risk Practitioner (DotP)	1
Mr A De Freitas	Chief Director: Ce-I (DotP)	1
Ms E Young	Service Manager: Ce-I (DotP)	2
Ms J Reed	Risk Advisor: ERM (DotP)	4

## ERMCO key activities

The AO is the chairperson of the ERMCO, and the CFO is the Risk Champion of the Department. In executing its function, the ERMCO performed the following key activities during the year:

- Reviewed the Department's ERM Strategy and Implementation Plan before recommendation by the Audit Committee and approval by the AO.
- Monitored and reviewed risks in set grouped categories of appetite ranges, reviewed and applied appropriate risk appetite and tolerances guided by the PERMPS adopted by Provincial Top Management.
- Reported to the AO any material changes to the risk profile of the Department.
- Confirmed the Department's citizen centric strategic risks. This illustrates the Department's efforts in addressing the contributing factors and impacts that relate directly to the citizen.
- Received and considered risk intelligence and trend reports.
- Identified emerging risks.
- Determined the risk velocity for departmental strategic risks.
- Reviewed risks that are outside the tolerance levels for further action/attention.
- Monitored the implementation of the Fraud and Corruption Prevention and Response Plan.
- Monitored the implementation of the departmental ERM Policy, Strategy and Implementation Plan.
- Evaluated the effectiveness and mitigating strategies to address the material, ethics and economic crime risks.
- Provided oversight on ethics management in the Department.

## Key risks considered and addressed during the year

Cognisance is borne that the risk management process is an iterative one and that certain risk response decisions are available to management. Much attention is continuously spent on the top risks which are listed below and is driven by, *inter alia*, Principle 7 of the Corporate Governance Framework for the Western Cape of 2018 Management must instil and inculcate a culture of risk and opportunity management at all levels across the Department that supports defining core functions and to set and achieve strategic objectives. The following are key risks for the Department and were continually deliberated on during the period under review:

### Key emerging risks for the following financial year

1. **The ability of the Department to deliver its legislative, incidental or implied mandates** risk encapsulates strategic matters at a broad level. Should the risk materialise, the Department's outcomes may be adversely affected and cause limited access to services by communities. Some of the potential causes of the risk include the increasing mandate without accompanying resources, limitations in the prevailing legislative framework, economic pressures that force departments to reduce spending and energy insecurity at service sites.
2. **Unplanned, significant disruption/s to government services.** There is a myriad of challenges facing local government. These include political instability, reduced ability to provide for an ever-increasing population, threats to the well-being of citizens due to the socio-economic conditions, economic pressures impacting reduced spending, diminishing technical abilities, as well as insufficient resource allocation. These causes hinder the ability to effectively and efficiently deliver services and promote economic growth.

### Conclusion

Risk management has 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.

### Key emerging risks for the following financial year

The Department proactively re-evaluated and refined its risk statements and identified areas that required updates to align the risk statements within its current context and evolving environment.

### Management of risks

Regular strategic and programme risk assessments are conducted to review risks and to identify new and emerging risks due to changes in the internal and external environment. Each programme's risks were deliberated and debated during the year and presented at the quarterly ERMCO meetings. Senior managers were required to provide feedback on progress with the implementation of action plans to reduce the likelihood of risks and/or the impact, should they materialise. Management takes ownership of risks and often discusses risk matters at various platforms as part of its culture to constrain risks in a collaborative and innovative way. The Department's ERM Policy and Strategy are circulated to all officials on an annual basis for all levels of staff to stay abreast of enhancements that have been effected, and as a means of embedding risk management throughout the Department. Risk management awareness was rolled out on an e-platform for officials to participate in the self-paced training. Activities detailed in the implementation plan are perpetually monitored and periodically reported on, in the same way that APP deliverables are monitored, to detect potential risks and deviations from indicators and the achievement of outcomes and non-adherence to legislative and policy mandates.

The Governance, Innovation and Culture Cluster Audit Committee provided independent oversight of the Department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and risk registers to execute its independent oversight role.

### 3. FRAUD AND CORRUPTION

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

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

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

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

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements of the Protected Disclosures Act, No. 26 of 2000 e.g. if the disclosure was made in good faith). The WCG Whistle-blowing Policy provides

guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated in 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.

If, after investigation, fraud, theft or corruption is confirmed, the employee who participated in such acts is subjected to a disciplinary hearing. The WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

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

Cases	Number of cases
Open cases as at 1 April 2024	1
New cases (2024/25)	1
Closed cases (2024/25)	(2)
Open cases as at 31 March 2025	0

The following table further analyses the closed cases indicated above:

Nature and investigation outcome of the closed cases
In 1 case the allegation of non-compliance was substantiated.
In 1 case the investigation was concluded with no adverse findings.

## 4. INTERNAL AUDIT AND AUDIT COMMITTEES

### 4.1 Internal Audit Function (IAF)

- **Purpose and Mandate:** The IAF strengthens the WCG’s ability to create, protect and sustain value by providing management and ultimately the Audit Committee with independent, risk-based, and objective assurance, advice, insight and foresight.

Its mandate is derived from the PFMA, section 38, read in conjunction with NTR 3.2.

- **Vision and Strategy:** The Strategy for the IAF is aligned to the Strategic Framework of the Department of the Premier, which can be summarised as “Guide, Enable, Direct”. The IAF’s strategy, aligned to the Strategy of the Branch: Corporate Assurance, for the new 5-year term is “*Transformed governance through proactive, agile and innovative assurance and advisory services anticipating needs of client departments and value to residents*”.
- **Charter, methodology and internal audit plans:** The IAF operates in line with a charter, aligned to the legislative prescripts and the International Professional Practices Framework (IPPF). The charter is reviewed every second year and the most recent review was approved by the Governance, Innovation and Culture (G, I & C) Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, in December 2024. The IAF has an approved methodology that aligns to the charter and sets out the detail relating to the responsibilities of the IAF as per the IAF Charter and other relevant guidance.

The rolling 3-year strategic internal audit plan and annual plan for the first year of the rolling 3-year strategic plan for the Department of Local Government were reviewed and approved by the G, I & C Cluster Audit Committee on 12 April 2024.

- **Independence and objectivity:** To provide for the independence of the IAF, its personnel reports to the Chief Audit Executive (CAE), who reports functionally to the three Cluster Audit Committees of WCG, directly to the Accounting Officer on internal audit activities for the Department

and administratively to the DDG: Corporate Assurance in the Department of the Premier. The CAE has confirmed the independence of the IAF for the reporting period to the G, I & C Cluster Audit Committee (when dealing with transversal responsibilities) on 29 November 2024. All staff members of the IAF annually confirmed their objectivity through a declaration of compliance to the Institute of Internal Auditors’ Code of Ethics as well as on an assignment level.

- **Modality:** The WCG IAF is a fully in-sourced function.
- **Staffing:** The approved establishment of the total IAF is 81 staff members and 43 of these posts are currently funded. Each Department has a dedicated team, and there are no funded vacancies in the team responsible for the Department. The current skills and competencies of the IAF staff are appropriate and a well-informed training and development programme is in place.
- **Quality Assurance and Improvement Program (QAIP):** A QAIP is in place and reporting on the implementation of this takes place at the G, I & C Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, on a biannual basis. The last external assessment was concluded in November 2024 and a “*Generally Conform*” rating was obtained. The issues arising from this are tracked and forms part of the QAIP reporting to the G, I & C Cluster Audit Committee.
- **Stakeholder Relationships:** Good relationships are maintained with the senior and executive management team of the Department, and if there are any challenges, they are discussed and interventions devised with the responsible departmental representative. In driving Combined Assurance within the WCG, ongoing relationships are maintained with the Internal Control Unit in the Department and the relevant AGSA Audit team.
- **Summary of work done by the IAF during the reporting period:**
  - The approved Internal Audit plan for the Department had a total of five engagements, all of which were assurance engagements (refer to the Audit Committee report for the detail). All the engagements planned were completed.

- o There were no roll-overs, no ad-hoc projects and no limitations that impeded the work of the IAF.
- o One internal audit action plan was due for implementation within this reporting period and it was confirmed as implemented by the IAF. The implementation rate of the previous year's follow ups was 59%.
- o During the engagement on Municipal Infrastructure, it was identified that the Department lacks a comprehensive, overarching guideline to support municipalities in managing infrastructure across the full asset lifecycle. To address this, the Department will adopt the National Treasury Infrastructure Delivery Management System (IDMS) as a provincial policy, which will ensure consistency, enhance municipal maturity levels, and enable more strategic infrastructure planning and budgeting.

Oversight forums such as the Quarterly and Bi-Annual Infrastructure Forums are underutilised due to the absence of formal Terms of Reference, poor documentation, and unclear escalation processes. Formalising these forums with clear mandates and improved record-keeping will strengthen coordination, accountability, and follow-through on municipal infrastructure issues.

Lastly, capacity building is currently reactive and fragmented, lacking a structured, needs-based approach. Developing a proactive, strategic capacity-building plan informed by diagnostic data and municipal engagements will enable the Department to target root causes of municipal underperformance, thereby promoting long-term sustainability and effective infrastructure delivery.

## 4.2 Audit Committee

### Part 1: Audit Committee Reflections

- **Purpose and Mandate:** The G, I & C Cluster Audit Committee is constituted as a statutory committee of the Department of Local Government to fulfil its statutory duties in terms of section 77 of the PFMA, Regulation 3.1 of the NTR and the duties assigned to it in terms of its Terms of Reference. The latest Terms of Reference for WCG Audit Committees was consulted with the Provincial Top Management and approved by Cabinet on 19 February 2025.
- **Independence:** The G, I & C Cluster Audit Committee is totally independent from the Department. Any conflict or perceived conflict of interest is declared and dealt with accordingly in every meeting. An overall annual declaration process is also administered where all conflicts or perceived conflicts are followed up with the relevant member.
- **Protecting the independence of the IAF:** The G, I & C Cluster Audit Committee, whilst discharging its transversal responsibilities during the meeting of 29 November 2024, reviewed the organisational positioning of the IAF and the independence declaration of the CAE. It was not necessary for the Audit Committee to intervene in any situation impacting the independence of the IAF during this reporting period.
- **Performance against statutory duties:** The G, I & C Cluster Audit Committee is satisfied that it fulfilled its responsibilities as set out in the PFMA, Treasury Regulations, IPPF and the approved Audit Committee Terms of Reference.
- **Composition of the Audit Committee:** For this reporting period the G, I & C Cluster Audit Committee had five members and had an appropriate mix of skill required to execute its responsibilities. All members were external members. Refer to table for the detail on membership.
- **Meeting Attendance:** The G, I & C Cluster Audit Committee convened seven (7) times during the period under review. All meetings were ordinary meetings, and no special meetings were required. Refer to the table for detail on meeting attendance.

- **Resolution of Audit Committee recommendations:** The G, I & C Cluster Audit Committee is satisfied that its recommendations to the Department of Local Government received the necessary attention.
- **Audit Committee performance evaluation:** Annual 360-degree assessments on audit committee performance are conducted. The G, I & C Cluster Audit Committee received a report containing the results of the annual assessment process and during a meeting of all the Cluster Audit Committee chairpersons, an approach was agreed on how to deal with the issues identified.
- **Audit Committee remuneration:** The WCG Audit Committees are remunerated at an approved hourly rate based on the SAICA rate, and only for attendance of meetings. Chairpersons received R2 835-00 per hour and members R2 126-00 per hour. The total expenditure relating to all three WCG Audit Committees was R3.118m for the reporting period, accounted for in the Department of the Premier. Audit Committee members working at an organ of state did not receive any remuneration when serving on a WCG Audit Committee.

## Part 2: Audit Committee Composition and Attendance

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

Name and Surname	Qualifications	Professional Affiliation	Term of Office		No of meetings attended	Declared private and business interests in every meeting	Employed by an organ of state	No of other ACs the member served on during reporting period	No of other governance structures member served on during reporting period
			Start Date	End Date					
Mr Francois Barnard (Chairperson)	BProc; BCompt (Hons); CTA; Postgrad Diploma Auditing; MCom; CA (SA); MTP (SA)	South African Institute of Chartered Accountants	01 January 2022	31 March 2025	7	Yes	No	0	0
Mr Andrew Davids	B Com; Professional Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CSCGP); CBAC(SA); Certified in Risk & Information Systems Control (CRISC®)	Chartered Governance Institute of Southern Africa South African Institute of Business Accountants	01 September 2023	31 March 2026	7	Yes	No	1	2
Mr Ebrahim Abrahams	BCom (Accounting)	Institute of Accounting and Commerce	01 January 2022	31 March 2025	7	Yes	No	2	0
Mr Comfort Bunting	ND: Internal Auditing MBA	Chartered Institute of Procurement & Supply	01 January 2022	31 March 2025	7	Yes	Yes	1	4
Mr Tsepo Lesihla	ND IT and Master of Technology in IT	Institute of Directors Information Systems Audit and Control Association	01 January 2022	31 March 2025	7	Yes	No	0	0

### Part 3: Audit Committee Focus Areas

- **Effectiveness of internal control system and Combined Assurance**

The Department is required to develop and maintain systems of internal control that would improve the likelihood of achieving its objectives, to adapt to changes in the environment it operates in and to promote efficiency and effectiveness of operations, supports reliable reporting and compliance with laws and regulations. The WCG adopted a Combined Assurance Framework which identifies and integrates assurance providers. The first level of assurance is management assurance, requiring of line management to maintain effective internal controls and execute those procedures on a day-to-day basis by means of supervisory controls and taking remedial action where required. The second level of assurance is internal assurance provided by functions separate from direct line management, entrusted with assessing adherence to policies, procedures, norms, standards and frameworks. The third level of assurance is independent assurance providers that are guided by professional standards requiring the highest levels of independence.

A risk-based Combined Assurance Plan was developed for the Department, facilitated by Internal Audit, who is also an independent assurance provider. 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.

- **Effectiveness of the internal audit function**

The audit committee monitored and reviewed the effectiveness of the internal audit function, including its compliance with the IPPF. Such monitoring and review were conducted through the Quality Assurance and Improvement Programme results presented to the audit committee on a bi-annual basis.

The Audit Committee has reviewed the effectiveness of the internal control system and combined assurance and is satisfied that it has fulfilled its responsibilities in terms of its mandate.

- **Activities of the internal audit function**

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

- Assurance
  - o Transfer Payments
  - o Municipal Infrastructure
  - o Business Continuity Plan
  - o Disaster Recovery: Climate-related Disasters
- Transversal IA Plan
  - o Energy Resilience

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.

- **Effectiveness of risk management**

The Audit Committee has reviewed the risk management of the Department and is satisfied that the committee has fulfilled its duties in accordance with its mandate.

- **Adequacy, reliability, and accuracy of the financial and performance information**

The Audit Committee has reviewed the financial and performance information of the Department and is satisfied that the committee has fulfilled its duties in accordance with its mandate.

- **Accounting and auditing concerns identified as a result of internal and external audits**

The Audit Committee has not identified any accounting and auditing concerns other than that reported in the AGSA report and the annual financial statements.

- **Evaluation of annual financial statements**

The Audit Committee has:

- reviewed the Audited Annual Financial Statements to be included in the Annual Report;
- reviewed the AGSA's Management Report and Management's response thereto; and
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements.

- **External audit and Auditor-General's report**

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

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

- **Any other issues**

None.

- **Conclusion**

The Audit Committee commends the Department for maintaining an unqualified audit opinion, with no findings.



**Mr Andrew Davids**  
**Chairperson of the Governance, Innovation and Culture Cluster Audit Committee**  
**Date: 12 August 2025**

## 5. MINIMISING CONFLICT OF INTEREST

Every employee must declare his or her interest, and that of any family member, in an entity conducting business with the state.

When a staff member is involved with a procurement-related matter, they are required to declare any business, commercial interest and financial interest or activities undertaken for financial gain that may raise a possible conflict of interest. The declaration must be made to the Head of the Supply Chain Management Unit, who must in turn report it to the Accounting Officer.

If a staff member, or any close family member, partner, or associate has any private or business interest in any contract to be awarded, that staff member must both disclose that interest and withdraw from participating in the procurement process for that contract.

No such conflict of interest can be reported for the period under review.

## 6. CODE OF CONDUCT

The Department fully supports the Public Sector Code of Conduct as per the Public Service Regulations issued in 2016, and all employees are expected to comply with its standards. The Public Sector Code of Conduct addresses employee behaviour in the workplace and contributes to the Department's drive to maintain the highest levels of ethics, the eradication of incidents of corruption and the promotion of good governance.

During induction, new appointees are made aware of the Code of Conduct, and they receive a copy thereof. All new employees are furthermore informed in their letters of appointment that the Code of Conduct is available on the WCG website.

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

## 7. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The following interventions were conducted: GBV - Consent/Non Consent, In Celebration of Women - Cultivation of Resilience, Transversal webinar: Leading from a Place of Personal Wellbeing Creates a Stronger Sense of Connectedness During Times of Crisis and Confusion, GRIT for Leaders, Identifying Employee In Crises, Positivity and Resilience, Responsive Leader,

Psychological Impact of COVID, Psych First Aid, 11 provincial departments (excluding Health and Education) Youth webinar: Stress, Selfcare & Resilience, GBV and Mental Health, Self-Care and WellBeing during Covid, Getting over your own anxieties, Managing Trauma, Transversal webinar: Developing and Managing my own Personal Brand.

## 8. SCOPA RESOLUTIONS

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
WCPP 11/6/13	<p><b>The Public Accounts Committee (PAC) Reports.</b></p> <ol style="list-style-type: none"> <li>The number per year of all sexual harassment cases and grievances in the Department since 2016 and whether they have been resolved;</li> <li>A copy of the strategy to curb vandalism at municipalities and information on the Rapid response teams;</li> <li>A list of the projects that were implemented through the Joint District and Metro Approach and the municipalities that benefitted;</li> <li>A list of the municipalities that were provided with technical and administrative support on all ICT and GIS-related programmes;</li> <li>A list of all vacancies including critical posts from 1 April 2023 to 31 October 2024 highlighting when the vacancy occurred, when the vacancy was filled and how long the post was vacant; and</li> <li>Detailed reasons for the funds unspent by the Entity in respect of conditional grants and earmarked funds received as reflected in the cases on pages 71, 72 and 73.</li> </ol>	The Department responded with reports.	YES

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
WCPP 11/4/5/ PAC	<p><b>The Public Accounts Committee (PAC) Reports.</b></p> <p><b>18.4.1.1</b> A Report which explains why the Chief Financial Officer and Risk Champion did not attend the Enterprise Risk Management Committee (ERMCO) meetings, as indicated on page 77 of the Annual Report.</p> <p><b>18.4.1.2</b> A Report which explains how the Department monitors municipalities through its own Anti-Fraud and Corruption Strategy, as indicated on page 80 of the Annual Report.</p> <p><b>18.4.1.3</b> A Report which provides reference to the increase of resettlement costs; including the total number of staff the amount was spent on, as indicated under Note 4.7 on page 175 of the Annual Report.</p> <p><b>18.4.1.4</b> A Report to explain why there was a reduction in the Consolidated Paymaster General Account, as reflected under Note 8 on page 177 of the Annual Report.</p> <p><b>18.4.1.5</b> A Report which explains the Seven (7) Policy and Procedure on Incapacity Leave and Ill-Health Retirement (PILIR) cases under investigation which were not finalised by the Department as at 31 March 2024, as reflected under Note 15.1 on page 180 of the Annual Report.</p> <p><b>18.4.1.6</b> A Report which highlights the 28 assets which were not presented for verification during the annual asset verification process; as indicated on page 185 of the Department.</p>	The Department responded with reports.	YES

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

None

## 10. INTERNAL CONTROL UNIT

The Internal Control Unit functions within the Directorate: Financial Management. The internal control unit supports and provides reasonable assurance to the Accounting Officer in terms of his responsibilities emanating from Section 38 of the PFMA. The functions of the unit include rendering assurance services, governance and providing fraud and loss management services. Annually, the unit prepares a risk-based operational plan that is designed to ensure the control environment is sound.

## 11. B-BBEE Compliance Performance Information

Has the Department applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	N/A	It is not the mandate of the Department of Local Government to deal with the issuing of licences, concessions, or other authorisations in respect of economic activity.
Developing and implementing a preferential procurement policy?	NO	When the Preferential Procurement Regulations, 2022 (PPR's) were issued, the Provincial Cabinet approved interim arrangements for the WCG to deal with the requirements of the PPR's. Further technical research will be undertaken prior to the WCG being able to adopt a final preferential procurement approach that is evidence-based, effective and sustainable. This research will review best practice evidence to establish and develop an appropriate policy response that enables growth, provides appropriate redress, accounts for value for money and enables the desired impact. Any new preferential procurement will be based on an executive policy directive and approved by Cabinet.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The selling of state-owned enterprises is not the mandate of the Department of Local Government.
Developing criteria for entering into partnerships with the private sector?	N/A	The mandate of the Department of Local Government does not require entering into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The mandate of the Department of Local Government does not make allowance for the award of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment.





PART  
**D**

# HUMAN RESOURCE MANAGEMENT

## 1. INTRODUCTION

People remain at the heart of an effective government. This section outlines how the Department of Local Government has approached the management, development, and support of its workforce over the past financial year, with a focus on key indicators that reflect both progress and areas requiring continued attention.

The reporting period was shaped by ongoing fiscal pressure, operational complexity, and a rapidly evolving world of work. Challenges such as talent retention, succession planning, and equitable workforce representation continued to shape the People Management agenda.

In parallel, there was growing emphasis on leveraging digital tools, workforce data, and strategic planning to drive more integrated, future-fit solutions. The Department's approach remained grounded in a commitment to building organisational capability while adapting to resource constraints.

This section presents a high-level view of people-related trends and developments, including workforce movement, recruitment activity, performance outcomes, and transformation indicators. It is intended to provide transparency on the state of the Department's human capital, while informing future planning and policy discussions across the provincial administration.

## 2. STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT

### 2.1 Departmental Workforce Planning Priorities

- The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the Department annually assesses its workforce profile against current and future organisational needs.
- The aim of this assessment is to identify to which the current workforce profile addresses the

key people management outcomes that would guarantee service continuity and value.

- The Workforce Plan 2021 - 2026 is therefore aligned to the vision and mission of the Department's Strategic Plan.
- The assumptions on which this Workforce Plan was developed are still valid, and the Action Plan was reviewed to ensure that the strategies (as per the listed priorities) would achieve their outcomes:
  - Identifying and developing the required organisational capability;
  - Values and Competency based recruitment practices (which includes the possibility of an online application and screening system to enhance the recruitment practices and attract the right candidates that are future and culture-fit);
  - Diversify the talent pool;
  - Talent and skills development for employees on new emerging skills (e.g., 4IR Meta competencies/functional and technical skills as well as behavioural skills that are critically needed to support the future-fit organisation);
  - Prioritise training interventions to address Departmental Critical Competencies and Career Development Plan (CDP) requirements;
  - Development and implementation of the Future Fit Skills Strategy (FFSS);
  - Youth development programmes for assisting with creating talent pipelines (internships);
  - Reconfiguration of the Provincial Training Institute (PTI) into a provincial learning and innovation centre;
  - Employment Equity (EE) priorities as indicated in the departmental EE Plan to guide the Recruitment and Selection decisions of the Department;
  - Provide Health and Wellness interventions/services in support of employee wellbeing;
  - Develop and implement the transition to a New Way of Work/WCG citizen-centric culture project

## 2.2 Employee Performance Management

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

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

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

## 2.3 Employee Wellness

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

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

A quarterly report is prepared by the Directorate: Transversal People Capacity Enablement within the Department of the Premier 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 SHERQ (Safety Health Environment Risk and Quality).

## 2.4 People Management Monitoring

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

### 3. PEOPLE MANAGEMENT OVERSIGHT STATISTICS

#### 3.1 PERSONNEL RELATED EXPENDITURE

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

The figures in Table 3.1.1 are drawn from the Basic Accounting System (BAS) and the figures in Table 3.1.2 are drawn from the Personnel and Salary Administration (PERSAL) 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
Programme 4	Traditional Institutional Management

**Table 3.1.1: Personnel expenditure by programme, 2024/25**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of employees remunerated
Programme 1	51 306	35 971	674	10 146	70.1%	500	72
Programme 2	159 245	127 834	301	13 870	80.3%	499	256
Programme 3	212 239	40 477	5 366	43 427	19.1%	643	63
Programme 4	422	422			100.0%	422	1
<b>Total</b>	<b>423 212</b>	<b>204 704</b>	<b>6 341</b>	<b>67 443</b>	<b>48.4%</b>	<b>522</b>	<b>392</b>

*Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e. Premier's Advancement of Youth [PAY], matric, graduate and student), but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.*

**Table 3.1.2: Personnel expenditure by salary band, 2024/25**

Salary band	Personnel expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of employees remunerated
Interns	309	0,1	34	9
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	8 066	3,9	299	27
Highly skilled production (Levels 6-8)	91 977	44,6	426	216
Highly skilled supervision (Levels 9-12)	87 821	42,6	697	126
Senior management (Levels 13-16)	18 068	8,8	1 291	14
<b>Total</b>	<b>206 241</b>	<b>100,0</b>	<b>526</b>	<b>392</b>

*Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e. Premier's Advancement of Youth [PAY], matric, graduate and student), but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.*

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

**Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2024/25**

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	25 487	12,4	207	0,1	764	0,4	2 202	1,1
Programme 2	92 017	44,6	449	0,2	3 299	1,6	7 558	3,7
Programme 3	28 754	13,9	201	0,1	780	0,4	1 395	0,7
Programme 4	308	0,1	-	-	-	-	-	-
<b>Total</b>	<b>146 567</b>	<b>71,1</b>	<b>857</b>	<b>0,4</b>	<b>4 843</b>	<b>2,3</b>	<b>11 155</b>	<b>5,4</b>

*Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. 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 expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.*

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2024/25

Salary band	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Interns	301	0,1	-	-	-	-	-	-
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-	-
Skilled (Levels 3-5)	5 357	2,6	57	0,0	405	0,2	1 024	0,5
Highly skilled production (Levels 6-8)	66 277	32,1	338	0,2	3 171	1,5	7 383	3,6
Highly skilled supervision (Levels 9-12)	62 999	30,5	461	0,2	1 248	0,6	2 566	1,2
Senior management (Levels 13-16)	11 633	5,6	-	-	19	0,0	182	0,1
<b>Total</b>	<b>146 567</b>	<b>71,1</b>	<b>857</b>	<b>0,4</b>	<b>4 843</b>	<b>2,3</b>	<b>11 155</b>	<b>5,4</b>

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. 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 expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

## 3.2 EMPLOYMENT AND VACANCIES

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

**Table 3.2.1: Employment and vacancies by programme, as at 31 March 2025**

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	59	57	3,4
Programme 2	263	233	11,4
Programme 3	65	55	15,4
Programme 4	1	1	-
<b>Total</b>	<b>388</b>	<b>346</b>	<b>10,8</b>

*Note: The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).*

**Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2025**

Salary band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	26	24	7,7
Highly skilled production (Levels 6-8)	213	201	5,6
Highly skilled supervision (Levels 9-12)	133	110	17,3
Senior management (Levels 13-16)	16	11	31,3
<b>Total</b>	<b>388</b>	<b>346</b>	<b>10,8</b>

*Note: The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).*

**Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2025**

Critical occupations	Number of active posts	Number of posts filled	Vacancy rate %
Disaster Manager	21	18	14,3
Engineer	9	5	44,4
GIS Technologist	1	1	-
ICT Governance Specialist	1	1	-
Management Accountant	2	2	-
Supply Chain Management Practitioner	10	10	-
<b>Total</b>	<b>44</b>	<b>37</b>	<b>15,9</b>

*Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the Department, the function/services will collapse. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).*

### 3.3 JOB EVALUATION

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

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

**Table 3.3.1: Job evaluation, 1 April 2024 to 31 March 2025**

Salary band	Number of active posts as at 31 March 2025	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
None							

**Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2024 to 31 March 2025**

Beneficiaries	African	Coloured	Indian	White	Total
None					

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

**Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2024 to 31 March 2025**

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
Administration Clerk	1	5	N/A	5 notch increment	Retention
<b>Total</b>					<b>1</b>
<b>Percentage of total employment</b>					<b>0,3</b>

**Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2024 to 31 March 2025**

Beneficiaries	African	Coloured	Indian	White	Total
Female	-	-	-	-	-
Male	-	1	-	-	1
<b>Total</b>					<b>1</b>
<b>Employees with a disability</b>					<b>-</b>

### 3.4 EMPLOYMENT CHANGES

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

**Table 3.4.1: Annual turnover rates by salary band, 1 April 2024 to 31 March 2025**

Salary band	Number of employees as at 31 March 2024	Turnover rate % 2023/24	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2024/25
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	27	3,7	2	-	3	2	18,5
Highly skilled production (Levels 6-8)	210	3,4	5	-	12	1	6,2
Highly skilled supervision (Levels 9-12)	107	19,7	20	1	18	1	17,8
Senior Management Service Band A (Level 13)	11	-	-	-	2	1	27,3
Senior Management Service Band B (Level 14)	2	33,3	-	-	-	-	-
Senior Management Service Band C (Level 15)	1	-	-	-	-	-	-
<b>Total</b>	<b>358</b>	<b>8,7</b>	<b>27</b>	<b>1</b>	<b>35</b>	<b>5</b>	<b>11,2</b>
			<b>28</b>		<b>40</b>		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2024).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2024 to 31 March 2025

Critical occupation	Number of employees as at 31 March 2024	Turnover rate % 2023/24	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2024/25
Disaster Manager	19	16,7	3	-	4	-	21,1
Engineer	6	33,3	2	-	3	-	50,0
GIS Technologist	1	-	-	-	-	-	-
ICT Governance Specialist	3	-	-	-	-	-	-
Management Accountant	4	-	-	-	2	-	50,0
Supply Chain Management Practitioner	9	10,0	1	-	-	-	-
<b>Total</b>	<b>42</b>	<b>14,3</b>	<b>6</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>21,4</b>
			<b>6</b>		<b>9</b>		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2024).

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2024 to 31 March 2025

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2024
Death	1	2,5	0,3
Resignation *	23	57,5	6,4
Expiry of contract	2	5,0	0,6
Dismissal - operational changes	-	-	-
Dismissal - misconduct	-	-	-
Dismissal - inefficiency	-	-	-
Discharged due to ill-health	1	2,5	0,3
Retirement	8	20,0	2,2
Employee initiated severance package	-	-	-
Transfers to Statutory Body	-	-	-
Transfers to other Public Service departments	2	5,0	0,6
Promotion to another WCG Department	3	7,5	0,8
<b>Total</b>	<b>40</b>	<b>100,0</b>	<b>11,2</b>

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

\* Resignations are further discussed in tables 3.4.4 and 3.4.5.

**Table 3.4.4: Reasons why staff resigned, 1 April 2024 to 31 March 2025**

Resignation Reasons	Number	% of total resignations
Current Remuneration	2	8,7
Family/Personal Circumstances	1	4,3
Lack of Promotional Opportunities	2	8,7
No reason provided	13	56,5
Other Occupation	1	4,3
Personal Health	1	4,3
Pursuing full-time studies	1	4,3
Successful for a permanent position in another WCG Department	1	4,3
Successful for a permanent position within the Department	1	4,3
<b>Total</b>	<b>23</b>	<b>100,0</b>

**Table 3.4.5: Different age groups of staff who resigned, 1 April 2024 to 31 March 2025**

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	-	-
Ages 25 to 29	2	8,7
Ages 30 to 34	3	13,0
Ages 35 to 39	7	30,4
Ages 40 to 44	3	13,0
Ages 45 to 49	4	17,4
Ages 50 to 54	1	4,3
Ages 55 to 59	2	8,7
Ages 60 to 64	1	4,3
Ages 65 >	-	-
<b>Total</b>	<b>23</b>	<b>100,0</b>

**Table 3.4.6 Employee initiated severance packages**

<b>Total number of employee-initiated severance packages offered in 2024/25</b>	<b>None</b>
---	-------------

Table 3.4.7: Promotions by salary band, 1 April 2024 to 31 March 2025

Salary band	Number of employees as at 31 March 2024	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	-	-	-	-	-
Skilled (Levels 3-5)	27	-	-	17	63,0
Highly skilled production (Levels 6-8)	210	-	-	148	70,5
Highly skilled supervision (Levels 9-12)	107	2	1,9	58	54,2
Senior management (Levels 13-16)	14	1	7,1	8	57,1
<b>Total</b>	<b>358</b>	<b>3</b>	<b>0,8</b>	<b>231</b>	<b>64,5</b>

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

Table 3.4.8: Promotions by critical occupation, 1 April 2024 to 31 March 2025

Critical Occupation	Number of employees as at 31 March 2024	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Disaster Manager	19	-	-	8	42,1
Engineer	6	-	-	2	33,3
GIS Technologist	1	-	-	-	-
ICT Governance Specialist	3	-	-	1	33,3
Management Accountant	4	-	-	1	25,0
Supply Chain Management Practitioner	9	-	-	8	88,9
<b>Total</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>47,6</b>

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

### 3.5 EMPLOYMENT EQUITY

**Table 5.3.1 Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2025**

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	1	-	-	-	-	-	-	-	-	1
Senior management (Levels 13-14)	1	2	1	3	1	-	1	1	-	-	10
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	19	20	-	8	18	34	-	9	1	-	109
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	22	44	-	-	59	72	1	5	-	-	203
Semi-skilled and discretionary decision making (Levels 3-5)	3	8	-	1	3	8	-	-	-	-	23
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>45</b>	<b>75</b>	<b>1</b>	<b>12</b>	<b>81</b>	<b>114</b>	<b>2</b>	<b>15</b>	<b>1</b>	<b>-</b>	<b>346</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>45</b>	<b>75</b>	<b>1</b>	<b>12</b>	<b>81</b>	<b>114</b>	<b>2</b>	<b>15</b>	<b>1</b>	<b>-</b>	<b>346</b>

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

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

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

**Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2025**

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

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

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

Table 3.5.3: Recruitment, 1 April 2024 to 31 March 2025

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	2	3	-	2	4	8	-	2	-	-	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	2	-	-	1	-	-	1	-	-	5
Semi-skilled and discretionary decision making (Levels 3-5)	-	1	-	-	1	-	-	-	-	-	2
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3</b>	<b>6</b>	<b>-</b>	<b>2</b>	<b>6</b>	<b>8</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>28</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>3</b>	<b>6</b>	<b>-</b>	<b>2</b>	<b>6</b>	<b>8</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>28</b>

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

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

Table 3.5.4: Promotions, 1 April 2024 to 31 March 2025

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

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, by applying and being successful for an advertised post, through the recruitment and selection process as per Table 3.4.7.

**Table 3.5.5: Terminations, 1 April 2024 to 31 March 2025**

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	2	-	1	-	-	-	-	-	-	3
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	2	4	-	-	2	9	-	2	-	-	19
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	3	3	-	-	1	5	-	1	-	-	13
Semi-skilled and discretionary decision making (Levels 3-5)	-	1	-	-	-	4	-	-	-	-	5
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5</b>	<b>10</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>18</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>40</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>5</b>	<b>10</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>18</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>40</b>

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

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

**Table 3.5.6: Disciplinary actions, 1 April 2024 to 31 March 2025**

Disciplinary actions	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
None											

Table 3.5.7: Skills development, 1 April 2024 to 31 March 2025

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	-	1	-	-	-	-	-	-	1
Senior management (Levels 13-14)	-	-	-	1	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	8	10	-	3	5	17	-	8	51
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	4	14	-	-	13	26	-	1	58
Semi-skilled and discretionary decision making (Levels 3-5)	3	5	-	-	1	7	-	-	16
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>15</b>	<b>30</b>	<b>-</b>	<b>4</b>	<b>19</b>	<b>50</b>	<b>-</b>	<b>9</b>	<b>127</b>
Temporary employees	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>15</b>	<b>30</b>	<b>-</b>	<b>4</b>	<b>19</b>	<b>50</b>	<b>-</b>	<b>9</b>	<b>127</b>

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

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

### 3.6 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

**Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2024**

SMS Post Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Head of Department	1	1	1	100,0
Salary Level 14	2	2	2	100,0
Salary Level 13	11	11	11	100,0
<b>Total</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>100,0</b>

*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. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).*

**Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2024**

Reasons for not concluding Performance Agreements with all SMS
None

**Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2024**

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

### 3.7 FILLING OF SMS POSTS

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

**Table 3.7.1: SMS posts information, as at 30 September 2024**

SMS Post 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	-	-
Salary Level 14	2	2	100,0	-	-
Salary Level 13	11	8	72,7	3	27,3
<b>Total</b>	<b>14</b>	<b>11</b>	<b>78,6</b>	<b>3</b>	<b>21,4</b>

*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. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).*

**Table 3.7.2: SMS posts information, as at 31 March 2025**

SMS Post 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	-	-
Salary Level 14	3	3	100,0	-	-
Salary Level 13	12	7	58,3	5	41,7
<b>Total</b>	<b>16</b>	<b>11</b>	<b>68,8</b>	<b>5</b>	<b>31,3</b>

*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. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).*

**Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2025**

SMS Post 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	-	-	-
Salary Level 14	-	1	-
Salary Level 13	5	-	-
<b>Total</b>	<b>5</b>	<b>1</b>	<b>-</b>

*Note: The SMS post filled on Salary Level 14 was advertised in the previous financial year.*

**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 Post Level	Reasons for non-compliance
Head of Department	N/A
Salary Level 14	N/A
Salary Level 13	N/A

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

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

### 3.8. EMPLOYEE PERFORMANCE

The following tables note the number of staff by salary band (Table 3.8.1) and staff within critical occupations (Table 3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 and 4 in their performance ratings).

**Table 3.8.1: Notch progressions by salary band, 1 April 2024 to 31 March 2025**

Salary band	Employees as at 31 March 2024	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	27	17	63,0
Highly skilled production (Levels 6-8)	210	148	70,5
Highly skilled supervision (Levels 9-12)	107	58	54,2
Senior management (Levels 13-16)	14	8	57,1
<b>Total</b>	<b>358</b>	<b>231</b>	<b>64,5</b>

Note: Employees who do not qualify for notch progressions are not included.

**Table 3.8.2: Notch progressions by critical occupation, 1 April 2024 to 31 March 2025**

Critical occupations	Employees as at 31 March 2024	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Disaster Manager	19	8	42,1
Engineer	6	2	33,3
GIS Technologist	1	-	-
ICT Governance Specialist	3	1	33,3
Management Accountant	4	1	25,0
Supply Chain Management Practitioner	9	8	88,9
<b>Total</b>	<b>42</b>	<b>20</b>	<b>47,6</b>

Note: Employees who do not qualify for notch progressions are not included.

In line with a WCG Provincial Top Management decision, approved by Cabinet, no performance rewards have been paid to employees since the 2019/20 financial year due to austerity measures implemented to address fiscal constraints. Subsequently, the DPSA issued a circular in line with the Incentive Policy Framework 2019, directing that 0.0% of departmental budgets be allocated to performance rewards from the 2022/23 financial year onwards, reinforcing the suspension of such payments. Consequently, the tables in this section reflect “none” for performance rewards.

Despite the suspension of financial rewards, employee performance assessments have continued, with 87.5% of employees rated as Fully Effective and 11.1% as Highly Effective, while 1.1% were Partially Effective and 0.3% Not Effective for the 2023/24 performance cycle, which was finalised in the 2024/25 financial year, demonstrating sustained commitment to service delivery. The WCG is actively developing a policy for non-remunerative rewards to recognise employee contributions in a manner aligned with current fiscal realities, with implementation expected in future reporting periods.

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2024 to 31 March 2025

Race and gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
None					

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2024 to 31 March 2025

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within group	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
None					

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2024 to 31 March 2025

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within group	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
None					

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2024 to 31 March 2025

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within group	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
None					

### 3.9 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

**Table 3.9.1: Foreign Workers by salary band, 1 April 2024 to 31 March 2025**

Salary band	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	1	100,0	1	100,0	-	-
Senior management (Levels 13-16)	-	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>100,0</b>	<b>1</b>	<b>100,0</b>	<b>-</b>	<b>-</b>

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

**Table 3.9.2: Foreign Workers by major occupation, 1 April 2024 to 31 March 2025**

Major occupation	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% change
Chief Engineer	1	100,0	1	100,0	-	-

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

### 3.10. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2024 TO 31 DECEMBER 2024

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 2024 to 31 December 2024**

Salary band	Total days	% days with medical certification	Number of employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Interns	28	50,0	6	10	60,0	5	7
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	196	80,6	24	27	88,9	8	169
Highly skilled production (Levels 6-8)	1 450	83,5	157	216	72,7	9	1 793
Highly skilled super-vision (Levels 9-12)	762	76,8	92	129	71,3	8	1 665
Senior management (Levels 13-16)	70	85,7	9	14	64,3	8	246
<b>Total</b>	<b>2 506</b>	<b>80,9</b>	<b>288</b>	<b>396</b>	<b>72,7</b>	<b>9</b>	<b>3 880</b>

*Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. The three-year sick leave cycle started in January 2022 and ended in December 2024. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.*

**Table 3.10.2: Incapacity leave, 1 January 2024 to 31 December 2024**

Salary band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Interns	-	-	-	10	-	-	-
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	167	100,0	1	27	3,7	167	156
Highly skilled production (Levels 6-8)	472	100,0	18	216	8,3	26	602
Highly skilled super-vision (Levels 9-12)	155	100,0	8	129	6,2	19	318
Senior management (Levels 13-16)	10	100,0	1	14	7,1	10	33
<b>Total</b>	<b>804</b>	<b>100,0</b>	<b>28</b>	<b>396</b>	<b>7,1</b>	<b>29</b>	<b>1 109</b>

*Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA). Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).*

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating 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 2024 to 31 December 2024**

Salary band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	64	10	6
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	585	26	23
Highly skilled production (Levels 6-8)	5 757	211	27
Highly skilled super-vision (Levels 9-12)	2 735	115	24
Senior management (Levels 13-16)	356	14	25
<b>Total</b>	<b>9 497</b>	<b>376</b>	<b>25</b>

**Table 3.10.4: Capped leave, 1 January 2024 to 31 December 2024**

Salary band	Total capped leave available as at 31 Dec 2023	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 2024	Total capped leave available as at 31 Dec 2024
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	99,22	0,37	1	0,37	4	98,85
Highly skilled super-vision (Levels 9-12)	349,12	1,57	2	0,79	9	297,13
Senior management (Levels 13-16)	181,83	15,92	1	15,92	3	165,91
<b>Total</b>	<b>630,17</b>	<b>17,86</b>	<b>4</b>	<b>4,47</b>	<b>16</b>	<b>561,89</b>

*Note: It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the Department, retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total. Furthermore, capped leave is only paid out in the event of retirement, ill-health retirement or death, therefore capped leave forfeited due to resignation and or dismissal is not reflected in the table above.*

**Table 3.10.5: Leave pay-outs, 1 April 2024 to 31 March 2025**

Reason	Total Amount (R'000)	Number of employees	Average payment per employee
Leave pay-outs due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay-outs on termination of service	77	4	19 223
Current leave pay-outs on termination of service	891	30	29 689

### 3.11. HEALTH PROMOTION PROGRAMMES, INCLUDING HIV AND AIDS

**Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2024 to 31 March 2025**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the Department's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.	<p>EHW Services are rendered to all employees in need and include the following:</p> <ul style="list-style-type: none"> <li>• 24/7/365 Telephone counselling;</li> <li>• Face to face counselling (4 session model);</li> <li>• Trauma and critical incident counselling;</li> <li>• Advocacy on HIV&amp;AIDS awareness, including online services; and</li> <li>• Training, coaching and targeted Interventions as required.</li> </ul>

**Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2024 to 31 March 2025**

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.	✓		Ms Letitia Isaacs, Director: Transversal People Capacity Enablement (Department of the Premier)
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		<p>The Department of the Premier provides a transversal service the eleven (11) provincial client departments, including the Department of Local Government.</p> <p>A designated Employee Health and Wellness unit within the Directorate Transversal People Capacity Enablement and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners.</p> <p>Budget: R3.7 m</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>The Department of the Premier has entered into a service level agreement with Lyra Wellbeing (external service provider) to render an EHW Service to the eleven (11) provincial client departments.</p> <p><b>Key elements/services of this session ranges from:</b></p> <ul style="list-style-type: none"> <li>• 24/7/365 telephone counselling;</li> <li>• Communication and Advocacy;</li> <li>• Face to face counselling;</li> <li>• Trauma and critical incident counselling;</li> <li>• Psycho- Social Development interventions (including customised interventions);</li> <li>• Group Therapy for specific occupations;</li> <li>• Team services and interventions (team wellness audits and Conflict mediation); and</li> <li>• Occupation Therapeutic services (assessments for assistive devices and workplace functional assessments).</li> </ul>

Question	Yes	No	Details, if yes
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	✓		<p>The Provincial EHW Steering Committee has been established with members nominated by each department.</p> <p>The Department is represented by Franick Matthee, Kirk Adams and Manthabiseng Senekane.</p>
<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 EHW 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 in December 2016. These policies are in the first draft of review, stakeholders have been consulted.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>Under the EHW banner, four EHW Policies were approved which includes HIV &amp; AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV &amp; AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health and Wellness, that is the lead department for HIV &amp; AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework (2017-2026).</p> <p>During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy have been audited by DPSA against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2022-2027) which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.</p>

Question	Yes	No	Details, if yes
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		<p>The Provincial Strategic Plan on HIV &amp; AIDS, STIs and TB 2022 - 2027 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The aim is to:</p> <ul style="list-style-type: none"> <li>• Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees.</li> <li>• Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations, within the Department of the Premier, addresses complaints or grievances relating to unfair discrimination and provides training to employees.</li> </ul> <p>The Department participated in the Commemoration of the World AIDS day event. It also implemented two Wellness days during October 2024 and distributed information material as follows:</p> <ul style="list-style-type: none"> <li>• Wellness Screenings (Blood pressure, Glucose, Cholesterol, TB, BMI);</li> <li>• HCT Screenings;</li> <li>• Distributing posters and pamphlets; and</li> <li>• Condom distribution</li> </ul>
7. Does the Department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	✓		<p>The Department participated in one (1) HCT and Wellness screening session.</p> <p>12 Employees were screened for noncommunicable diseases and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).</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>The EHWP is monitored through Quarterly and Annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics i.e. age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individual and the workplace</p>

### 3.12. LABOUR RELATIONS

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

**Table 3.12.1: Collective agreements, 1 April 2024 to 31 March 2025**

Subject Matter	Date
PSCBC Resolution 2 of 2024: Amendment to Resolution 1 of 2017 - Negotiations Protocol Agreement: Wage Negotiations Process	09/07/2024
PSCBC Resolution 1 of 2025: Agreement on the payment of salary adjustments and improvements of conditions of service for the Financial Years 2025/26, 2026/2027 and 2027/2028	17/02/2025
PSCBC Resolution 2 of 2025: Agreement on matters referred to a further process for research, investigation and negotiations in the Financial Year 2025/2026	17/02/2025
GPSSBC Resolution 3 of 2024: Appointment of Full Time Shop Stewards and Release of Trade Union Office Bearers	24/05/2024
GPSSBC Resolution 4 of 2024: Agreement on the Amendment of resolution 7 of 2017 - Dispute Resolution Rules. Rules for conduct of proceedings before the GPSSBC	18/10/2024
GPSSBC Resolution 5 of 2024: Agreement on the 2024 National Macro Organisation of Government	05/12/2024

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 2024 to 31 March 2025**

Outcomes of disciplinary hearings	Number of cases finalised	% of total
None		

**Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2024 to 31 March 2025**

Type of misconduct	Number of cases finalised	% of total
None		

**Table 3.12.4: Grievances lodged, 1 April 2024 to 31 March 2025**

Grievances lodged	Number	% of total
Number of grievances resolved	2	100,0
Number of grievances not resolved	-	-
<b>Total number of grievances lodged</b>	<b>2</b>	<b>100,0</b>

*Note: Grievances lodged refers to cases that were finalised within the reporting period. Grievances not resolved refers to cases where the outcome was not in favour of the aggrieved. All cases, resolved and not resolved have been finalised.*

**Table 3.12.5: Disputes lodged with Councils, 1 April 2024 to 31 March 2025**

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 rules in favour of the aggrieved. When a dispute is "dismissed", it means that the Council rules in favour of the Department.*

**Table 3.12.6: Strike actions, 1 April 2024 to 31 March 2025**

Strike actions	Number
None	

**Table 3.12.7: Precautionary suspensions, 1 April 2024 to 31 March 2025**

Precautionary suspensions	Number
None	

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

### 3.13. SKILLS DEVELOPMENT

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

**Table 3.13.1: Training needs identified, 1 April 2024 to 31 March 2025**

Occupational categories	Gender	Number of employees as at 1 April 2024	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	3	-	1	-	1
	Male	11	-	8	-	8
Professionals (Salary Band 9 - 12)	Female	60	-	46	-	46
	Male	49	-	22	-	22
Technicians and associate professionals (Salary Band 6 - 8)	Female	142	-	132	-	132
	Male	68	-	68	-	68
Clerks (Salary Band 3 - 5)	Female	13	-	33	-	33
	Male	12	-	17	-	17
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	-
	Male	-	-	-	-	-
<b>Sub Total</b>	<b>Female</b>	<b>218</b>	<b>-</b>	<b>212</b>	<b>-</b>	<b>212</b>
	<b>Male</b>	<b>140</b>	<b>-</b>	<b>115</b>	<b>-</b>	<b>115</b>
<b>Total</b>		<b>358</b>	<b>-</b>	<b>327</b>	<b>-</b>	<b>327</b>
Employees with disabilities	Female	7	-	1	-	1
	Male	6	-	-	-	-

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

**Table 3.13.2: Training provided, 1 April 2024 to 31 March 2025**

Occupational categories	Gender	Number of employees as at 31 March 2025	Training provided during the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	3	-	-	-	-
	Male	8	-	14	-	14
Professionals (Salary Band 9 - 12)	Female	61	-	73	-	73
	Male	48	-	29	-	29
Technicians and associate professionals (Salary Band 6 - 8)	Female	137	-	73	-	73
	Male	66	-	29	-	29
Clerks (Salary Band 3 - 5)	Female	11	-	15	-	15
	Male	12	-	16	-	16
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	-
	Male	-	-	-	-	-
<b>Sub Total</b>	<b>Female</b>	<b>212</b>	<b>-</b>	<b>161</b>	<b>-</b>	<b>161</b>
	<b>Male</b>	<b>134</b>	<b>-</b>	<b>88</b>	<b>-</b>	<b>88</b>
<b>Total</b>		<b>346</b>	<b>-</b>	<b>249</b>	<b>-</b>	<b>249</b>
Employees with disabilities	Female	5	-	1	-	1
	Male	6	-	1	-	1

*Note: The above table identifies the number of training courses attended by individuals during the period under review.*

### 3.14. INJURY ON DUTY

This section provides basic information on injuries sustained whilst on official duty.

**Table 3.14.1: Injury on duty, 1 April 2024 to 31 March 2025**

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	33,3
Temporary disablement	2	66,7
Permanent disablement	-	-
Fatal	-	-
<b>Total</b>	<b>3</b>	<b>100,0</b>
Percentage of total employment		0,8

### 3.15. UTILISATION OF CONSULTANTS

Table 3.15.1: Consultant appointments using appropriated funds

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/Hours	Contract value in rand	Total number of projects	BBBEE level
1	Tredco Marketing Consultants	Annual Report 2023/24	Translation of the English version into isiXhosa and Afrikaans	1	2 months	R 60 375,00	1	4
	Tredco Marketing Consultants	Annual Performance Plan 2025/26	Publication of the Annual Performance Plan	1	2 months	R 55 200,00	1	4
	Wilfred Jewell Consultancy	5-year Strategic Plan 2025/2030	Translation of the English version into isiXhosa and Afrikaans	1	2 months	R 59 800,00	1	1
2	Department of the Premier	Inter Departmental Claim	ICT Advisory Services	1	10 months	R 764 833,03	1	N/A
	Esri South Africa	Geographical Information Systems (GIS)	GIS support to Prince Albert and Laingsburg municipalities	1	12 months	R 157 946,50	1	1
	HS Business Solutions	Basket of services provided by the Western Cape Municipalities	Research on the comparative study for the basket of services provided by the Western Cape Municipalities	6	1 month	R 559 130,00	1	4
3	Pegasys	Sustainable Infrastructure Development and Financial Facility Programme (SIDAFF)	Roll-out of the Sustainable Infrastructure Development and Financial Facility Programme (SIDAFF) in the Western Cape Province	1	4 months	R 2 000 000,00	13	1
	Disaster Risk Management	Western Cape Disaster Risk Profile (WCDRP)	Review of the Western Cape Disaster Risk Profile (WCDRP) in accordance with the Western Cape Standardised Risk Assessment Methodology	8	3 weeks	R 830 760,00	1	1
	JG Afrika	Hydrogeological Consulting Services	Hydrogeological Consulting Services for ongoing groundwater management: Project Administration & Project Management	4	1222 hours	R 2 151 459,92	4	1

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	BBBEE level
3	JG Afrika	Hydrogeological Consulting Services	Hydrogeological Consulting Services for ongoing groundwater management at Prince Albert Local Municipality	1	1142 hours	R 2 013 207,09	7	1
			Hydrogeological Consulting Services for ongoing groundwater management at Laingsburg Local Municipality	1	312 hours	R 550 370,71	2	1
			Hydrogeological Consulting Services for ongoing groundwater management at Bitou Local Municipality	1	38 hours	R 68 344,50	1	1
			Hydrogeological Consulting Services for ongoing groundwater management at Kannaland Local Municipality	1	572 hours	R 1 007 526,42	2	1
			Hydrogeological Consulting Services for ongoing groundwater management at Matzikama Local Municipality	1	319 hours	R 565 340,57	3	1
			Hydrogeological Consulting Services for ongoing groundwater management at Knysna Local Municipality	1	288 hours	R 507 267,30	2	1
			Hydrogeological Consulting Services for ongoing groundwater management at Cederberg Local Municipality	1	111 hours	R 196 712,53	2	1
			Hydrogeological Consulting Services for ongoing groundwater management at Beaufort West Local Municipality	1	160 hours	R 282 767,91	3	1

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	BBBEE level
3	JG Afrika	Hydrogeological Consulting Services	Hydrogeological Consulting Services for ongoing groundwater management at Drakenstein Local Municipality	1	34 hours	R 61 916,00	2	1
			Hydrogeological Consulting Services for ongoing groundwater management at Oudtshoorn Local Municipality	1	539 hours	R 951 574,60	3	1
			Hydrogeological Consulting Services for ongoing groundwater management at Cape Agulhas Local Municipality	1	116 hours	R 204 272,61	1	1
			Hydrogeological Consulting Services for ongoing groundwater management at Swellendam Local Municipality	1	83 hours	R 147 178,47	1	1
			Hydrogeological Consulting Services for ongoing groundwater management at Saldanha Bay Local Municipality	1	161 hours	R 283 935,00	1	1
			Hydrogeological Consulting Services for ongoing groundwater management at Hessequa Local Municipality	1	103 hours	R 181 726,68	1	1
			Hydrogeological Consulting Services for ongoing groundwater management at Cape Winelands District Municipality	1	134 hours	R 237 235,29	1	1

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	BBBEE level
3	JG Afrika	Hydrogeological Consulting Services	Hydrogeological Consulting Services for ongoing groundwater management at Theewaterskloof Local Municipality	1	88 hours	R 156 017,79	1	1
	Department of the Premier	Inter Departmental Claim	Business Analyst	1	4 months	R 339 483,79	1	N/A
			Disaster Management Decision Support Tool and Drought Dashboard Application Enhancements	3	2 months	R 138 871,70	1	N/A
			Competency Assessment for the position of Director: Integrated Development Planning	1	1 month	R 20 213,14	1	N/A
						<b>R 14 553 466,55</b>		

Table 3.15.2: Consultant appointments using Donor funds

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: workdays/ Hours	Contract value in rand	Total number of projects	BBBEE level
N/A								



PART  
**E**

# PFMA COMPLIANCE REPORT

## Information on Irregular, Fruitless and Wasteful, Unauthorised Expenditure and Material Losses

### 1. Irregular expenditure

#### a) Reconciliation of irregular expenditure

Description	2024/25	2023/24
	R'000	R'000
<b>Opening balance</b>	<b>5</b>	<b>5</b>
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	5
Less: Irregular expenditure condoned	4	5
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
<b>Closing balance</b>	<b>1</b>	<b>5</b>

#### Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure that was under assessment.	-	-
Irregular expenditure that relates to the prior year and identified in the current year.	1	-
Irregular expenditure for the current year	-	5
<b>Total</b>	<b>1</b>	<b>5</b>

#### b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure that was under assessment	-	23
Irregular expenditure that relates to the prior year and identified in the current year.	-	-
Irregular expenditure for the current year	-	5
<b>Total</b>	<b>-</b>	<b>28</b>

## c) Details of current and previous year irregular expenditure condoned

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure condoned	4	-
<b>Total</b>	<b>4</b>	<b>-</b>

The expenditure was condoned in terms of the Irregular expenditure framework.

## d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2024/25	2023/24
	R'000	R'000
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## e) Details of current and previous year irregular expenditure recovered

Description	2024/25	2023/24
	R'000	R'000
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2024/25	2023/24
	R'000	R'000
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*Additional disclosure relating to Inter-Institutional Arrangements*

## g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement

Description
None

## h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement

Description	2024/25	2023/24
	R'000	R'000
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Consequence management has been implemented, and funds have been recovered.

## 2. Fruitless and wasteful expenditure

### a) Reconciliation of fruitless and wasteful expenditure

Description	2024/25	2023/24
	R'000	R'000
<b>Opening balance</b>	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	1	7
Less: Fruitless and wasteful expenditure written off	-	7
Less: Fruitless and wasteful expenditure recoverable	1	-
<b>Closing balance</b>	-	-

### Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year.	1	2
Fruitless and wasteful expenditure for the current year	-	5
<b>Total</b>	<b>1</b>	<b>7</b>

*Official did not complete his online induction training within the allocated time.*

### b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure recovered	1	-
<b>Total</b>	<b>1</b>	<b>-</b>

## d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure written off	-	5
<b>Total</b>	<b>-</b>	<b>5</b>

## e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Progressive discipline was implemented, and funds were recovered.

### 3. Unauthorised expenditure

## a) Reconciliation of unauthorised expenditure

Description	2024/25	2023/24
	R'000	R'000
<b>Opening balance</b>	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off	-	-
Closing balance	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

*The Department had no unauthorised expenditure.*

## Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Unauthorised expenditure that was under assessment.	-	-
Unauthorised expenditure that relates the prior year and identified in the current year.	-	-
Unauthorised expenditure for the current year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description	2024/25	2023/24
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii)

c) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2024/25	2023/24
	R'000	R'000
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

d) Details of other material losses

Nature of other material losses	2024/25	2023/24
	R'000	R'000
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

e) Other material losses recovered

Nature of other material losses	2024/25	2023/24
	R'000	R'000
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

f) Other material losses written off

Nature of other material losses	2024/25	2023/24
	R'000	R'000
GG Vehicle Damage	17	190
Theft and Damage to Equipment	35	63
<b>Total</b>	<b>52</b>	<b>253</b>

## 4. Late and/or non-payment of suppliers

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	1 833	57 479
Invoices paid within 30 days or agreed period	1 832	57 479
Invoices paid after 30 days or agreed period	1	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

The above number of invoices is an estimate based on the available reports from the Provincial Treasury. Excluded from the estimated number of invoices and consolidated value are all transfer payments, cell phones claims, and entertainment claims.

## 5. Information on Supply Chain Management

### a) Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
AI Training Service	The Conference Hub	Limited bidding	-	260
ESRi Software	ESRI South Africa	Limited bidding	-	158

### b) Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Security Services	Isipani Security	Extension	LG 125 2023-2024)	457	-	457
Aerial Support	Kishugu Aviation	Expansion	LG 05 2023-2024	35 637	-	10 000
<b>Total</b>				<b>36 094</b>	<b>-</b>	<b>10 457</b>





# FINANCIAL INFORMATION

## TABLE OF CONTENTS

Report of the Accounting Officer	141
Audit Committee Report	144
Auditor-General Report,	145
Appropriation Statement	151
Notes to the Appropriation Statement	158
Statement of Financial Performance	160
Statement of Financial Position	161
Statement of Changes in Net Assets	162
Cash Flow Statement	163
Notes to the Annual Financial Statements (including Accounting Policies)	164
Annexures to the Annual Financial Statements	195

## REPORT OF THE ACCOUNTING OFFICER

### 1. General review of the state of financial affairs

#### Spending trends:

The final appropriation for the Department of Local Government (DLG) amounts to R 437,262 million and the expenditure incurred by DLG amounts to R 423,212 million as at 31 March 2025, this reflects an underspending of R14,050 million as it relates to the following:

#### Compensation of employees (CoE)

- The savings on CoE is mainly due to delays in the filling of vacant funded posts, resignations and to appoint additional critical skills to support the Energy Security programme in the Department (Earmarked funds). The unspent amount on CoE was surrendered to the Provincial Revenue Fund (PRF).

#### Goods and services (G&S)

- The underspending relates to Information Technology (IT) consumables procured during 2024/25 financial year, but the supplier could not deliver the items by 31 March 2025.
- Furthermore, the unspent amount on G&S relates to the following:
  - o costs relating to the replacement of the audio-visual infrastructure at the Disaster Management Centre. The audio-visual tender was re-advertised due to discrepancies with the quotations received, which delayed the process of awarding this tender early in 2024/25 financial year. The procurement process was finalised, and the tender was successfully awarded shortly before the end of the 2024/25 financial year, but the costs were higher than anticipated. Due to the challenging and complex Supply Chain Management (SCM) process, a request was submitted to Provincial Treasury to supplement the higher than anticipated tender price being carried into 2025/26 financial year;
  - o the earmarked funds relating to operational costs for the additional critical skills to support the Energy Security programme in the Department;

- o the earmarked funds allocated for the additional critical skills to support the Energy Security programme in the Department and capacity building and training of disaster management officials on the Disaster Management Learning Programme (E-Learning platform) by PTI, resulted in all courses held from January 2025 being reduced to only 50 participants; and
- o invoices relating to awareness campaigns and claims received from Department of the Premier were lower than anticipated.

#### Machinery and equipment

- The underspending on payment for capital assets relates to IT equipment procured during 2024/25 financial year, but the supplier could not deliver the equipment by 31 March 2025. Furthermore, the underspending amount includes the costs for the replacement of the audio-visual infrastructure for which the rollover applications have been submitted to PT to fund the commitments during 2025/26 financial year.

The Department has surrendered the unspent earmarked amount to the Provincial Revenue Fund.

#### Virements/rollover

- Programme 1 additional funds allocated to fund the pressure realised on Compensation of employees due to the implementation of the grade progressions to eligible officials during 2023/24 financial year; and
- Programme 3 additional funds allocated towards Aerial fire support due to several large fires experienced across the province and the additional funds were utilised to cover variable expenditure, namely hourly flying costs. Furthermore, the increase relates to the replacement of the audio-visual infrastructure at the Disaster Management Centre. Due to the challenging and complexity of the Supply Chain Management (SCM) process, the procurement process was finalised and the tender was successfully awarded shortly before the end of the 2024/25 financial year, which resulted in the costs being higher than anticipated.

## REPORT OF THE ACCOUNTING OFFICER

The virements were undertaken within the guidelines of Provincial Treasury.

### 2. Capacity constraints

Compensation of employees due to delays in the filling of vacant funded posts including the funds allocated to appoint additional capacity to strengthen internal capacity within the Department i.e. Joint District and Metro Approach and to support the energy security programme in the Department (Earmarked funds).

### 3. Utilisation of donor funds

- None.

### 4. Trading entities and public entities

- None

### 5. Organisations to whom transfer payments have been made

### 6. Public-private partnerships (PPP)

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

### 7. Corporate governance arrangements

- This is covered under Section C.

### 8. Discontinued activities/activities to be discontinued

- No activities were discontinued during the 2024/25 financial year

### 9. New/proposed activities

- None.

### 10. Events after the reporting date

- None.

### 11. Service Delivery Environment

This report provides an overview of the progress made by the Department toward achieving the targets outlined in its 2024/25 annual performance

plan. The Department has achieved 97 % of the targets set for the reporting period, while partially achieving the remaining 3%, as explained in Part C below.

It is with profound honour to report that the Department received its 12th consecutive clean audit from the Auditor-General of South Africa for the 2024/25 financial year. This achievement stands as a testament to the dedication of all personnel within the Department, who demonstrated unwavering commitment under challenging circumstances to uphold high standards while fulfilling the Department's mandate. I extend my sincere gratitude to management, every staff member, and all partners who made this achievement possible.

A municipality's ability to deliver on its mandate relies heavily on the skills of both councillors and municipal officials in understanding and executing their roles and responsibilities. During the review period, the Department, in partnership with key stakeholders, offered targeted training programmes to both councillors and municipal staff. A particularly notable initiative was the collaboration with the Hanns Seidel Foundation. Through this partnership, councillors were capacitated in areas such as ethics, consequence management, and the basic principles of the law, while mentoring and coaching were provided to middle managers across all districts. Additionally, the Municipal Finance Management Programme was also rolled out to a targeted group of councillors.

Although governance challenges persist in some municipalities, there is clear evidence of positive outcomes stemming from the Department's extensive guidance and support. This assistance enabled municipalities to better navigate coalition dynamics by institutionalising strong leadership practices and promoting good governance.

Investment in infrastructure remains a critical enabler of service delivery. The Western Cape Government (WCG) is progressing with the Sustainable Infrastructure Development and Financial Facility) Programme, which aims to unlock both local and international funding for

## REPORT OF THE ACCOUNTING OFFICER

municipal infrastructure. Seventeen (17) water and wastewater projects, valued over R3 billion, have been identified and are currently at different stages of prefeasibility studies. The WCG has successfully facilitated the mobilisation of R73 million from the Swiss State Secretariat for Economic Affairs (SECO, Switzerland) and R33 million from the Infrastructure Finance Unit (IFU), a division of Danish Sustainable Infrastructure Finance (IFU, Denmark), contributing towards the R154 million required to move these projects from feasibility to bankability.

As part of the Western Cape Water Resilience Strategy, significant progress has been made in groundwater exploration and development to enhance water supply security in the Western Cape. Projects implemented in municipalities during 2024/25 financial year include, Groundwater / Water Demand Management, Groundwater Resource Potential Studies, Groundwater Development Plans, Water Usage License Applications (WULA's), Technical assistance, Wellfield development - Numeric modelling, and Conditional assessments.

In response to fiscal constraints, in collaboration with various partners, the Department continues to explore innovative ways to address the challenges facing local government. Example of such was the partnership between the Department, the State Information Technology Agency, the South African Local Government Association), and the Garden Route District Municipality co-hosting the Local Government Innovation Summit 2025 under the theme "Embracing Technology for Service Delivery". The summit focused on municipal sustainability, service optimisation, and citizen-centricity through a business needs-driven, technology- and data-centric approach, while also prioritising cybersecurity.

During the year under review, the Department hosted a Shared Services Summit, bringing together shared services practitioners from across the province to discuss how shared services can enhance local service delivery. The fundamental motivation behind the shared services model lies in its potential to deliver significant benefits

through the centralisation and standardisation of operations, leading to cost savings, improved efficiency, and enhanced service quality.

At local government level, shared services involve municipalities collaborating to share key functions, such as human resources, IT, in a centralized manner, improving efficiencies and reducing costs. In the context of limited resources, budget constraints and skill shortages, tailored service models and operational strategies in each functional area is not only necessary but important. Stakeholders will continue to explore inter-municipal collaboration as means of leveraging on scarce critical resources to achieve efficiency gain.

### 12. Prior modifications to audit reports.

- None

### 13. Exemptions and deviations received from the National Treasury

- None

### 14. Interim Financial Statements

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

### 15. Approval

- The financial statements set out on pages 151 to 194 and annexures to the financial statements from 195 to 203 have been approved by the Accounting Officer.



ACCOUNTING OFFICER

DATE: 31 August 2025

## AUDIT COMMITTEE REPORT

---

Refer to pages 84 to 88 for the Audit Committee Report

## REPORT OF THE AUDITOR-GENERAL

# Report of the auditor-general to the Western Cape Provincial Parliament on vote no. 14: Western Cape Department of Local Government

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of the Western Cape Department of Local Government set out on pages 151 to 194, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and the cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Local Government as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Other matter

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

### Unaudited supplementary schedule

7. The supplementary information set out on pages 195-203 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.

### Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and 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.
9. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations or has no realistic alternative but to do so.

## REPORT OF THE AUDITOR-GENERAL

### Responsibilities of the auditor-general for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on pages 149 and 150, forms part of my auditor's report.

### Report on the audit of the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programme presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
<b>Programme 2: Local Governance</b>	40-52	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in development processes.
<b>Programme 3: Development and Planning</b>	55-62	To promote and facilitate effective disaster management practices, ensure well-maintained municipal infrastructure and promote integrated planning.

14. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
  - the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
  - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
  - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
  - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

## REPORT OF THE AUDITOR-GENERAL

- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
  - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets
16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for programme 2: local governance and programme 3: development and planning.

### Other matter

18. I draw attention to the matter below.

### Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over and underachievements.
20. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 40-62.

### Programme 2: Local Governance

<i>Targets achieved: 94%</i>		
<i>Budget spent 99%</i>		
Key indicators not achieved	Planned target	Reported achievement
<b>2.1.4(a) Code of conduct cases assessed to ensure legislative compliance</b>	10	3
<b>SPI:6 Number of work opportunities reported through the Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)</b>	16 647	14 362

### Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. I did not identify any material non-compliance with the selected legislative requirements.

## REPORT OF THE AUDITOR-GENERAL

### Other information in the annual report

25. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
26. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
27. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. The other information I obtained prior to the date of this auditor's report included information on the draft annual performance report, and several sections of the annual report were outstanding and are expected to be made available to us after 31 July 2025. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
29. When I do receive and read the full annual report with the sections outstanding, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

### Internal control deficiencies

30. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
31. I did not identify any significant deficiencies in internal control.

*Auditor General.*

Cape Town  
30 July 2025



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## REPORT OF THE AUDITOR-GENERAL

### Annexure to the auditor's report

1. The annexure includes the following:
  - The auditor-general's responsibility for the audit
  - The selected legislative requirements for compliance testing

### Auditor-general's responsibility for the audit

#### Professional judgement and professional scepticism

2. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

#### Financial statements

3. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
  - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
  - conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

#### Communication with those charged with governance

4. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
5. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

REPORT OF THE AUDITOR-GENERAL

Compliance with legislation – selected legislative requirements

1. The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

## APPROPRIATION STATEMENT

Appropriation per programme									
Voted funds and Direct charges	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme</b>									
1. ADMINISTRATION	52 594	-	(235)	<b>52 359</b>	51 306	1 053	98.0	50 414	50 159
2. LOCAL GOVERNANCE	163 648	-	(2 726)	<b>160 922</b>	159 245	1 677	99.0	163 980	163 980
3. DEVELOPMENT AND PLANNING	220 195	-	2 988	<b>223 183</b>	212 239	10 944	95.1	196 859	195 197
4. TRADITIONAL INSTITUTIONAL MANAGEMENT	825	-	(27)	<b>798</b>	422	376	52.9	373	373
<b>Total</b>	<b>437 262</b>	<b>-</b>	<b>-</b>	<b>437 262</b>	<b>423 212</b>	<b>14 050</b>	<b>96.8</b>	<b>411 626</b>	<b>409 709</b>
<b>Reconciliation with Statement of Financial Performance</b>									
<b>Add:</b>									
Departmental receipts				7 282				3 343	
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>444 544</b>				<b>414 969</b>	
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>423 212</b>				<b>409 709</b>

APPROPRIATION STATEMENT

Appropriation per economic classification									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Economic classification</b>									
<b>Current payments</b>	286 855	(1 939)	(2 500)	<b>282 416</b>	272 147	10 269	96.4	265 541	263 624
Compensation of employees	210 977	(2 917)	-	<b>208 060</b>	204 704	3 356	98.4	202 726	201 172
Goods and services	75 878	978	(2 500)	<b>74 356</b>	67 443	6 913	90.7	62 815	62 452
<b>Transfers and subsidies</b>	144 185	117	-	<b>144 302</b>	144 302	-	100	139 791	139 791
Provinces and municipalities	139 510	-	-	<b>139 510</b>	139 510	-	100	138 381	138 381
Departmental agencies and accounts	397	-	-	<b>397</b>	397	-	100	382	382
Non-profit institutions	3 391	-	-	<b>3 391</b>	3 391	-	100	376	376
Households	887	117	-	<b>1 004</b>	1 004	-	100	652	652
<b>Payments for capital assets</b>	5 976	1 897	2 500	<b>10 373</b>	6 592	3 781	63.5	5 859	5 859
Machinery and equipment	5 976	1 897	2 500	<b>10 373</b>	6 592	3 781	63.5	5 859	5 859
<b>Payment for financial assets</b>	246	(75)	-	<b>171</b>	171	-	100	435	435
<b>Total</b>	<b>437 262</b>	<b>-</b>	<b>-</b>	<b>437 262</b>	<b>423 212</b>	<b>14 050</b>	<b>96.8</b>	<b>411 626</b>	<b>409 709</b>

## APPROPRIATION STATEMENT

PROGRAMME 1: ADMINISTRATION									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub-programme</b>									
1. Office of the MEC	-	-	-	-	-	-	-	-	-
2. Corporate Services	52 594	-	(235)	52 359	51 306	1 053	98.0	50 414	50 159
<b>Total for sub-programmes</b>	<b>52 594</b>	<b>-</b>	<b>(235)</b>	<b>52 359</b>	<b>51 306</b>	<b>1 053</b>	<b>98.0</b>	<b>50 414</b>	<b>50 159</b>

	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Economic classification</b>									
<b>Current payments</b>	47 907	(968)	(262)	46 677	46 117	560	98.8	45 583	45 328
Compensation of employees	36 497	(2)	-	36 495	35 971	524	98.6	35 828	35 573
Goods and services	11 410	(966)	(262)	10 182	10 146	36	99.6	9 755	9 755
<b>Transfers and subsidies</b>	162	2	-	164	164	-	100	88	88
Departmental agencies and accounts	6	-	-	6	6	-	100	6	6
Households	156	2	-	158	158	-	100	82	82
<b>Payments for capital assets</b>	4 426	1 041	27	5 494	5 001	493	91.0	4 729	4 729
Machinery and equipment	4 426	1 041	27	5 494	5 001	493	91.0	4 729	4 729
<b>Payment for financial assets</b>	99	(75)	-	24	24	-	100	14	14
<b>Total</b>	<b>52 594</b>	<b>-</b>	<b>(235)</b>	<b>52 359</b>	<b>51 306</b>	<b>1 053</b>	<b>98.0</b>	<b>50 414</b>	<b>50 159</b>

APPROPRIATION STATEMENT

PROGRAMME 2: LOCAL GOVERNANCE									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub-programme</b>									
1. Municipal Administration	16 886	-	(736)	<b>16 150</b>	15 984	166	99.0	15 058	15 058
2. Public Participation	12 010	25	(543)	<b>11 492</b>	11 492	-	100	11 483	11 483
3. Capacity Development	12 409	-	(634)	<b>11 775</b>	11 255	520	95.6	13 421	13 421
4. Municipal Performance, Monitoring, Reporting and Evaluation	28 466	-	(590)	<b>27 876</b>	27 662	214	99.2	29 088	29 088
5. Service Delivery Integration	10 798	-	(145)	<b>10 653</b>	10 300	353	96.7	12 344	12 344
6. Community Development Worker Programme	83 079	(25)	(78)	<b>82 976</b>	82 552	424	99.5	82 586	82 586
<b>Total for sub-programmes</b>	<b>163 648</b>	<b>-</b>	<b>(2 726)</b>	<b>160 922</b>	<b>159 245</b>	<b>1 677</b>	<b>99.0</b>	<b>163 980</b>	<b>163 980</b>

## APPROPRIATION STATEMENT

	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Economic classification</b>									
<b>Current payments</b>	146 193	(120)	(2 726)	<b>143 347</b>	141 704	1 643	98.9	144 384	144 384
Compensation of employees	129 263	(72)	-	<b>129 191</b>	127 834	1 357	98.9	128 243	128 243
Goods and services	16 930	(48)	(2 726)	<b>14 156</b>	13 870	286	98.0	16 141	16 141
<b>Transfers and subsidies</b>	16 201	72	-	<b>16 273</b>	16 273	-	100	18 285	18 285
Provinces and municipalities	15 711	-	-	<b>15 711</b>	15 711	-	100	17 846	17 846
Households	490	72	-	<b>562</b>	562	-	100	439	439
<b>Payments for capital assets</b>	1 226	48	-	<b>1 274</b>	1 240	34	97.3	966	966
Machinery and equipment	1 226	48	-	<b>1 274</b>	1 240	34	97.3	966	966
<b>Payment for financial assets</b>	28	-	-	<b>28</b>	28	-	100	345	345
<b>Total</b>	<b>163 648</b>	<b>-</b>	<b>(2 726)</b>	<b>160 922</b>	<b>159 245</b>	<b>1 677</b>	<b>99.0</b>	<b>163 980</b>	<b>163 980</b>

APPROPRIATION STATEMENT

PROGRAMME 3: DEVELOPMENT AND PLANNING									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub-programme</b>									
1. Municipal Infrastructure	141 638	(888)	213	<b>140 963</b>	139 736	1 227	99.1	126 477	125 178
2. Disaster Management	71 514	1 598	2 775	<b>75 887</b>	66 170	9 717	87.2	64 057	63 694
3. Integrated Development Planning	7 043	(710)	-	<b>6 333</b>	6 333	-	100	6 325	6 325
<b>Total for sub-programmes</b>	<b>220 195</b>	<b>-</b>	<b>2 988</b>	<b>223 183</b>	<b>212 239</b>	<b>10 944</b>	<b>95.1</b>	<b>196 859</b>	<b>195 197</b>

	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Economic classification</b>									
<b>Current payments</b>	91 957	(851)	488	<b>91 594</b>	83 904	7 690	91.6	75 201	73 539
Compensation of employees	44 455	(2 843)	-	<b>41 612</b>	40 477	1 135	97.3	38 284	36 985
Goods and services	47 502	1 992	488	<b>49 982</b>	43 427	6 555	86.9	36 917	36 554
<b>Transfers and subsidies</b>	127 822	43	-	<b>127 865</b>	127 865	-	100	121 418	121 418
Provinces and municipalities	123 799	-	-	<b>123 799</b>	123 799	-	100	120 535	120 535
Departmental agencies and accounts	391	-	-	<b>391</b>	391	-	100	376	376
Non-profit institutions	3 391	-	-	<b>3 391</b>	3 391	-	100	376	376
Households	241	43	-	<b>284</b>	284	-	100	131	131
<b>Payments for capital assets</b>	297	808	2 500	<b>3 605</b>	351	3 254	9.7	164	164
Machinery and equipment	297	808	2 500	<b>3 605</b>	351	3 254	9.7	164	164
<b>Payment for financial assets</b>	119	-	-	<b>119</b>	119	-	100	76	76
<b>Total</b>	<b>220 195</b>	<b>-</b>	<b>2 988</b>	<b>223 183</b>	<b>212 239</b>	<b>10 944</b>	<b>95.1</b>	<b>196 859</b>	<b>195 197</b>

## APPROPRIATION STATEMENT

PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub-programme</b>									
1. Traditional Institutional Administration	825	-	(27)	798	422	376	52.9	373	373
<b>Total for sub-programmes</b>	<b>825</b>	<b>-</b>	<b>(27)</b>	<b>798</b>	<b>422</b>	<b>376</b>	<b>52.9</b>	<b>373</b>	<b>373</b>

	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Economic classification</b>									
<b>Current payments</b>	798	-	-	798	422	376	52.9	373	373
Compensation of employees	762	-	-	762	422	340	55.4	371	371
Goods and services	36	-	-	36	-	36	-	2	2
<b>Payments for capital assets</b>	27	-	(27)	-	-	-	-	-	-
Machinery and equipment	27	-	(27)	-	-	-	-	-	-
<b>Total</b>	<b>825</b>	<b>-</b>	<b>(27)</b>	<b>798</b>	<b>422</b>	<b>376</b>	<b>52.9</b>	<b>373</b>	<b>373</b>

NOTES TO THE APPROPRIATION STATEMENT

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

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

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

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

**3 Detail on payments for financial assets**

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

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

**4.1 Per programme**

Per programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
<b>ADMINISTRATION</b>	<b>52 359</b>	<b>51 306</b>	<b>1 053</b>	<b>2.0</b>

Explanation of variance: The savings on Compensation of employees (CoE) is as a result of delays with the filling of vacant posts due to staff exiting the Department. Furthermore, the underspending on Goods and services (G&S) and Payment for capital assets relates to Information Technology (IT) equipment and office equipment procured during 2024/25 financial year, but due to delays, the suppliers could not deliver the equipment by 31 March 2025. The rollover applications have been submitted to Provincial Treasury (PT) to fund the commitments during 2025/26 financial year.

<b>LOCAL GOVERNANCE</b>	<b>160 922</b>	<b>159 245</b>	<b>1 677</b>	<b>1.0</b>
<b>DEVELOPMENT AND PLANNING</b>	<b>223 183</b>	<b>212 239</b>	<b>10 944</b>	<b>4.9</b>

Explanation of variance: The savings on CoE is mainly due to delays in filling vacant posts, resignations and includes the savings on the Earmarked funding allocated to appoint additional critical skills to support the Energy Security programme in the Department. The unspent amount on CoE was surrendered to the Provincial Revenue Fund (PRF). The underspending on G&S relates to the replacement of the audio-visual infrastructure at the Disaster Management Centre. The audio-visual tender was re-advertised due to discrepancies with the quotations received, which delayed the process of awarding this tender early in 2024/25 financial year. The procurement process was finalised and the tender was successfully awarded shortly before the end of the 2024/25 financial year, but the costs were higher than anticipated. Due to the challenging and complex Supply Chain Management (SCM) process, a request was submitted to PT to supplement the higher than anticipated tender price being carried into 2025/26 financial year. Note, the underspending amount includes the costs for the replacement of the audio-visual infrastructure for which the rollover applications have been submitted to PT to fund the commitments during 2025/26 financial year.

<b>TRADITIONAL INSTITUTIONAL MANAGEMENT</b>	<b>798</b>	<b>422</b>	<b>376</b>	<b>47.1</b>
---	------------	------------	------------	-------------

Explanation of variance: The savings relates to the delays with the recruitment process to appoint additional capacity within the Department to assist with research, policy and legislation development and support services to traditional councils funded from policy priority funding. The Department has surrendered the unspent amount to the PRF.

<b>TOTAL</b>	<b>437 262</b>	<b>423 212</b>	<b>14 050</b>	<b>3.2</b>
--------------	----------------	----------------	---------------	------------

## NOTES TO THE APPROPRIATION STATEMENT

### 4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
<b>Current Payments</b>				
Compensation of employees	208 060	204 704	3 356	1.6
Goods and services	74 356	67 443	6 913	9.3
<b>Transfers and subsidies</b>				
Provinces and municipalities	139 510	139 510	-	-
Departmental agencies and accounts	397	397	-	-
Non-profit institutions	3 391	3 391	-	-
Households	1 004	1 004	-	-
<b>Payments for capital assets</b>				
Machinery and equipment	10 373	6 592	3 781	36.5
<b>Payments for financial assets</b>				
Payments for financial assets	171	171	-	-
<b>TOTAL</b>	<b>437 262</b>	<b>423 212</b>	<b>14 050</b>	<b>3.2</b>

Explanation of variance: The savings/underspending relates to the following:

- Goods and services (G&S)
 

The underspending relates to the IT consumables procured during 2024/25 financial year, but the supplier could not deliver the items by 31 March 2025.

Furthermore, the unspent amount on G&S relates to the following:

  - costs relating to the replacement of the audio-visual infrastructure at the Disaster Management Centre. The audio-visual tender was re-advertised due to discrepancies with the quotations received, which delayed the process of awarding this tender early in 2024/25 financial year. The procurement process was finalised and the tender was successfully awarded shortly before the end of the 2024/25 financial year, but the costs were higher than anticipated. Due to the challenging and complex SCM process, a request was submitted to PT to supplement the higher than anticipated tender price being carried into 2025/26 financial year;
  - the earmarked funds relating to operational costs for the additional critical skills to support the Energy Security programme in the Department;
  - the earmarked funds allocated for the additional critical skills to support the Energy Security programme in the Department and capacity building and training of disaster management officials on the Disaster Management Learning Programme (E-Learning platform) by PTI, resulted in all courses held from January 2025 being reduced to only 50 participants; and
  - project funds due to invoices received relating to awareness campaigns and claims received from Department of the Premier were lower than anticipated.
- Machinery and equipment
 

The underspending on Payment for capital assets relates to IT equipment procured during 2024/25 financial year, but the supplier could not deliver the equipment by 31 March 2025. Furthermore, the underspending amount includes the costs for the replacement of the audio-visual infrastructure for which the rollover applications have been submitted to PT to fund the commitments during 2025/26 financial year.

STATEMENT OF FINANCIAL PERFORMANCE

	Note	2024/25 R'000	2023/24 R'000
<b>REVENUE</b>			
Annual appropriation	1	437 262	411 626
Departmental revenue	2	7 282	3 343
<b>TOTAL REVENUE</b>		<b>444 544</b>	<b>414 969</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	204 704	201 172
Goods and services	4	67 443	62 452
<b>Total current expenditure</b>		<b>272 147</b>	<b>263 624</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	6	144 302	139 791
<b>Total transfers and subsidies</b>		<b>144 302</b>	<b>139 791</b>
<b>Expenditure for capital assets</b>			
Tangible assets	7	6 592	5 859
<b>Total expenditure for capital assets</b>		<b>6 592</b>	<b>5 859</b>
<b>Payments for financial assets</b>	5	171	435
<b>TOTAL EXPENDITURE</b>		<b>423 212</b>	<b>409 709</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>21 332</b>	<b>5 260</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted Funds		14 050	1 917
Annual appropriation		14 050	1 917
Departmental revenue and NRF Receipts	11	7 282	3 343
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>21 332</b>	<b>5 260</b>

## STATEMENT OF FINANCIAL POSITION

	Note	2024/25 R'000	2023/24 R'000
<b>ASSETS</b>			
<b>Current Assets</b>		<b>15 095</b>	<b>2 262</b>
Cash and cash equivalents	8	14 499	1 819
Receivables	9	596	443
<b>Non-Current Assets</b>		<b>144</b>	<b>1</b>
Receivables	9	144	1
<b>TOTAL ASSETS</b>		<b>15 239</b>	<b>2 263</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>		<b>14 779</b>	<b>1 948</b>
Voted funds to be surrendered to the Revenue Fund	10	14 050	1 917
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	661	10
Payables	12	68	21
<b>TOTAL LIABILITIES</b>		<b>14 779</b>	<b>1 948</b>
<b>NET ASSETS</b>		<b>460</b>	<b>315</b>
<b>Represented by:</b>			
Recoverable revenue		460	315
<b>TOTAL</b>		<b>460</b>	<b>315</b>

STATEMENT OF CHANGES IN NET ASSETS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>NET ASSETS</b>			
<b>Recoverable revenue</b>			
Opening balance		315	444
<b>Transfers:</b>		<b>145</b>	<b>(129)</b>
Debts recovered (included in departmental revenue)		(322)	(141)
Debts raised		467	12
Closing balance		<b>460</b>	<b>315</b>
<b>TOTAL</b>		<b>460</b>	<b>315</b>

## CASH FLOW STATEMENT

	Note	2024/25 R'000	2023/24 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		<b>444 543</b>	<b>415 088</b>
Annual appropriated funds received	1.1	437 262	411 626
Departmental revenue received	2	7 281	3 462
Net (increase)/ decrease in working capital		(249)	345
Surrendered to Revenue Fund		(8 672)	(16 395)
Current payments		(272 147)	(263 624)
Payments for financial assets	5	(171)	(435)
Transfers and subsidies paid		(144 302)	(139 791)
<b>Net cash flow available from operating activities</b>	<b>13</b>	<b>19 002</b>	<b>(4 812)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	7	(6 592)	(5 859)
Proceeds from sale of capital assets	2.2	125	-
<b>Net cash flows from investing activities</b>		<b>(6 467)</b>	<b>(5 859)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/ (decrease) in net assets		145	(129)
<b>Net cash flows from financing activities</b>		<b>145</b>	<b>(129)</b>
Net increase/ (decrease) in cash and cash equivalents		12 680	(10 800)
Cash and cash equivalents at beginning of period		1 819	12 619
<b>Cash and cash equivalents at end of period</b>	<b>14</b>	<b>14 499</b>	<b>1 819</b>

In accordance with the revised reporting template issued by the National Treasury for the 2024/25 financial year, the classification of movements in non - current receivables has been amended. Amounts previously presented under cash flows from investing activities are now disclosed under cash flows from operating activities, in line with updated guidance clarifying the nature of these receivables as operational in substance. This reclassification has no impact on the net cash flow position but enhances alignment with the Modified Cash Standard.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### PART A: ACCOUNTING POLICIES

#### Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

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

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

#### 1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

#### 2. Going concern

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

#### 3. Presentation currency

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

#### 4. Rounding

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

#### 5. Foreign currency translation

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

#### 6. Comparative information

##### 6.1 Prior period comparative information

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

##### 6.2 Current year comparison with budget

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

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 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.

Appropriated funds are measured at the amounts receivable.

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.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

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 reliable.

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.

Write-offs are made according to the Department's debt write-off policy.

### 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.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 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.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

### 8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

### 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. Operating lease payments received are recognised as departmental revenue.

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. Finance lease payments received are recognised as departmental revenue.

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

At commencement of the finance lease term, finance lease assets acquired are recorded and measured at:

The fair value of the leased asset; or if lower,

The present value of the minimum lease payments.

Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.

## 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.

CARA Funds are recognised when receivable and measured at the amounts receivable.

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.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 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 and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.

### 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 asset.

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

#### 14.2 Impairment of financial assets

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

### 15. Payables

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

### 16. Capital Assets

#### 16.1 Immovable capital assets

Immovable assets reflected in the asset register of the Department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 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 reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

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

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

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

### 16.3 Intangible capital assets

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

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

Where the cost of intangible assets cannot be determined reliably, 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 of a capital nature forms part of the cost of the existing asset when ready for use.

### 16.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the Department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

## 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.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 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 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

## 18. Unauthorised expenditure

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

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

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

Unauthorised expenditure recorded in the notes to the financial statements comprise of

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- Unauthorised incurred in the current year.

## 19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

## 20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 21. Changes in accounting estimates and errors

Changes in accounting policies are applied in accordance with MCS requirements.

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

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

### 22. Events after the reporting date

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

### 23. Principal-Agent arrangements

The Department does not have a 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 transactions

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements.

### 28. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 29. 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.

### 30. Employee benefits

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

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

### 31. Transfer of functions

Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

### 32. Mergers

Mergers are accounted for by the combined Department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining Departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1 Annual Appropriation

1.1 Annual Appropriation

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

Programmes	2024/25			2023/24		
	Final Budget R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Budget R'000	Appropriation Received R'000	Funds not requested/ not received R'000
ADMINISTRATION	52 359	52 359	-	50 414	50 414	-
LOCAL GOVERNANCE	160 922	160 922	-	163 980	163 980	-
DEVELOPMENT AND PLANNING	223 183	223 183	-	196 859	196 859	-
TRADITIONAL INSTITUTIONAL MANAGEMENT	798	798	-	373	373	-
<b>Total</b>	<b>437 262</b>	<b>437 262</b>	<b>-</b>	<b>411 626</b>	<b>411 626</b>	<b>-</b>

Note	2024/25 R'000	2023/24 R'000
------	------------------	------------------

2 Departmental Revenue

Sales of goods and services other than capital assets	2.1	117	115
Sales of capital assets	2.2	125	-
Transactions in financial assets and liabilities	2.3	7 164	3 347
<b>Total revenue collected</b>		<b>7 406</b>	<b>3 462</b>
Less: Own revenue included in appropriation	11	124	119
<b>Total</b>		<b>7 282</b>	<b>3 343</b>

2.1 Sales of goods and services other than capital assets

<b>Sales of goods and services produced by the department</b>	2	<b>116</b>	<b>115</b>
Other sales		116	115
Sales of scrap, waste and other used current goods		1	-
<b>Total</b>		<b>117</b>	<b>115</b>

Other sales consist of commissions on insurance and garnishees.

2.2 Sales of capital assets

<b>Tangible capital assets</b>	2	<b>125</b>	<b>-</b>
Machinery and equipment		125	-
<b>Total</b>		<b>125</b>	<b>-</b>

Sale of redundant assets.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>2.3 Transactions in financial assets and liabilities</b>	2		
Other Receipts including Recoverable Revenue		7 164	3 347
<b>Total</b>		<b>7 164</b>	<b>3 347</b>
Included in Other Receipts including Recoverable Revenue: Refunds received from Municipalities for unspent grants.			
<b>2.4 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)</b>			
Sponsorships	<i>Annex 1E</i>	1 200	205
<b>Total gifts, donations and sponsorships received in kind</b>		<b>1 200</b>	<b>205</b>
<b>3 Compensation of employees</b>			
<b>3.1 Analysis of balance</b>			
Basic salary		146 403	144 314
Service Based		84	73
Compensative/circumstantial		1 737	1 290
Other non-pensionable allowances		27 222	26 631
<b>Total</b>		<b>175 446</b>	<b>172 308</b>
<b>3.2 Social contributions</b>			
<b>Employer contributions</b>			
Pension		18 112	18 008
Medical		11 103	10 812
Bargaining council		43	44
<b>Total</b>		<b>29 258</b>	<b>28 864</b>
<b>Total compensation of employees</b>		<b>204 704</b>	<b>201 172</b>
Average number of employees		353	367

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>4 Goods and services</b>			
Administrative fees		84	106
Advertising		4 132	1 801
Minor assets	4.1	300	276
Bursaries (employees)		285	379
Catering		725	657
Communication		947	1 140
Computer services	4.2	964	1 070
Consultants: Business and advisory services		14 553	13 312
Legal services		1 561	2 305
Contractors		20 790	21 329
Agency and support / outsourced services		10	19
Entertainment		46	50
Audit cost – external	4.3	3 070	3 010
Fleet services		2 933	3 105
Consumables	4.4	697	616
Operating leases		531	256
Property payments	4.5	1 976	2 081
Rental and hiring		21	11
Transport provided as part of the departmental activities		301	256
Travel and subsistence	4.6	5 317	5 656
Venues and facilities		608	340
Training and development		6 341	3 298
Other operating expenditure	4.7	1 251	1 379
<b>Total</b>		<b>67 443</b>	<b>62 452</b>

Advertising includes:

Various campaigns such as water use, anti-vandalism, educational awareness (summer safety awareness) and fire awareness.

Consultants includes:

Hydrogeological services, ICT System Analyst and Sustainable Infrastructure Development and Financial Facility (SIDAFF).

Contractors includes:

Aerial firefighting and forensic investigators fees.

Training includes:

Specialised fire and disaster management capacity building training for municipal officials.

<b>4.1 Minor assets</b>	4		
<b>Tangible capital assets</b>		300	276
Machinery and equipment		300	276
<b>Total</b>		<b>300</b>	<b>276</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>4.2 Computer services</b>	4		
SITA computer services		220	282
External computer service providers		744	788
<b>Total</b>		<b>964</b>	<b>1 070</b>
External computer service providers includes the costs relating to the software for the disaster management information and communication system as well as MTN data contract.			
<b>4.3 Audit cost - external</b>	4		
Regularity audits		3 070	3 010
<b>Total</b>		<b>3 070</b>	<b>3 010</b>
<b>4.4 Consumables</b>	4		
Consumable supplies		199	135
Uniform and clothing		1	-
Household supplies		59	59
Building material and supplies		16	5
Communication accessories		-	-
IT consumables		108	70
Other consumables		15	1
Stationery, printing and office supplies		498	481
<b>Total</b>		<b>697</b>	<b>616</b>
<b>4.5 Property payments</b>	4		
Municipal services		17	16
Other		1 959	2 065
<b>Total</b>		<b>1 976</b>	<b>2 081</b>
Other includes: firefighting and protection services, safeguarding and security, cleaning services as well as fumigation of offices.			
<b>4.6 Travel and subsistence</b>	4		
Local		5 218	5 549
Foreign		99	107
<b>Total</b>		<b>5 317</b>	<b>5 656</b>
<b>4.7 Other operating expenditure</b>	4		
Professional bodies, membership and subscription fees		8	4
Resettlement costs		49	378
Other		1 194	997
<b>Total</b>		<b>1 251</b>	<b>1 379</b>
Other includes: photocopies, printing and binding of the 5-Year Strategic Plan, Annual Report and Annual Performance Plan, Municipal Client Service Charters and Know your Ward Committee.			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>5</b>			
<b>Payments for financial assets</b>			
Other material losses written off	5.1	52	253
Debts written off	5.2	119	182
<b>Total</b>		<b>171</b>	<b>435</b>
<b>5.1 Other material losses written off</b>	<b>5</b>		
<b>Nature of other material losses</b>			
GG Vehicle Damage		17	190
Assets		35	63
<b>Total</b>		<b>52</b>	<b>253</b>
<b>5.2 Debts written off</b>	<b>5</b>		
<b>Nature of debts written off</b>			
Fruitless and wasteful expenditure		-	2
Salaries		17	72
Leave without pay		96	108
Assets		6	-
<b>Total</b>		<b>119</b>	<b>182</b>
<b>Total debt written off</b>		<b>119</b>	<b>182</b>
<b>6</b>			
<b>Transfers and Subsidies</b>			
Provinces and municipalities	27	139 510	138 381
Departmental agencies and accounts	<i>Annexure 1B</i>	397	382
Non-profit institutions	<i>Annexure 1C</i>	3 391	376
Households	<i>Annexure 1D</i>	1 004	652
<b>Total</b>		<b>144 302</b>	<b>139 791</b>
<b>7</b>			
<b>Expenditure for capital assets</b>			
Tangible capital assets		6 592	5 859
Machinery and equipment		6 592	5 859
<b>Total</b>		<b>6 592</b>	<b>5 859</b>
<b>7.1 Analysis of funds utilised to acquire capital assets – current year</b>			
		<b>2024/25</b>	
		<b>Voted Funds R'000</b>	<b>Aid assistance R'000</b>
			<b>Total R'000</b>
<b>Tangible capital assets</b>		<b>6 592</b>	<b>-</b>
Machinery and equipment		6 592	-
<b>Total</b>		<b>6 592</b>	<b>-</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7.2 Analysis of funds utilised to acquire capital assets - prior year

	2023/24		
	Voted Funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible capital assets</b>	<b>5 859</b>	<b>-</b>	<b>5 859</b>
Machinery and equipment	5 859	-	5 859
<b>Total</b>	<b>5 859</b>	<b>-</b>	<b>5 859</b>

Note	2024/25	2023/24
	R'000	R'000

7.3 Finance lease expenditure included in Expenditure for capital assets

<b>Tangible capital assets</b>	<b>4 677</b>	<b>3 481</b>
Machinery and equipment	4 677	3 481
<b>Total</b>	<b>4 677</b>	<b>3 481</b>

8 Cash and cash equivalents

Consolidated Paymaster General Account	14 449	1 769
Cash on hand	50	50
<b>Total</b>	<b>14 499</b>	<b>1 819</b>

9 Receivables

		2024/25			2023/24		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Recoverable expenditure	9.1	50	-	50	27	-	27
Staff debt	9.2	545	144	689	416	1	417
Other receivables	9.3	1	-	1	-	-	-
<b>Total</b>		<b>596</b>	<b>144</b>	<b>740</b>	<b>443</b>	<b>1</b>	<b>444</b>

Note	2024/25	2023/24
	R'000	R'000

9.1 Recoverable expenditure

Damages: GG Vehicles	9	4	2
Theft and damages: Assets		-	25
Damages: Hired Vehicles		32	-
Sal: Income Tax		12	-
Sal: Medical Aid		2	-
<b>Total</b>		<b>50</b>	<b>27</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>9 Receivables (continued)</b>			
<b>9.2 Staff debt</b>	9		
Bursary		56	41
Leave without pay		448	310
Income Tax		18	15
Salary		106	25
Assets		35	26
Leave overgrant		16	-
Housing		10	-
<b>Total</b>		<b>689</b>	<b>417</b>
<b>9.3 Other receivables</b>	9		
Fruitless and wasteful expenditure		1	-
<b>Total</b>		<b>1</b>	<b>-</b>
<b>9.4 Impairment of receivables</b>			
Estimate of impairment of receivables		381	412
<b>Total</b>		<b>381</b>	<b>412</b>

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

**10 Voted Funds to be surrendered to the Revenue Fund**

Opening balance	1 917	12 911
As restated	1 917	12 911
Transfer from statement of financial performance (as restated)	14 050	1 917
Paid during the year	(1 917)	(12 911)
<b>Closing balance</b>	<b>14 050</b>	<b>1 917</b>

**11 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

Opening balance	10	32
As restated	10	32
Transfer from Statement of Financial Performance (as restated)	7 282	3 343
Own revenue included in appropriation	124	119
Paid during the year	(6 755)	(3 484)
<b>Closing balance</b>	<b>661</b>	<b>10</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>12 Payables – current</b>	<i>12.1</i>		
Clearing accounts		68	21
<b>Total</b>		<b>68</b>	<b>21</b>
<b>12.1 Clearing accounts</b>	<i>12</i>		
Disallowance: Miscellaneous		5	-
Sal: Income Tax: CL		-	16
Sal: Reversal Control: CA		-	5
Sal: GEHS Refund Control Acc: CL		63	-
<b>Total</b>		<b>68</b>	<b>21</b>
<b>13 Net cash flow available from operating activities</b>			
Net surplus/(deficit) as per Statement of Financial Performance		21 332	5 260
<b>Add back non cash/cash movements not deemed operating activities</b>		<b>(2 330)</b>	<b>(10 083)</b>
(Increase)/decrease in receivables		(296)	384
Increase/(decrease) in payables – current		47	(50)
Proceeds from sale of investments		(125)	-
Expenditure on capital assets		6 592	5 859
Surrenders to Revenue Fund		(8 672)	(16 395)
Own revenue included in appropriation		124	119
<b>Net cash flow generated by operating activities</b>		<b>19 002</b>	<b>(4 823)</b>
<b>14 Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General account		14 449	1 769
Cash on hand		50	50
<b>Total</b>		<b>14 499</b>	<b>1 819</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
--	-------------	------------------	------------------

15 Contingent liabilities and contingent assets

15.1 Contingent assets

There are 2 PILIR cases under investigation which were not finalised by the Department as at 31 March 2025.

The Department is not able to reliably measure the contingent assets in terms of the Government Employees Housing Scheme of the Individually Linked Savings Facility (ILSF), relating to resignations and termination of services.

16 Capital Commitments

Machinery and equipment	8 025	-
<b>Total</b>	<b>8 025</b>	<b>-</b>

Included in machinery and equipment is an amount of R7,5 million for the replacement of the audio-visual infrastructure at the Disaster Management Centre. Installation will commence during 2025/26 financial year.

17 Accruals and payables not recognised

17.1 Accruals

	2024/25			2023/24
	30 days R'000	30+ days R'000	Total R'000	Total R'000
<b>Listed by economic classification</b>				
Goods and services	664		664	681
Capital assets	1	-	1	409
Other	-	-	-	15
<b>Total</b>	<b>665</b>	<b>-</b>	<b>665</b>	<b>1 105</b>

	2022/23 R'000	2021/22 R'000
<b>Listed by programme level</b>		
Programme 1: Administration	257	697
Programme 2: Local Governance	315	297
Programme 3: Development and Planning	93	111
<b>Total</b>	<b>665</b>	<b>1 105</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 17.2 Payables not recognised

	2024/25			2023/24
	30 days R'000	30+ days R'000	Total R'000	Total R'000
<b>Listed by economic classification</b>				
Goods and services	19	-	19	34
<b>Total</b>	<b>19</b>	<b>-</b>	<b>19</b>	<b>34</b>

	Note	2024/25 R'000	2023/24 R'000
<b>Listed by programme level</b>			
Programme 2: Local Governance		-	10
Programme 3: Development and Planning		19	24
<b>Total</b>		<b>19</b>	<b>34</b>

#### Included in the above totals are the following:

Confirmed balances with departments	Annex 2	122	103
Confirmed balances with other government entities	Annex 2	12	626
<b>Total</b>		<b>134</b>	<b>729</b>

### 18 Employee benefits

Leave entitlement	8 553	8 829
Service bonus	5 112	5 116
Capped leave	1 574	1 647
Other	1 594	172
<b>Total</b>	<b>16 833</b>	<b>15 764</b>

Included in leave entitlement are credits amounting to R285 070.

Included in other is the current portion of long service awards and compensation of employees accruals.

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

19 Lease commitments

19.1 Operating leases

		2024/25			
	Special-ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip-ment R'000	Total R'000
Not later than 1 year	-	-	161	340	501
Later than 1 year and not later than 5 years	-	-	-	298	298
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>638</b>	<b>799</b>

		2023/24			
	Special-ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip-ment R'000	Total R'000
Not later than 1 year	-	-	-	290	290
Later than 1 year and not later than 5 years	-	-	-	475	475
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>765</b>	<b>765</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

19.2 Finance leases

	2024/25				Total R'000
	Special- ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip- ment R'000	
Not later than 1 year	-	-	-	3 798	3 798
Later than 1 year and not later than 5 years	-	-	-	10 848	10 848
<b>Total lease commitments</b>	-	-	-	<b>14 646</b>	<b>14 646</b>

	2023/24				Total R'000
	Special- ised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equip- ment R'000	
Not later than 1 year	-	-	-	3 896	3 896
Later than 1 year and not later than 5 years	-	-	-	7 287	7 287
<b>Total lease commitments</b>	-	-	-	<b>11 183</b>	<b>11 183</b>

Included in finance leases are data-cards and vehicles.

The Department leased 36 vehicles from Government Motor Transport (GMT) as at 31 March 2025 (31 March 2024: 35). Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of the replacement of vehicles, and the implicit finance costs in this type of arrangement.

The implicit interest is based on Provincial Treasury's approved tariffs for GMT. The Department uses the vehicle for most of the useful life. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>20</b>			
<b>Accrued departmental revenue</b>			
Transactions in financial assets and liabilities	20.1	633	2 046
<b>Total</b>		<b>633</b>	<b>2 046</b>
<b>20.1</b>			
<b>Analysis of accrued departmental revenue</b>	20		
Opening balance		2 046	604
Less: Amounts received		6 693	2 943
Add: Amounts recorded		5 066	4 385
Other (Specify)		214	-
<b>Closing balance</b>		<b>633</b>	<b>2 046</b>

Other consists of adjustments to the amounts as a result of information received in the 2024/25 financial year.

**21** **Unauthorised, Irregular and Fruitless and wasteful expenditure**

Irregular expenditure - current year	-	5
Fruitless and wasteful expenditure - current year	1	7
<b>Total</b>	<b>1</b>	<b>12</b>

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report.

**22** **Related party transactions**

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

The Department received corporate services from the Corporate Services Centre of the Department of the Premier in the Western Cape Province with effect from 1 November 2010 in respect of the following service areas:

Information and Communication Technology; Organisational Development; Provincial Training (transversal); Human Resource Management; Enterprise Risk Management; Internal Audit; Provincial Forensic Services; Legal Services and Corporate Communication.

The Department makes use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Provincial Treasury.

The Department received Security Advisory Services and Security Operations from the Department of Police Oversight and 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

<i>Note</i>	2024/25 R'000	2023/24 R'000
-------------	------------------	------------------

## 23 Key management personnel

Officials:

SL 14 (Including CFO)	6 190	5 980
SL 15	2 095	1 970
<b>Total</b>	<b>8 285</b>	<b>7 950</b>

## 24 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				Closing balance R'000
	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	
<b>MACHINERY AND EQUIPMENT</b>	<b>26 044</b>	-	<b>1 915</b>	<b>3 721</b>	<b>24 238</b>
Computer equipment	17 177	-	1 739	3 577	15 339
Furniture and office equipment	3 949	-	-	35	3 914
Other machinery and equipment	4 918	-	176	109	4 985
<b>FINANCE LEASE ASSETS</b>	<b>9 079</b>	-	<b>5 382</b>	<b>3 761</b>	<b>10 700</b>
Finance lease assets	9 079	-	5 382	3 761	10 700
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>35 123</b>	-	<b>7 297</b>	<b>7 482</b>	<b>34 938</b>

Movable Tangible Capital Assets under investigation

	Number	Value R'000
<b>Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	9	132

4 assets have been reported as lost or stolen and are under investigation.

5 assets were not presented for verification.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

24.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				Closing balance R'000
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	
<b>MACHINERY AND EQUIPMENT</b>	<b>25 304</b>	-	<b>2 403</b>	<b>1 663</b>	<b>26 044</b>
Computer equipment	16 315	-	2 245	1 383	17 177
Furniture and office equipment	3 890	-	106	47	3 949
Other machinery and equipment	5 099	-	52	233	4 918
<b>FINANCE LEASE ASSETS</b>	<b>8 176</b>	-	<b>2 976</b>	<b>2 073</b>	<b>9 079</b>
Finance lease assets	8 176	-	2 976	2 073	9 079
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>33 480</b>	-	<b>5 379</b>	<b>3 736</b>	<b>35 123</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

24.2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25						
	Special- ised military assets R'000	In- tangible assets R'000	Heri- tage assets R'000	Mach- inery and equip- ment R'000	Biol- ogical assets R'000	Finance lease assets R'000	Total R'000
	Opening balance	-	-	-	6 090	-	444
Additions	-	-	-	298	-	-	298
Disposals	-	-	-	276	-	27	303
<b>TOTAL MINOR CAPITAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 112</b>	<b>-</b>	<b>417</b>	<b>6 529</b>

	Special- ised military assets R'000	In- tangible assets R'000	Heri- tage assets R'000	Machi- nery and equip- ment R'000	Bio- logical assets R'000	Finance lease assets R'000	Total R'000	
	Number of R1 minor assets	-	-	-	1	-	-	1
	Number of minor assets at cost	-	-	-	3 271	-	155	3 426
<b>TOTAL MINOR CAPITAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 272</b>	<b>-</b>	<b>155</b>	<b>3 427</b>	

Minor Capital Assets under investigation

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:

Machinery and equipment

	Number	Value R'000
Machinery and equipment	52	82

23 assets have been reported as lost or stolen and are under investigation.

29 assets were not presented for verification.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

24.2 Minor assets (continued)

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2024

	2023/24						
	Special- ised military assets R'000	In- tangible assets R'000	Heri- tage assets R'000	Machinery and equipment R'000	Biol- ogical assets R'000	Finance lease assets R'000	Total R'000
	Opening balance	-	-	-	6 078	-	-
Additions				276	-	452	728
Disposals	-	-	-	264	-	8	272
<b>TOTAL MINOR CAPITAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 090</b>	<b>-</b>	<b>444</b>	<b>6 534</b>

	Special- ised military assets R'000	In- tangible assets R'000	Heri- tage assets R'000	Mach- inery and equip- ment R'000	Bio- logical assets R'000	Finance lease assets R'000	Total R'000	
	Number of R1 minor assets	-	-	-	1	-	-	1
	Number of minor assets at cost	-	-	-	3 312	-	165	3 477
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 313</b>	<b>-</b>	<b>165</b>	<b>3 478</b>	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

24.3 Movable capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	2024/25						
	Special- ised military assets R'000	In- tangible assets R'000	Heri- tage assets R'000	Machinery and equipment R'000	Biol- ogical assets R'000	Finance lease assets R'000	Total R'000
Assets written off	-	-	-	277	-	27	304
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	-	-	-	277	-	27	304

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	2023/24						
	Special- ised military assets R'000	In- tangible assets R'000	Heri- tage assets R'000	Machinery and equipment R'000	Biol- ogical assets R'000	Finance lease assets R'000	Total R'000
Assets written off	-	-	-	326	-	8	334
<b>Total Movable Assets written off</b>	-	-	-	326	-	8	334

25 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2025

	2024/25			
	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	498	-	-	498
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	498	-	-	498

25.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR YEAR ENDED 31 MARCH  
2024

	2023/24				
	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	498	-	-	-	498
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	498	-	-	-	498

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

26 Changes In accounting estimates and Changes in accounting policies

26.1 Changes in accounting policies

Nature of change in accounting policy	Note	Opening Balance before the change 1 April 2023	Adjustment to opening balance	Restated opening Balance after the change 1 April 2023	Adjustment for 2023/24	Restated closing Balance 31 March 2024
		R'000	R'000	R'000	R'000	R'000
Finance lease assets						
Movable Tangible	24.1	8 176	-	8 176	903	9 079
Capital Assets						
Minor Assets	24.2	-	-	-	444	444

Included in the opening balance for 2024/25 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

27 Statement of Conditional Grants and other transfers paid to municipalities

NAME OF MUNICIPALITY	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Community Development Worker Operational Support Grant</b>									
Beaufort West	226	-	-	226	226	-	-	226	226
Bitou	19	-	-	19	19	-	-	19	19
Breede Valley	94	-	-	94	94	-	-	94	94
Cape Agulhas	57	-	-	57	57	-	-	57	57
Cape Winelands District	76	-	-	76	76	-	-	76	76
Cederberg	151	-	-	151	151	-	-	151	151
City of Cape Town	1 018	-	-	1 018	1 018	-	-	1 018	1 018
Drakenstein	113	-	-	113	113	-	-	113	113
George	94	-	-	94	94	-	-	94	94
Hessequa	38	-	-	38	38	-	-	38	38
Kannaland	113	-	-	113	113	-	-	113	113
Knysna	57	-	-	57	57	-	-	57	57
Laingsburg	76	-	-	76	76	-	-	76	76
Langeberg	38	-	-	38	38	-	-	38	38
Matzikama	94	-	-	94	94	-	-	94	94
Mossel Bay	57	-	-	57	57	-	-	57	57
Oudtshoorn	57	-	-	57	57	-	-	57	57
Overberg District	57	-	-	57	57	-	-	57	57
Overstrand	76	-	-	76	76	-	-	76	76
Prince Albert	76	-	-	76	76	-	-	76	76
Saldanha Bay	76	-	-	76	76	-	-	76	76
Stellenbosch	38	-	-	38	38	-	-	38	38
Swartland	38	-	-	38	38	-	-	38	38
Theewaterskloof	113	-	-	113	113	-	-	113	113
West Coast District	76	-	-	76	76	-	-	76	76
Witzenberg	132	-	-	132	132	-	-	132	132
<b>Thusong Service Centre Grant (Sustainability: Operational Support Grant)</b>									
Bitou	-	-	-	-	-	-	-	120	120
Breede Valley	-	-	-	-	-	-	-	120	120
Cederberg	-	-	-	-	-	-	-	120	120
Drakenstein	-	-	-	-	-	-	-	116	116
George	150	-	-	150	150	-	-	150	150

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

NAME OF MUNICIPALITY	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Hessequa	150	-	-	150	150	-	-	150	150
Matzikama	150	-	-	150	150	-	-	-	-
Oudtshoorn	-	-	-	-	-	-	-	120	120
Prince Albert	150	-	-	150	150	-	-	150	150
Swartland	150	-	-	150	150	-	-	-	-
Theewaterskloof	146	-	-	146	146	-	-	-	-
Witzenberg	150	-	-	150	150	-	-	-	-
<b>Municipal Energy Resilience Grant</b>									
Beaufort West	-	-	-	-	-	-	-	600	600
Cederberg	-	-	-	-	-	-	-	500	500
Drakenstein	-	-	-	-	-	-	-	800	800
Hessequa	67 700	-	-	67 700	67 700	-	-	69 000	69 000
Kannaland	522	-	-	522	522	-	-	-	-
Knysna	600	-	-	600	600	-	-	-	--
Oudtshoorn	600	-	-	600	600	-	-	-	-
Prince Albert	400	-	-	400	400	-	-	400	400
Swartland	-	-	-	-	-	-	-	680	680
Theewaterskloof	-	-	-	-	-	-	-	500	500
Witzenberg	700	-	-	700	700	-	-	-	-
<b>Municipal Service Delivery and Capacity Building Grant</b>									
Bergrivier	-	-	750	750	750	-	-	-	-
Bitou	-	-	500	500	500	-	-	-	-
Breede Valley	-	-	-	-	-	-	-	700	700
Cape Winelands District	-	-	200	200	200	-	-	-	-
Cederberg	-	-	-	-	-	-	-	300	300
Central Karoo District	-	-	-	-	-	-	-	400	400
City of Cape Town	-	-	650	650	650	-	-	-	-
Drakenstein	-	-	-	-	-	-	-	500	500
Garden Route District	-	-	1 200	1 200	1 200	-	-	500	500
Kannaland	-	-	-	-	-	-	-	300	300
Knysna	-	-	-	-	-	-	-	250	250
Langeberg	-	-	-	-	-	-	-	1 000	1 000
Matzikama	-	-	-	-	-	-	-	900	900
Overstrand	-	-	-	-	-	-	-	500	500
Overberg District	-	-	700	700	700	-	-	-	-
Oudtshoorn	-	-	-	-	-	-	-	500	500

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

NAME OF MUNICIPALITY	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Prince Albert	-	-	454	454	454	-	-	-	-
Saldanha Bay	-	-	250	250	250	-	-	500	500
Swartland	-	-	-	-	-	-	-	500	500
Swellendam	-	-	600	600	600	-	-	778	778
West Coast District	-	-	400	400	400	-	-	500	500
Unallocated	7 838	-	(7 838)	-	-	-	-	-	-
<b>Fire Service Capacity Building Grant</b>									
Bergrivier	-	-	-	-	-	-	-	926	926
Bitou	980	-	-	980	980	-	-	-	-
Central Karoo District	1 500	-	-	1 500	1 500	-	-	500	500
Drakenstein	-	-	-	-	-	-	-	985	985
Breede Valley	466	-	-	466	466	-	-	1 103	1 103
Cape Winelands District	500	-	-	500	500	-	-	500	500
Garden Route District	3 000	-	-	3 000	3 000	-	-	6 981	6 981
Hessequa	558	-	-	558	558	-	-	-	-
Laingsburg	557	-	-	557	557	-	-	-	-
Overberg District	1 500	-	-	1 500	1 500	-	-	500	500
Oudtshoorn	-	-	-	-	-	-	-	1 911	1 911
Prince Albert	980	-	-	980	980	-	-	-	-
Swartland	-	-	-	-	-	-	-	926	926
West Coast District	500	-	-	500	500	-	-	1 426	1 426
Witzenberg	-	-	-	-	-	-	-	985	985
<b>Western Cape Municipal Interventions Grant</b>									
Beaufort West	-	-	2 241	2 241	2 241	-	-	1 635	1 635
Cape Winelands District	-	-	-	-	-	-	-	100	100
Cederberg	-	-	600	600	600	-	-	400	400
Central Karoo District	-	-	600	600	600	-	-	700	700
Garden Route District	-	-	-	-	-	-	-	100	100
Kannaland	-	-	-	-	-	-	-	300	300
Laingsburg	-	-	560	560	560	-	-	400	400
Matzikama	-	-	400	400	400	-	-	1 877	1 877
Oudtshoorn	-	-	1 000	1 000	1 000	-	-	-	-
Overberg District	-	-	-	-	-	-	-	100	100
Prince Albert	-	-	500	500	500	-	-	-	-
Unallocated	5 901	-	(5 901)	-	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

NAME OF MUNICIPALITY	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Municipal Water Resilience Grant</b>									
Beaufort West	2 500	-	-	2 500	2 500	-	-	1 200	1 200
Cape Winelands District	1 200	-	600	1 800	1 800	-	-	1 200	1 200
Cederberg	8 000	-	-	8 000	8 000	-	-	5 000	5 000
Central Karoo District	-	-	600	600	600	-	-	2 400	2 400
Garden Route District	1 200	-	600	1 800	1 800	-	-	1 200	1 200
Kannaland	2 000	-	2 000	4 000	4 000	-	-	2 440	2 440
Knysna	8 136	-	1 000	9 136	9 136	-	-	-	-
Laingsburg	2 000	-	-	2 000	2 000	-	-	1 650	1 650
Matzikama	4 000	-	-	4 000	4 000	-	-	3 172	3 172
Oudtshoorn	2 000	-	-	2 000	2 000	-	-	3 000	3 000
Overberg District	1 200	-	600	1 800	1 800	-	-	1 200	1 200
Prince Albert	1 000	-	-	1 000	1 000	-	-	3 512	3 512
Swellendam	1 000	-	-	1 000	1 000	-	-	2 938	2 938
West Coast District	-	-	600	600	600	-	-	2 400	2 400
<b>Disaster Management Grant</b>									
George	-	-	2 500	2 500	2 500	-	-	-	-
<b>TOTAL</b>	<b>133 144</b>	<b>-</b>	<b>6 366</b>	<b>139 510</b>	<b>139 510</b>	<b>-</b>	<b>-</b>	<b>138 381</b>	<b>138 381</b>

## 28 Broad Based Black Economic Empowerment Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
<b>Community Development Worker Operational Support Grant</b>													
Beaufort West	226	-	-	226	226	-	-	226	129	97	57.1%	226	226
Bitou	19	-	-	19	19	-	-	19	4	15	21.1%	19	19
Breede Valley	94	-	-	94	94	-	-	94	-	94	0%	94	94
Cape Agulhas	57	-	-	57	57	-	-	57	34	23	59.6%	57	57
Cape Winelands District	76	-	-	76	76	-	-	76	30	46	39.5%	76	76
Cederberg	151	-	-	151	151	-	-	151	-	151	0%	151	151
City of Cape Town	1 018	-	-	1 018	1 018	-	-	1 018	509	509	50%	1 018	1 018
Drakenstein	113	-	-	113	113	-	-	113	77	36	68.1%	113	113
George	94	-	-	94	94	-	-	94	47	47	50%	94	94
Hessequa	38	-	-	38	38	-	-	38	31	7	81.6%	38	38
Kannaland	113	-	-	113	113	-	-	113	90	23	79.6%	113	113
Knysna	57	-	-	57	57	-	-	57	54	3	94.7%	57	57
Laingsburg	76	-	-	76	76	-	-	76	53	23	69.7%	76	76
Langeberg	38	-	-	38	38	-	-	38	38	-	100%	38	38
Matzikama	94	-	-	94	94	-	-	94	1	93	1.1%	94	94
Mossel Bay	57	-	-	57	57	-	-	57	11	46	19.3%	57	57
Oudtshoorn	57	-	-	57	57	-	-	57	41	16	71.9%	57	57
Overberg District	57	-	-	57	57	-	-	57	13	44	22.8%	57	57
Overstrand	76	-	-	76	76	-	-	76	19	57	25%	76	76
Prince Albert	76	-	-	76	76	-	-	76	18	58	23.7%	76	76
Saldanha Bay	76	-	-	76	76	-	-	76	16	60	21.1%	76	76
Stellenbosch	38	-	-	38	38	-	-	38	27	11	71.1%	38	38
Swartland	38	-	-	38	38	-	-	38	29	9	76.3%	38	38
Theewaterskloof	113	-	-	113	113	-	-	113	8	105	7.1%	113	113
West Coast District	76	-	-	76	76	-	-	76	50	26	65.8%	76	76
Witzenberg	132	-	-	132	132	-	-	132	47	85	35.6%	132	132

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

NAME OF MUNICIPALITY	2024/25												2023/24	
	GRANT ALLOCATION				TRANSFER				SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
<b>Thusong Service Centre Grant (Sustainability: Operational Support Grant)</b>														
Bitou	-	-	-	-	-	-	-	-	-	-	-	-	120	120
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	-	120	120
Cederberg	-	-	-	-	-	-	-	-	-	-	-	-	120	120
Drakenstein	-	-	-	-	-	-	-	-	-	-	-	-	116	116
George	150	-	-	150	150	-	-	150	150	-	100%	150	150	
Hessequa	150	-	-	150	150	-	-	150	150	-	100%	150	150	
Matzikama	150	-	-	150	150	-	-	150	-	150	0%	-	--	
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	-	120	120
Prince Albert	150	-	-	150	150	-	-	150	-	150	0%	150	150	
Swartland	150	-	-	150	150	-	-	150	141	9	94%	-	-	
Theewaterskloof	146	-	-	146	146	-	-	146	75	71	51.4%	-	-	
Witzenberg	150	-	-	150	150	-	-	150	29	121	19.3%	-	-	
<b>Municipal Energy Resilience Grant</b>														
Beaufort West	-	-	-	-	-	-	-	-	-	-	-	-	600	600
Cederberg	-	-	-	-	-	-	-	-	-	-	-	-	500	500
Drakenstein	-	-	-	-	-	-	-	-	-	-	-	-	800	800
Hessequa	67 700	-	-	67 700	67 700	-	-	67 700	-	67 700	0%	69 000	69 000	
Kannaland	522	-	-	522	522	-	-	522	-	522	0%	-	-	
Knysna	600	-	-	600	600	-	-	600	-	600	0%	-	-	
Oudtshoorn	600	-	-	600	600	-	-	600	-	600	0%	-	-	
Prince Albert	400	-	-	400	400	-	-	400	-	400	0%	400	400	
Swartland	-	-	-	-	-	-	-	-	-	-	-	-	680	680
Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	-	500	500
Witzenberg	700	-	-	700	700	-	-	700	-	700	0%	-	-	
<b>Municipal Service Delivery and Capacity Building Grant</b>														
Bergrivier	-	-	750	750	750	-	-	750	-	750	0%	-	-	
Bitou	-	-	500	500	500	-	-	500	-	500	0%	-	-	
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	-	700	700
Cape Winelands District	-	-	200	200	200	-	-	200	-	200	0%	-	-	
Cederberg	-	-	-	-	-	-	-	-	-	-	-	-	300	300
Central Karoo District	-	-	-	-	-	-	-	-	-	-	-	-	400	400

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

NAME OF MUNICIPALITY	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds with-held	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
City of Cape Town	-	-	650	650	650	-	-	650	-	650	0%	-	-
Drakenstein	-	-	-	-	-	-	-	-	-	-	-	500	500
Garden Route District	-	-	1 200	1 200	1 200	-	-	1 200	-	1 200	0%	500	500
Kannaland	-	-	-	-	-	-	-	-	-	-	-	300	300
Knysna	-	-	-	-	-	-	-	-	-	-	-	250	250
Langeberg	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Matzikama	-	-	-	-	-	-	-	-	-	-	-	900	900
Overstrand	-	-	-	-	-	-	-	-	-	-	-	500	500
Overberg District	-	-	700	700	700	-	-	700	-	700	0%	-	-
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	500	500
Prince Albert	-	-	454	454	454	-	-	454	-	454	0%	-	-
Saldanha Bay	-	-	250	250	250	-	-	250	-	250	0%	500	500
Swartland	-	-	-	-	-	-	-	-	-	-	-	500	500
Swellendam	-	-	600	600	600	-	-	600	-	600	0%	778	778
West Coast District	-	-	400	400	400	-	-	400	-	400	0%	500	500
Unallocated	7 838	-	(7 838)	-	-	-	-	-	-	-	-	-	-
<b>Fire Service Capacity Building Grant</b>													
Bergrivier	-	-	-	-	-	-	-	-	-	-	-	926	926
Bitou	980	-	-	980	980	-	-	980	980	-	100%	-	-
Central Karoo District	1 500	-	-	1 500	1 500	-	-	1 500	1 500	-	100%	500	500
Drakenstein	-	-	-	-	-	-	-	-	-	-	-	985	985
Breede Valley	466	-	-	466	466	-	-	466	466	-	100%	1 103	1 103
Cape Winelands District	500	-	-	500	500	-	-	500	500	-	100%	500	500
Garden Route District	3 000	-	-	3 000	3 000	-	-	3 000	3 000	-	100%	6 981	6 981
Hessequa	558	-	-	558	558	-	-	558	558	-	100%	-	-
Laingsburg	557	-	-	557	557	-	-	557	557	-	100%	-	-
Overberg District	1 500	-	-	1 500	1 500	-	-	1 500	1 500	-	100%	500	500

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

NAME OF MUNICIPALITY	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	1 911	1 911
Prince Albert	980	-	-	980	980	-	-	980	980	-	100%	-	-
Swartland	-	-	-	-	-	-	-	-	-	-	-	926	926
West Coast District	500	-	-	500	500	-	-	500	500	-	100%	1 426	1 426
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	985	985
<b>Western Cape Municipal Interventions Grant</b>													
Beaufort West	-	-	2 241	2 241	2 241	-	-	2 241	-	2 241	0%	1 635	1 635
Cape Winelands District	-	-	-	-	-	-	-	-	-	-	-	100	100
Cederberg	-	-	600	600	600	-	-	600	-	600	0%	400	400
Central Karoo District	-	-	600	600	600	-	-	600	-	600	0%	700	700
Garden Route District	-	-	-	-	-	-	-	-	-	-	-	100	100
Kannaland	-	-	-	-	-	-	-	-	-	-	-	300	300
Laingsburg	-	-	560	560	560	-	-	560	-	560	0%	400	400
Matzikama	-	-	400	400	400	-	-	400	-	400	0%	1 877	1 877
Oudtshoorn	-	-	1 000	1 000	1 000	-	-	1 000	-	1 000	0%	-	-
Overberg District	-	-	-	-	-	-	-	-	-	-	-	100	100
Prince Albert	-	-	500	500	500	-	-	500	-	500	0%	-	-
Unallocated	5 901	-	(5 901)	-	-	-	-	-	-	-	-	-	-
<b>Municipal Water Resilience Grant</b>													
Beaufort West	2 500	-	-	2 500	2 500	-	-	2 500	-	2 500	0%	1 200	1 200
Cape Winelands District	1 200	-	600	1 800	1 800	-	-	1 800	-	1 800	0%	1 200	1 200
Cederberg	8 000	-	-	8 000	8 000	-	-	8 000	-	8 000	0%	5 000	5 000
Central Karoo District	-	-	600	600	600	-	-	600	-	600	0%	2 400	2 400
Garden Route District	1 200	-	600	1 800	1 800	-	-	1 800	-	1 800	0%	1 200	1 200
Kannaland	2 000	-	2 000	4 000	4 000	-	-	4 000	-	4 000	0%	2 440	2 440
Knysna	8 136	-	1 000	9 136	9 136	-	-	9 136	-	9 136	0%	-	-
Laingsburg	2 000	-	-	2 000	2 000	-	-	2 000	-	2 000	0%	1 650	1 650

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

NAME OF MUNICIPALITY	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT				DoRA and other transfers	Actual transfer
	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	
Matzikama	4 000	-	-	4 000	4 000	-	-	4 000	-	4 000	0%	3 172	3 172
Oudtshoorn	2 000	-	-	2 000	2 000	-	-	2 000	-	2 000	0%	3 000	3 000
Overberg District	1 200	-	600	1 800	1 800	-	-	1 800	-	1 800	0%	1 200	1 200
Prince Albert	1 000	-	-	1 000	1 000	-	-	1 000	-	1 000	0%	3 512	3 512
Swellendam	1 000	-	-	1 000	1 000	-	-	1 000	-	1 000	0%	2 938	2 938
West Coast District	-	-	600	600	600	-	-	600	-	600	0%	2 400	2 400
<b>Disaster Management Grant</b>													
George	-	-	2 500	2 500	2 500	-	-	2 500	-	2 500	0%	-	-
<b>Total</b>	<b>133 144</b>	<b>-</b>	<b>6 366</b>	<b>139 510</b>	<b>139 510</b>	<b>-</b>	<b>-</b>	<b>139 510</b>	<b>12 462</b>	<b>127 048</b>		<b>138 381</b>	<b>138 381</b>

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL/ AGENCY/ACCOUNT	2024/25						2023/24	
	TRANSFER ALLOCATION				TRANSFER		Final budget	Actual transfer
	Adjusted budget	Roll overs	Adjust- ments	Total available	Actual transfer	% of Available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
National Sea Rescue Institute(NSRI)	391	-	-	391	391	100%	376	376
South African Broadcasting Corporation Limited (SABC)	6	-	-	6	6	100%	6	6
<b>Total</b>	<b>397</b>	<b>-</b>	<b>-</b>	<b>397</b>	<b>397</b>		<b>382</b>	<b>382</b>

ANNEXURE 1C

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE		Final budget	Actual transfer
	Adjusted budget	Roll overs	Adjust- ments	Total available	Actual transfer	% of Available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
Lifesaving WC	391	-	-	391	391	100%	376	376
Western Cape Umbrella Fire Protection Association	-	-	3 000	3 000	3 000	100%	-	-
<b>Total</b>	<b>391</b>		<b>3 000</b>	<b>3 391</b>	<b>3 391</b>		<b>376</b>	<b>376</b>

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE		Final budget	Actual transfer
	Adjusted budget	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
Leave Gratuity	887	-	117	1 004	1 004	100%	638	638
Injury on duty	-	-	-	-	-	-	14	14
<b>Total</b>	<b>887</b>	<b>-</b>	<b>117</b>	<b>1 004</b>	<b>1 004</b>		<b>652</b>	<b>652</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2024/25 R'000	2023/24 R'000
<b>Received in kind</b>			
<b>Sponsorships</b>			
Hanns Seidel Foundation	International Munich Federalism Days	-	40
United Nations Populations Fund	Attendance of the mainstreaming demographic dividend in IDP capacity building workshop	-	10
African School of Decentralisation and Partners	Third African School on Decentralisation	-	22
Hanns Seidel Foundation	Winter School on Federalism and Governance	-	133
Protea Hotel King George	Accommodation provided during rescue operations for the George building collapse	12	-
Garden Route District Municipality	Joint Operation Centre Co-ordinating, oversight and support staff: Building collapse	3	-
George Municipality	Joint Operation Centre Co-ordinating, oversight and support staff: Building collapse	14	-
Spanish Government	United Nations Disaster Assessment and Coordination refresher course	15	-
United Nations Disaster Management Centre	United Nations Disaster Assessment and Coordination refresher course	36	-
UNDAC	Asia-Pacific Earthquake response exercise	35	-
UNDAC	United Nations Disaster Assessment and Coordination Induction	47	-
National School of Government	Seminar on State Capacity Building and International Cooperation	145	-
Dubai Civil Defence	Dubai Civil Defence Intersec	93	-
Santam	Corporate clothing and awareness material	800	-
Total sponsorships		1 200	205
<b>Subtotal - received in kind</b>		<b>1 200</b>	<b>205</b>
<b>TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED</b>		<b>1 200</b>	<b>205</b>

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 2

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2024/25*	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		
<b>Department</b>								
<b>Current</b>								
WC: Department of the Premier	122	31	-	-	122	31	03/04/2025	13
WC: Department of Infrastructure	-	72	-	-	-	72		-
<b>Total Departments</b>	<b>122</b>	<b>103</b>	<b>-</b>	<b>-</b>	<b>122</b>	<b>103</b>		<b>13</b>
<b>OTHER GOVERNMENT ENTITY</b>								
<b>Current</b>								
Government Motor Transport	12	581	-	-	12	581		-
<b>Total Other Government Entities</b>	<b>12</b>	<b>581</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>581</b>		<b>-</b>
<b>TOTAL INTER-GOVERNMENTAL PAYABLES</b>	<b>134</b>	<b>684</b>	<b>-</b>	<b>-</b>	<b>134</b>	<b>684</b>		<b>-</b>

The credit amount reflecting on the confirmation of debt from Government Motor Transport was refunded to the Department on 23 May 2025.



Western Cape Government: Local Government  
Private Bag x9076,  
80 St. George's Mall, Waldorf Building,  
Cape Town, 8000  
tel: 021 483 8986  
[www.westerncape.gov.za](http://www.westerncape.gov.za)

---

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



**Western Cape  
Government**

PR 336/2025  
ISBN: 978-1-83491-260-8