



Western Cape
Government
FOR YOU



Department of Local Government

Annual Report 2023/24

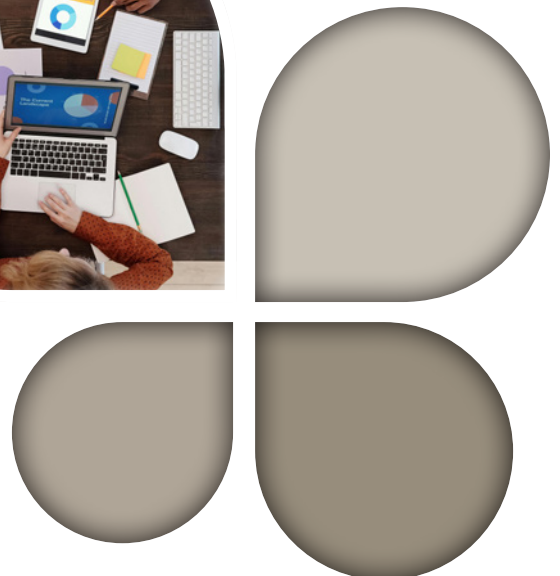


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Annual Report 2023/24

Department of Local Government
Western Cape Government

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GENERAL INFORMATION

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GENERAL INFORMATION

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>

2. Abbreviations

AGSA	Auditor-General of South Africa
AO	Accounting Officer
AoPO	Audit of Predetermined Objectives
AR	Annual Report
BAS	Basic Accounting System
CDW	Community Development Worker
CoCT	City of Cape Town
CSC	Corporate Service Centre
CoE	Compensation of Employees
CWP	Community Work Programme
D: ERM	Directorate: Enterprise Risk Management
DCF	District Co-ordinating Forum
DCFTECH	District Co-ordinating Forum Technical Committee
DCOG	Department of Co-operative Governance
DEADP	Department of Environmental Affairs and Development Planning
DLG	Department of Local Government
DM	District Municipality
DORA	Division of Revenue Act
DPME	Department of Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DRAP	Drought Recovery Action Plan
EAP	Employee Assistance Programme
EE	Employment Equity
EHP	Emergency Housing Programme
EHWP	Employee Health and Wellness Programme
ERM	Enterprise Risk Management
ERMCO	Enterprise Risk Management Committee
GCIS	Government Communications and Information Services
GRPBMEAF	Gender Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework 2023
HAT	High Altitude Training
HCT	HIV & AIDS Counselling and Testing
HDI	Historically Disadvantaged Individuals
HIV/AIDS	Human Immunodeficiency Virus /Acquired Immune Deficiency Syndrome
HR	Human Resources
ICT	Information and Communications Technology
IESBA	International Independence Standards
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
ISAs	International Standards on Auditing
JDMA	Joint District and Metro Approach
LRA	Labour Relations Act, 1995 (Act 66 of 1995)

MCS	Modified Cash Standard
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MINMAY	Forum of Provincial Minister of Local Government and Executive Mayors
MINMAYTECH	Forum of Head of Department: Local Government and Municipal Managers
MPRA	Municipal Property Rates Act, 2004 (Act 6 of 2004)
MSA	Municipal System Act, 2000 (Act 32 of 2000)
MTEF	Medium Term Expenditure Framework
MTSF	Medium-Term Expenditure Framework
NDP	National Development Plan
NEMA	National Environmental Management Act, 1998 (Act 107 of 1998)
NSDP	National Spatial Development Perspective
OPMS	Organisational Performance Management System
OSD	Occupation-Specific Dispensation
PAJA	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
PCF	Premier's Co-ordinating Forum
PDMC	Provincial Disaster Management Centre
PFCTech	Premier's Co-ordinating Forum
PFMA	Public Financial Management Act, 2003 (Act 56 of 2003)
PILIR	Policy on Incapacity Leave and Ill-Health Retirement
PMS	Performance Management System
PSDF	Provincial Spatial Development Framework
PT	Provincial Treasury
RMT	Regional Management Team
SAPS	South African Police Service
SCM	Supply Chain Management
SDF	Spatial Development Framework
SDI	Service Delivery Integration
SIDAFF	Sustainable Infrastructure Development Financial Facility
SDIP	Service Delivery Improvement Plan
SHE	Safety, Health and Environment
SIME	Strategic Integrated Municipal Engagement
SIU	Special Investigations Unit
SMS	Senior Management Service
SoE	State-owned Enterprises
Stats SA	Statistics South Africa
WCG	Western Cape Government
WCIDWRP	Western Cape Integrated Drought Water Responsive Plan
WP	Wellness Programme
WSP	Workplace Skills Plan
WWTWs	Waste-Water Treatment Works

3. Minister's foreword

The economy of the country has been on the path to recovery since the severe impact as result of COVID-19. Given their location closer to people, municipalities felt the impact more. While we acknowledge that, more must be done to safeguard service delivery, positive strides have been undertaken by the Department to support municipalities to deliver on their mandates and these are yielding results.

This is evident in various reports on performance on municipalities, for instance the findings by Ratings Africa, in their financial sustainability index indicates that, five of the most financially stable municipalities in the country are from the Western Cape. The index tracked the financial performance of about 104 of the largest municipalities in the country and all eight metros for the year ending June 2022. These municipalities have well established financial policies, sound long-term financial strategies. They adhere to good budgetary processes, strict financial control, good revenue collection and this is the case even under challenging economic conditions.

Notable is the report of the Auditor-General South Africa, on the performance of municipalities for the 2021/22 municipal financial year, wherein, Western Cape accounts for 19 out of 38 municipalities in South Africa who received clean audit outcomes. While clean audits do not necessarily reflect delivery of services to communities, they show a commitment of the Province and municipalities to financial and administrative practices which comply with relevant laws and prescripts which is the foundation for service delivery.

The 2023 Blue drop, Green Drop and no Drop report released by the National Department of Water and Sanitation in December 2023, indicates that the Western Cape Water Services Authorities have displayed excellence and flair as they emerged as overall winners and dominated all categories in the field of drinking water quality and water resource management. The blue drop and green drop are



certification programmes administered to improve water quality by Water Services Authority South Africa. This simply means that households can take comfort in the quality of the water they drink. I am encouraged that, municipalities in the Province are amongst the best performing municipalities in the country.

Climate change is fully upon us and requires that we change our traditional ways and adopt new ways of survival. This is evidenced by a series of severe weather-related incidents that the Province experienced in 2023, wherein heavy rains, gale force winds, and sea surge, resulted in heavy floods causing serious damage to infrastructure. The Province's resilience during these disasters can be attributed to the investment that has been made in improving disaster management systems, which

ensured the co-ordination of multi-sectoral plans in response to these disasters.

In dealing with various disaster incidents over the years, we have learned that to effectively address and resolve the challenges that we face as a Province, we must strengthen the implementation of the plans through collaboration among all key role players. As we continue to confront climate realities that bring potential challenges, I call upon all sectors working in the municipal space to strengthen their efforts and ensure the protection of citizens for improved lived experiences.



Mr AW Bredell

**Minister of Local Government,
Environmental Affairs and Development
Planning**

31 August 2024

4. Accounting Officer Overview

This report accounts for the Department performance for the 2023/24 financial year, wherein the Department achieved 97% of the targets set, while partially achieving 3% for the reasons detailed in section which follows. Despite the significant challenges posed by the financial pressures the country faced, including the need for departments to implement further budget cuts, these unprecedented cuts had a potential to severely affect the delivery of the Department's mandate. However, the Department managed to carefully navigate these challenges to deliver on its on its mandate. I express my sincere gratitude to the senior management and the staff for the unwavering commitment not to only just deliver on the plans of the Department but to do so consistently. This is evident in the eleventh consecutive unqualified audit that the Department has achieved for the year under review.

Addressing service delivery challenges faced by municipalities in a constrained fiscal environment requires innovation, hence the Department partnered with municipalities through providing the necessary resources to protect the provision of basic services to communities. Efforts were enhanced to secure other sources of financing infrastructure, notably, the French and the Swedish governments joined the Sustainable Infrastructure Development and Financial Facility. The programme is aimed at raising grant funding towards financing catalytic infrastructure projects identified in municipalities. Extensive work has been undertaken to lay a strong foundation for this programme to attract potential funders who have indicated a keen interest in investing in municipal infrastructure development.

Just a couple of years back, drought disaster was declared in at least five of the nine provinces in South Africa, because of water scarcity which is a global phenomenon. The Province has not taken this risk lightly, resulting in the development of a 15 year Western Cape Integrated Water Resource Plan. The aim of the plan is to ensure sustainable management of water resources and to guide the Province's transversal response to water security.



With a view to influence the allocation of Water Resilience Grant funding to municipalities.

The impact of the energy crisis on service delivery and business is equally critical. During the year under review, the Department provided support to municipalities through an Emergency Loadshedding Relief Grant, to assist particularly with the functioning of water reservoirs and Waste Water Treatment plants. Municipalities were also supported with technical advisory services, the development of response strategies and assessment of key infrastructure components. Recognising that more must be done to manage and mitigate the impact of load-shedding on basic services and the economy of the Province, now and in the future, the Department continues to prioritise the implementation of several initiatives. These are aimed at exploring various energy generation alternatives, which include support to

municipalities with the Energy Master Plans and support towards load-shedding free towns.

Dealing with the realities that local government as a first point of contact with communities is facing, requires all stakeholders to be united and act with speed to ensure efficient service delivery that widely benefits the communities. The Department

has been at the forefront facilitating platforms for various spheres of government to plan and implement plans collectively. We will continue to provide these platforms for the exploration of new ways of conducting business and facilitating cohesive implementation by all those who work in the local government space.

Departmental Receipts

Department of Local Government	2023/24			2022/23		
	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	104	115	(11)	100	118	(18)
Transfers Received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	42	(42)
Financial transactions in assets and liabilities	15	3,347	(3,332)	9	5,418	(5,409)
Total	119	3,462	(3,343)	109	5,578	(5,469)

Departmental Expenditure

Department of Local Government	2023/24			2022/23		
	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	50,414	50,159	255	54,499	52,933	1,566
Programme 2: Local Governance	163,980	163,980	-	168,569	159,714	8,855
Programme 3: Development and Planning	196,859	195,197	1,662	165,366	163,354	2,012
Programme 4: Traditional Institutional Management	373	373	-	478	-	478
Grant Total	411,626	409,709	1,917	388,912	376,001	12,911

Spending trends:

The final appropriation for the Department of Local Government (DLG) amounts to R 411,626 million and the expenditure incurred by DLG amounts to R 409,709 million as at 31 March 2024, this reflects an underspending of R1,917 million as it relates to the following:

Compensation of employees

The savings are due to delays in the filling of vacant funded posts specifically to appoint additional capacity to strengthen internal capacity within the Department such as Joint District and Metro Approach and to appoint additional critical skills and capacity to support the energy security programme in the Department (Earmarked funds).

Goods and services

Earmarked funding due to the following reasons:

- delays with the Supply Chain Management process for the installation of fibre at the Disaster Management Centre (resilient connectivity); and
- the unspent earmarked funds related to providing an alternative satellite-based communications system for emergency communications (technical communications during major electricity disruptions).

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

Virements/rollovers

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

- Programme 2 additional funds were allocated to fund the pressure realised on the Compensation of employees due to the implementation of the grade progressions to eligible officials during the 2023/24 financial year; and

- Programme 3 additional funds were allocated towards Aerial fire support due to several large fires experienced across the province. The extra funds were utilised to cover variable expenditures, namely hourly flying costs.

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**1. List all unsolicited bid proposals concluded for the year under review**

- No unsolicited bids have been received for the period under review.

2. Indicate whether SCM processes and systems are in place to prevent irregular expenditure

- Yes, there are systems in place.

3. Challenges experienced in SCM and how they were resolved

- No challenges were experienced during the year under review.

4. 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 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 circumstances, which may affect the understanding of the financial state of affairs, is not addressed elsewhere in this report.

- N/A



Accounting Officer: Department of Local Government

Mr Graham Paulse

Date: 31 August 2024

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 2024.

Yours faithfully



Mr Graham Paulse

**Accounting Officer: Department of
Local Government**

Date: 31 August 2024

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

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)	<p>This Act provides for</p> <ul style="list-style-type: none"> • criteria and procedures for the determination of municipal boundaries by an independent authority.
B	Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)	<p>This Act provides for</p> <ul style="list-style-type: none"> • the establishment of municipalities in accordance with the requirements relating to the categories and types of municipalities. • the establishment of criteria for determining the category of municipality to be established in the area. • a definition of the type of municipality that may be established within each category. • an appropriate division of functions and powers between categories of municipality; and • the regulation of the internal systems, structures and office bearers of municipalities.
C	Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)	<p>This Act provides for</p> <ul style="list-style-type: none"> • the core principals, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities. • ensuring universal access to essential services that are affordable to all. • defining the legal nature of a municipality, including the local community within the municipal area. • municipal powers and functions. • community participation. • the establishment of an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change. • a framework for local public administration and human resource development. • empowerment of the poor, ensuring that municipalities establish service tariffs and credit control policies that take their needs into account; and • investigations in relation to allegations of fraud, maladministration, corruption and/or failures to adhere to statutory obligations at a municipal level.

No	Legislation	Mandate
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"> • securing sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; and • establishing treasury norms and standards for the local sphere of government.
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"> • securing sound and sustainable management of the financial affairs of municipalities. • the establishment of norms and standards against which the financial affairs can be monitored and measured. • regulating the power of a municipality to impose rates on a property. • excluding certain properties from rating, to make provision for municipalities to implement a transparent and fair system of exemptions. • introducing a rebate through rating policies. • making provision for fair and equitable valuation methods of properties; and • making provision for an 'objection and appeal' process. <p>The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015.</p> <p>The Act aims to provide for the various amendments, insertions and deletions.</p> <p>to enhance proper reporting, compliance and implementation of the processes and procedures pertaining to the Act.</p>
F	Disaster Management Act, 2002 (Act 57 of 2002)	<p>This Act provides for</p> <ul style="list-style-type: none"> • integration and co-ordinating disaster management policy, which focuses on preventing or reducing the risk of disasters mitigating the severity of disasters. • emergency preparedness, rapid and effective response to disasters and post-disaster recovery. • the establishment of national, provincial and municipal disaster management centres. • disaster management volunteers; and • matters incidental thereto.

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

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); and
- 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 Record Service of South Africa Act, 1996 (Act 43 of 1996); and
- Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 of 2005).

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; and
- National Back to Basics Strategy, 2014

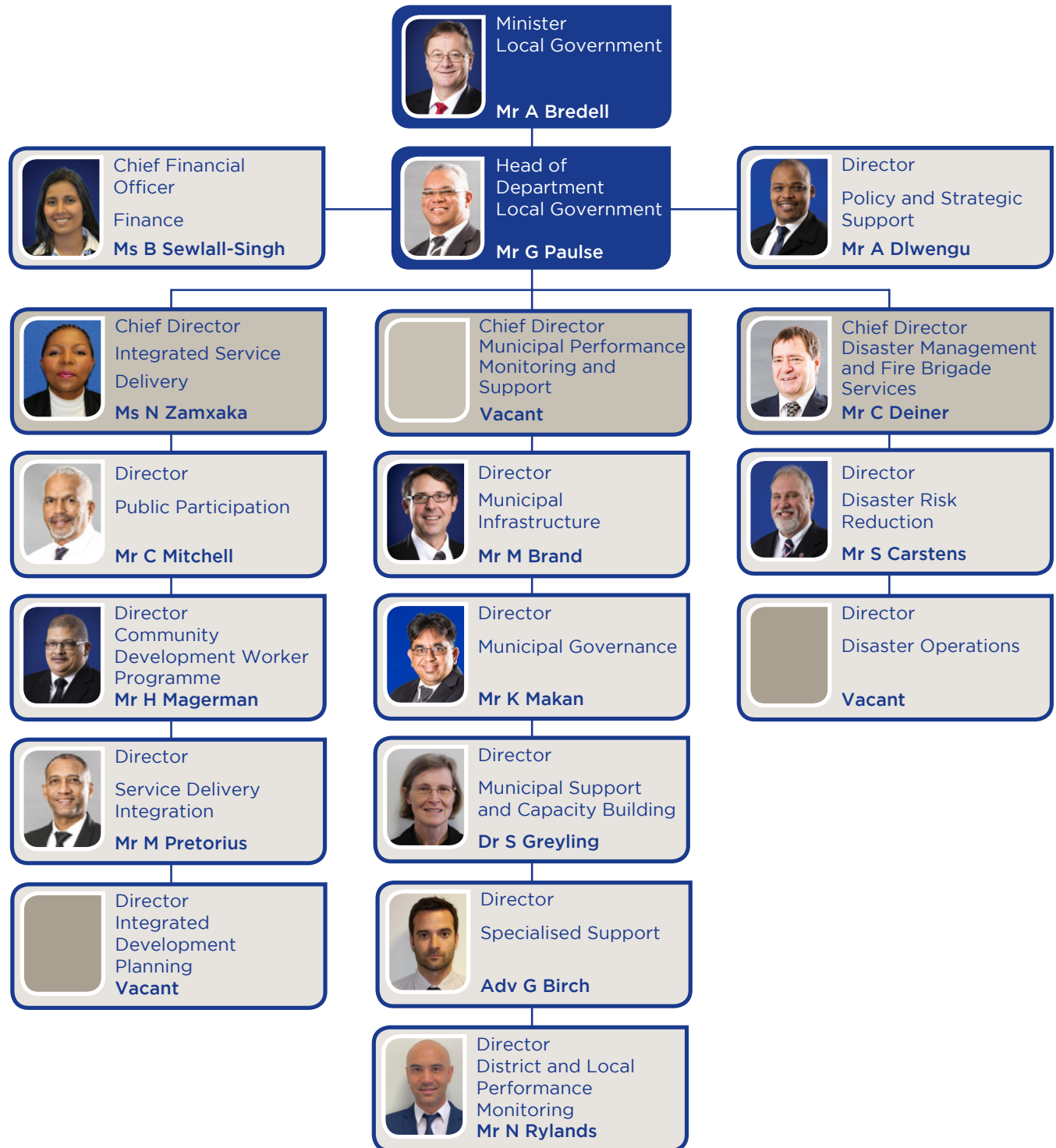
6.4.6 Other Policy Mandates

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; and
- National Disaster Management Framework, 2005.
- Western Cape Recovery Plan, 2021; and
- Western Cape Growth for Jobs Strategy, 2023.
- Gender Responsive Planning, Budgeting.
- Monitoring, Evaluation and Auditing Framework, 2023.

6.5 Organisational Structure



A

GENERAL INFORMATION

PERFORMANCE INFORMATION

B



1. Auditor-General's Report: Predetermined Objectives

The Auditor-General reported no material findings on the Annual Performance Report concerning the usefulness and reliability of the information, please see the detailed Report in Part F: Pages 140 to 148.

2. Overview of Departmental Performance

2.1 Service Delivery Environment

Governance

While municipalities in the province are generally stable, during the period under review some municipalities have experienced service delivery challenges, which required the Department to act promptly and provide the necessary support. In some instances where the Department conducted assessments of Senior Management appointments in accordance with the legal prescript during the period under review, the Local Government has had to institute legal proceedings against municipalities, to review and set aside appointments of senior managers in instances where the appointments were effected in contravention of the Municipal Systems Act, read with the Regulation on Appointments and Conditions of Employment of Senior Managers and the Municipal Regulation on Minimum Competency Levels.

In strengthening the capacity of councillors in municipalities, the Department, in collaboration with the Hanns Seidel Foundation, rolled out a Councillor Seasonal School. With a theme of "Consequence Management: Financial Misconduct", the seasonal school was aimed at addressing gaps in corporate governance of municipalities, enhancing the effectiveness of the local government sphere and capacitating councillors with knowledge and understanding of financial misconduct, its consequences, as well as processes and procedures which must be followed to manage consequences of financial misconduct. The focus of this training was broadened to incorporate a comprehensive understanding of law and legislation, in particular specific aspects of the law which are pertinent to addressing financial misconduct in municipalities. A total of 131 councillors from five districts attended the sessions.

Over the years, the Department has played a key role in supporting municipalities to comply with the provisions of the Local Government Municipal Property Rates Act, 2004 (MPRA) (Act 6 of 2004). During the period under review, the Department facilitated quarterly Focus Group workshops with 25 local municipalities.

The aim of which was to provide the necessary guidance, support, legislative interpretation, and compliance with the MPRA. These workshops assisted in creating standardisation and inclusivity in the implementation of the legislative requirements by municipalities while encouraging best practices and peer learning.

Cyber Security

An increase in cyber security exploitations which sparked a growing concern globally, has been notable. South Africa is ranked amongst the most exploitable countries, and this trend has been particularly alarming for municipalities, as cyber-attacks have surged since 2020. Responding to these challenges the Department collaborated with the State Information Technology Agency (SITA), in conducting Cyber Security Vulnerability Assessments to evaluate municipalities' susceptibility to cyber-attacks. These assessments focused on evaluating infrastructure, human behaviour, and awareness levels in municipalities that requested such assistance. The overall aim was to identify risks and vulnerabilities that could compromise Information Communication Technology (ICT) assets and business services. A Cyber Security Task Team which served as an advisory body to municipalities on cyber security incidents was established. The primary objectives of the Task Team include developing a comprehensive cyber security framework, investigating mitigating

measures, reviewing existing policies, identifying, and implementing capacity building initiatives, and reporting on known incidents and sharing of best practices. In addition, recognising the importance of robust ICT infrastructure, the Department through its support offering, provided financial support to ensure upgrading of municipalities' IT systems. This support is aimed at preventing functional disruptions due to inadequate ICT infrastructure and/or to facilitate swift recovery from incidents or disasters.

Citizen Interface

Through the Thusong Programme, the Department continues to prioritise service access needs of citizens. During the period under review, over a million services were accessed by communities, a large number being communities located in the rural parts of the province. In addition, 3 Thusong satellite centres were established in Diepkloof in Hessequa, Klaarstroom in Prince Albert & Pacaltsdorp in George.

In responding to the rising need for enhanced connectivity in communities, in partnership with the Department of the Premier, 24 Thusong Centre Managers and 18 Community Development Workers were trained as digital ambassadors.

The Constitution of the Republic of South Africa requires government to consult with the communities they serve. Central to this requirement are the policies that must be in place in municipalities to ensure that they deliver on this obligation. During the period under review, the Department's support to municipalities included the review of public participation and ward committee policies; the Know Your Ward committee campaigns; and ward committee training. Notably, 23 municipalities were supported with the review of their Ward Committee Operational Plans. The review entailed identifying gaps and shortcomings in the plans with the goal of improving the functionality of ward committees. The Department continued to focus on empowering communities with the knowledge of how to influence municipal decision-making processes, through the implementation of the Civic Education Programme in the outskirts of the province.

Energy Resilience

The reality of prolonged loadshedding experienced in the Country, negatively affected Wastewater Treatment Works and water reservoirs. The Department allocated R88.815 million during 2022/23 financial year towards an Emergency Loadshedding Relief Grant for the installation of generators and back-up power supply in all 29 local and district municipalities in the province. The aim was to ensure uninterrupted water supply and wastewater treatment during periods of loadshedding. Additional to this, the Provincial Cabinet approved an amount of R173 million over the MTEF to fund the Hessequa Local Municipality to make the town of Riversdale load-shedding free (up to Stage 4). The project entails the installation of a 10-Megawatt solar plant with 10 Megawatt hours of battery storage. As part of ensuring energy resilience in the Province, the Department supported 6 local municipalities in with electrical master planning.

Municipal Infrastructure Development

Sustainable Infrastructure Development and Financial Facility (SIDAFF), continues to raise grant funding and financing towards project preparation and implementation of catalytic projects identified in a municipality. During the period under review, the project team engaged thirteen international development finance institutions as well as domestic development finance institutions to source grant funding towards project.

Preparation, which aims to elevate the identified set of projects from feasibility to bankability. Out of the thirteen potential funders, of which two of have indicated a strong interest in the programme and the process to finalise the grant agreements is at an advanced stage. The Drakenstein, George, Mossel Bay, Overstrand, Saldanha Bay, and Swartland Local Municipalities currently form part of the testing phase. Qualifying projects have been identified and confirmed and are ready to be advanced to the next phase of the project ("feasibility to bankability"). The Financing Modality Framework was finalised.

Water Resilience

This Department is the lead department responsible for the development and roll-out of the province's 15-year Water Resilience Programme. An Implementation Plan has been refined and completed and a transversal governance structure has been created and institutionalised to facilitate the coordination, alignment, and planning of all outputs. Outputs include various programmatic responses, tools, reports, inputs into the Western Cape Enterprise Risk Register and the Western Cape Sustainable Water Management Plan.

The 15-year Water Resilience Programme guides the province's transversal response to water security and influences the allocation of Water Resilience Grant funding to municipalities.

Disaster Resilience

The human capacity for disaster management at the local municipality level, in most cases, a shared service. To help the local municipalities with this challenge, the Department started an annual disaster management graduate internship programme (2019/20 financial year) by financially supporting the appointment of interns.

In 2023/24, funding was provided for appointing six (6) interns in various district municipalities, bringing the total number to eighteen (18) interns.

This programme offers an opportunity for young individuals to gain industry experience, earn an income, and enter the job market while gradually improving disaster management capacity at respective municipalities.

In 2023, the province experienced a series of severe weather-related incidents with heavy rains, gale force winds and sea surge, resulting to heavy floods with serious damage to infrastructure. The flooding events caused extensive damage in the West Coast, Overberg, Cape Winelands District Municipalities, the City of Cape Town and to a lesser extent the Garden Route District. A command post was established in the Cederberg Municipal area to provide humanitarian relief to communities who were cut off. Working with emergency service workers, the Disaster Management Centre was activated to deal with these events. A national disaster was classified for the Western Cape and Eastern Cape Provinces due to severe weather impacts and storm surges in September 2023.

The Department continued its efforts to create disaster resilient communities through focusing on proactive risk reduction. As a result, municipalities were supported with the development of risk reduction plans and risk reduction projects identified were incorporated in the Integrated Development Plans for funding.

2.2 Service Delivery Improvement Plan

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Key Service 1: Improved interface between government and citizens (<i>Through the Thusong Programme</i>)				
Key Service 1:	Communities	1.3 million government services across the province are to be accessed annually through the Thusong Programme.	1 million government services across the province are accessed annually through the Thusong Programme (Thusong Centres and Outreaches) reducing poverty and improving the quality of lives in communities).	Over 1.3 million government services were accessed across the Province through the Thusong Programme during the period under review.
Key Service 2: Improved interface between government and citizens (<i>through the Community Worker Programme</i>)				
Key Service 2:	Communities	5 Government Initiatives provided across the province to enhance social well-being in communities, annually.	5 Government Initiatives provided across the province to enhance social well-being in communities, annually. (Programmes to include Social Services, Education, Health Safety and Human settlements etc).	5 Government Initiatives provided across the province to enhance social well-being in communities, annually. Note: Community initiatives supported across the province during the period under review included support to services related to Education, Health, Municipal & Human Settlements, Safety & Security and Social Services.

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Professional Standard		
Service 1: 100% compliance with professional ethical standards. 100% adherence to the code of conduct. 100% professionalism and dignified treatment to everyone attending Outreaches/Centres.	100% compliance with professional ethical standards. 100% adherence to the code of conduct 100% professionalism and dignified treatment to everyone attending Outreaches/Centres.	100% compliance with all professional ethical standards at Thusong Centres & Outreaches. 100% adherence to the code of conduct at Thusong Centres & Outreaches 100% professionalism and dignified treatment to everyone attending Outreaches/Centres.
Service 2: 100% compliance with professional ethical standards and code of conduct. 50% of all public servants at Centres/Outreaches or community engagements always wear name tags.	100% compliance with professional ethical standards and code of conduct. 50% of all public servants at Centres/Outreaches or community engagements always wear name tags.	100% compliance with professional ethical standards and code of conduct adhered to by all CDWs. 50% of all public servants at Centres/Outreaches or community engagements always wear name tags.

Current/actual arrangements	Desired arrangements	Actual achievements
Working Environment Standards		
<p>Service 1:</p> <p>12 OHS inspections are conducted at facilities per annum.</p> <p>100% visibility through banners, pamphlets, posters, name tags etc.</p> <p>2 (Bi-annual) Thusong Stakeholder Forum Engagements to set implementation schedule.</p> <p>+10 Minmay, MinmayTech, community engagements/ CDW/IDP /Ward Community engagements.</p>	<p>12 OHS inspections are conducted at facilities per annum.</p> <p>100% visibility through banners, pamphlets, posters, name tags etc.</p> <p>2 (Bi-annual) Thusong Stakeholder Forum Engagements with stakeholders per year.</p> <p>+10 Minmay, MinmayTech, community engagements/ CDW/IDP /Ward Community engagements.</p>	<p>12 OHS inspections were done at all facilities.</p> <p>Note: OHS inspections were done at all facilities</p> <p>100% visibility through banners, pamphlets, posters, and name tags were implemented at all Thusong Programmes.</p> <p>2 Bi-annual Forum meetings took place with stakeholders.</p> <p>Note: Bi-annual Forum meetings took place with stakeholders.</p> <p>Over 10 community engagements took place during the year, i.e CDW/IDP /Ward Community engagements etc.</p>
<p>Service 2:</p> <p>1 OHS inspection conducted at facilities per annum.</p> <p>80% clear signage displayed.</p> <p>1 x CDW per community.</p> <p>100% CDWs with access to recourses such as office space, laptops, internet, phones etc.</p>	<p>4 OHS inspections (1 Quarterly) are conducted at facilities per annum.</p> <p>100% clear signage displayed.</p> <p>1 CDW per community.</p> <p>100% CDWs with access to recourses such as office space, laptops, internet, phones etc for the 2-year cycle.</p>	<p>4 OHS inspections are conducted at facilities.</p> <p>100% clear signage displayed in all CDW's workplaces.</p> <p>1 CDW per community.</p> <p>All CDWs have access to recourses such as office space, laptops, internet, phones etc for the 2-year cycle.</p>
Access Standards		
<p>Service 1:</p> <p>13 Communities supported through Outreaches Annually.</p> <p>22 fully fledge Centers across the Province.</p> <p>(Allocated within a 5 km radius within communities).</p> <p>10 Satellites across the Province.</p>	<p>13 Communities supported through Outreaches Annually.</p> <p>22 fully fledge Centers across the Province.</p> <p>(Allocated within a 5 km radius within communities).</p> <p>10 Satellites across the Province.</p>	<p>13 Communities supported through Outreaches Annually.</p> <p>22 fully fledge Centers across the Province.</p> <p>(Allocated within a 5 km radius within communities).</p> <p>10 Satellites across the Province.</p>
<p>Service 2:</p> <p>148 CDWs situated in communities they serve annually.</p> <p>100 Information sessions/ community engagements hosted by CDWs.</p>	<p>148 CDWs situated in communities they serve annually.</p> <p>200 information sessions/ community engagements hosted by CDWs.</p>	<p>142 CDWs situated in communities they serve annually.</p> <p>+200 information sessions/ community engagements hosted by CDWs.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Information Standards		
<p>Service 1:</p> <p>Information available through:</p> <ul style="list-style-type: none"> +5000 Printed Posters/ Pamphlets with relevant information/news made available at all Centres and Municipal Spaces 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. <p>improvement services within the department.</p>	<p>Information available through:</p> <ul style="list-style-type: none"> +5000 Printed Posters/ Pamphlets with relevant information/news made available at all Centres and Municipal Spaces 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. <p>improvement services within the department.</p>	<p>Information available through:</p> <p>+5000 Printed Posters/ Pamphlets with relevant information/news made available at all Centres and Municipal Spaces</p> <p>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.</p> <p>Note: Various Printed and Radio mediums such as community radio/ social media/ posters/ pamphlets with relevant information/ news made available at all centres and municipal spaces.</p> <p>Improvement services within the department.</p>
<p>Service 2:</p> <p>-+ 5000 Posters and Pamphlets printed for distribution in communities, annually</p> <p>+100 community meetings/Ward/IDP and Municipal engagements supported throughout all Districts and Municipalities</p>	<p>-+ 5000 Posters and Pamphlets printed for distribution in communities</p> <p>+100 community meetings/Ward/IDP and Municipal engagements supported throughout all Districts and Municipalities</p>	<p>More than 5000 Posters and Pamphlets were distributed in communities.</p> <p>More than 100 community meetings/Ward/IDP and Municipal engagements supported throughout all Districts and Municipalities</p> <p>Note: Various Printed and Radio mediums such as community Radio/social media/Posters/ Pamphlets with relevant information/news made available at all Centres and Municipal spaces</p>
Redress Standards		
<p>Service 1:</p> <p>1 Complaints/Complement desk at each Outreach and Centre.</p> <p>All complaints are responded to immediately or within 30 days of the issue being raised.</p>	<p>1 Complaints/Complement desk at each Outreach and Centre.</p> <p>(All complaints are responded to immediately or within 30 days of the issue raised.)</p>	<p>Complaint/Complement desks are set out at each Outreach and Centre.</p> <p>No compliments were received during this reporting year.</p>
<p>Service 2:</p> <p>148 CDWs allocated within Communities.</p>	<p>200 CDWs allocated within Communities throughout the Province.</p>	<p>142 CDWs allocated within Communities.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation Standards		
<p>Service 1:</p> <p>2 Bi-annual stakeholder engagements</p> <p>(National, Provincial, Local, SOEs and Private sector, Consultations with Municipalities before hosting of any Outreach.)</p> <p>0 Surveys conducted</p>	<p>2 Bi-annual stakeholder engagements</p> <p>(National, Provincial, Local, SOEs and Private sector, Consultations with Municipalities before hosting any Outreach.)</p> <p>2 Surveys conducted.</p> <p>(1 Survey conducted after each Outreach and Annual survey per the Centres, annually.)</p>	<p>2 Bi-annual stakeholder engagements</p> <p>(National, Provincial, Local, SOEs and Private sector, Consultations with Municipalities before hosting any Outreach.)</p> <p>Client survey conducted after each Thusong Outreach</p> <p>1 Annual Functionality Scorecard per Thusong Centre concluded</p>
<p>Service 2:</p> <p>149 community forums CDWs participated in.</p> <p>(CDWs to participate in 149 community engagements such as Ward Committees, IDP Forums, and Community meetings)</p> <p>148 CDWs are proficient in 1 of the official languages and mostly efficient in the dominant language spoken in the specific community it serves.</p>	<p>149 community forums CDWs participated in.</p> <p>(CDWs to participate in 149 community engagements such as Ward Committees, IDP Forums, and community meetings)</p> <p>148 CDWs are proficient in 1 of the official languages and mostly efficient in the dominant language spoken in the specific community it serves.</p>	<p>CDWs participated in over 149 community forums.</p> <p>All 142 CDWs are proficient in one of the official languages</p>
Openness & Transparency Standards		
<p>Service 1:</p> <p>1. announcement made to communities before each Outreach.</p> <p>(Municipal communication/ Local Print or Radio Media announcement made before each Outreach).</p> <p>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).</p>	<p>1. announcement made to communities before each Outreach.</p> <p>(Municipal communication/ Local Print or Radio Media announcement made before each Outreach).</p> <p>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).</p>	<p>1. Community Members are informed in advance before each Outreach through various media platforms (Municipal communication/ Local Print or Radio Media announcements made before each Outreach).</p> <p>2. Bi-annual Consultations and review meetings were held with stakeholders during the year.</p>
<p>Service 2:</p> <p>CDWs to participate in 149 community engagements such as Ward Committees, IDP Forums, and Community meetings.</p> <p>10 feedback sessions are held with CDWs annually.</p>	<p>100 community information sessions held by CDWs.</p> <p>30 feedback sessions hosted by CDWs.</p>	<p>More than 100 community information sessions held by CDWs.</p> <p>More than 30 feedback sessions were hosted by CDWs.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Service Standards		
<p>Service 1:</p> <p>Service Charter with 100% set standards for identified citizen-centric services within the department.</p>	<p>Service Charter with 100% set standards for identified citizen-centric services within the department.</p>	<p>Service Charter with 100% set standards for identified citizen-centric services within the department.</p> <p>Note: The Departmental Service Charter included both the Thusong and CDW Programme as two of its direct citizen-centric services</p>
<p>Service 2:</p> <p>Service Charter with 100% set standards for identified citizen-centric services within the department.</p>	<p>Service Charter with 100% set standards for identified citizen-centric services within the department.</p>	<p>Service Charter with 100% set standards for identified citizen-centric services within the department.</p> <p>Note: The Departmental Service Charter included both the Thusong and CDW Programme as two of its direct citizen-centric services</p>
Value for Money		
<p>Service 1:</p> <p>13 Outreaches hosted at venues within the community.</p> <p>22 fully fledged Centres and 10 Zones situated within 5km from communities.</p> <p>All Outreach and Centres staff are fluent in 1 of the 3 Local languages</p>	<p>10 Outreaches hosted at venues within the community.</p> <p>22 fully fledged Centres and 10 Zones situated within 5km from communities.</p> <p>All Outreach and Centres staff are fluent in 1 of the 3 Local languages.</p>	<p>13 Outreaches held during the period under review.</p> <p>22 fully fledged Centres and 10 Zones/Satellites situated within 5km from communities.</p> <p>All Outreach and Centres staff are fluent in 1 of the 3 Local languages</p>
<p>Service 2:</p> <p>100% services available to citizens at no cost.</p>	<p>100% services available to citizens at no cost.</p>	<p>100% services available to citizens at no cost.</p> <p>Note: All services delivered by the CDWs to communities are done at no direct cost to the community.</p>

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Improved interface between government and citizens (Through the Thusong Programme)		
Stakeholder engagement	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	Using communication platforms that are accessible to all	Community announcements before Outreaches using various forms of communication platforms. Note: <i>Municipal communication platforms used to make all announcements</i>
Improved interface between government and citizens (through the Community Worker Programme)		
Loud hailing as a means of communicating with communities	Using communication platforms that are accessible to all	Loud hailing as a means of communicating to 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

Complaint's mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Improved interface between government and citizens (Through the Thusong Programme)		
Consumer surveys completed by communities at Outreaches and Centres	Anonymous electronic complaints/complements desk at Outreaches and Centres	Complaints/Complements systems are in place at Outreaches and Centres; however, none were received during the reporting period.
Improved interface between government and citizens (through the Community Worker Programme)		
CDW Supervisor & Regional Coordinators are tasked to support community issues around CDWs	Anonymous electronic complaints/complements desk at all regional offices	Complaints/Complements systems are in place at Regional Offices however, none were received during the reporting period.
Complains/Complements can be directly forwarded to the DLG Departmental Team	Anonymous electronic complaints/complements desk within the Department	Departmental contact details are made available via all Departmental Citizen Reports distributed annually to communities electronically and via Thusong Programme. Note: <i>Citizens may electronically submit complaints or compliments.</i>

2.3 Organisational Environment

The Department has a total staff compliment of 363 active posts, of which 98.6% of the positions were filled as at 31 March 2024, resulting in a vacancy rate of 1.4%.

Employment and vacancies by programme, as at 31 March 2024

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	60	60	-
Programme 2	246	243	1,2
Programme 3	56	54	3,6
Programme 4	1	1	-
Total	363	358	1,4

The Disaster Management Centre plays a leading role in ensuring integrated and coordinated response to any disaster incident which may occur in the Province. This is large due to the infrastructure developed over year to ensure such integration. The Centre for years has occupied a building within the premises of the Tygerberg Hospital. The planned relocation of the Tygerberg hospital, means that the Disaster Management Centre has to relocate, to make way for the new Tygerberg hospital complex. This has a 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 that may affect the compliance of the Centre with the guideline 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 the global economic risks, domestic macro-economic risks and the under collection of revenue, it is not only our financial capabilities that are pressurized but also our most valuable resource, our staff. Staff members are equally anxious and nervous about

the unsustainable environment in which they are required to deliver more with fewer resources. The current state of affairs jeopardises, just not the Department’s mandate, strategy, obligations, good governance record, but also its service delivery to citizens, contributing to limitations on the lived experiences of citizens. Innovation, improvements on the efficiency and effectiveness, limits on CoE expenditure and head count, reduced project funding, co-funding on certain projects, and reduced operational budgets have been implemented to navigate around the limitations on its legislative mandate and service delivery. 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 combat the dysfunctional state of local governments in the country. The allocation of additional roles and responsibilities happens in the absence of the principle of “funds follow function”.

After the commencement of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) on 1 April 2021, the Premier assigned the powers and functions relating to Traditional and Khoi-San affairs to the Provincial Minister responsible for Local Government. The act provides for, amongst others, the recognition of Khoi-San communities, Khoi-San branches, senior Khoi-San leaders and Khoi-San branch heads. The Act, in various provisions, requires that the The department develops provincial legislation and policies to implement certain provisions of the Act. The Department is required to develop institutional capacity to implement the provisions of the Act. The Department has prioritized research, policy and legislation development and support services to traditional councils to facilitate the implementation of the Traditional and Khoi-San Leadership Act (No.

3 of 2019). The posts will be filled on a contractual basis giving time to the process of determining the appropriate organizational structure. This function will be allocated to Programme 4: Traditional Institutional Management which has been activated.

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 impacts statements

Impact statement 1:	High performing department.
Impact statement 2:	An efficient, accountable, and enabling local government to enhance economic growth and service delivery.
Impact statement 3:	Active citizenry, reduced poverty and improved social well-being.
Impact statement 4:	A Disaster resilient Province.

Departmental outcomes

The following are eight departmental outcomes:

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

Over the past 5 years, the Department streamlined its support to municipalities to include but not limited to the following interventions.

- Maintaining governance in municipalities, especially in dysfunctional municipalities
- Mitigating challenges in coalition municipalities
- Supporting Municipalities with Fraud, Corruption and Maladministration challenges
- Increasing access to government services and information through Thusong and CDW Programmes, while implementing socio-economic projects in communities
- Increasing Citizen interface through strengthening public participation and Municipal communications programmes
- Strengthening infrastructure planning, development and maintenance and improved service delivery to citizens
- 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.
- Ensured Energy Resilience through Energy Master Plans and supporting initiatives such as “Load shedding free” Towns.
- Improving infrastructure planning through the Sustainable Infrastructure Development and Financial Facility Programme (SIDAFF) was established and implemented to solve infrastructure challenges in the Western Cape.
- Disaster Resilience programmes that strengthen the ability of the province to effectively deal with disasters.
- 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, various educational capacity-building programmes are implemented annually.
- The establishment and implementation of the single repository systems have been rolled out to Municipalities across the Province.
- Municipalities are 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 its 11th consecutive unqualified audit opinion from AGSA.

The Department is on track to deliver and even exceed on all four of its Impact Statements and eight Departmental Outcomes as indicated in its Strategic Plan for 2020- 2025.

4. Institutional Programme Performance Information

4.1 Programme 1: Administration

Programme Purpose	Provide overall management in the department in accordance with all applicable acts and policies.
Sub-Programme: Office of the MEC	
Sub-Programme Purpose	To provide for the functioning of the Office of the MEC (provided for in Vote 9: Environmental Affairs and Development Planning).
Sub-Programme: Corporate Services	
Sub-Programme Purpose	Provide overall management in the department in accordance with all applicable acts and policies.
Outcome	Well governed department enabling programmes to deliver on their mandates.
Progress towards Outcome	During the 2023/24 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 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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, all targets met with no over achievements

B. Linking Performance with Budgets: Programme 1: Administration

Sub-Programme Expenditure

Sub-programmes	2023/24			2022/23		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
Office of the MEC ¹	-	-	-	-	-	-
Corporate Services	50,414	50,159	255	54,499	52,933	1,566
Total	50,414	50,159	255	54,499	52,933	1,566

4.2 Programme 2: Local Governance

Programme Purpose	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in developmental processes.
Sub-programme 2.1: Municipal Administration: Municipal Governance and Specialised Support	
Sub-Programme Purpose	To provide management and support services to local government within a regulatory framework.
Outcome	Well-governed municipalities through efficient and effective oversight, capacity building and governance structures.
Progress towards Outcome	Several legal support initiatives such as the reviewing and amending of by-laws, hosting of forum meetings with municipal legal officials, training of councillors on various subject matter including inter alia, Municipal Public Accounts Committees, Roles and Responsibilities, Code of Conduct, Rules of Order, with legal guidance were provided to municipalities to enhance good governance.
Sub-programme 2.2: Public Participation	
Sub-Programme Purpose	To strengthen interface between government and citizens through public participation for maximum service delivery.
Outcome	Improved interface between government and citizens
Progress towards Outcome	Municipalities were supported with public participation programmes such as Policy Development, Ward Operational Plans, Public Participation Training, Know Your Ward Committee, Civic Education, Client Service Charters, and Customised Municipal Communication Support.

¹ The budget of the MEC is reflected under the Department of Environmental Affairs and Development Planning

Sub-programme 2.3: Capacity Development	
Sub-Programme Purpose	To capacitate municipalities to deliver effective services.
Outcome	Well-governed municipalities through efficient and effective oversight, capacity building and governance structures.
Progress towards Outcome	Programmes such as Shared Services, Development and Implementation of Municipal Support Plans, Human Resources Support, Indigent Policies, Official and Councillor Training, Municipal Property Rates Act related support, and Performance Management Systems were provided to municipalities to build capacity in the municipal space.
Sub-programme 2.4: Municipal Performance, Monitoring, Reporting and Evaluation	
Sub-Programme Purpose	To monitor and evaluate municipal performance.
Outcome	Data and Knowledge Management Hub that informs decision-making, planning and budget allocations within local government.
Progress towards Outcome	As part of establishing knowledge management, a single repository knowledge management system has been established and implemented within the Department. The Department also supported municipalities with Information Communication and Technology and Geographical Information Systems matters. The Department also monitored the performance of municipalities through assessments and S47 reports.
Sub-programme 2.5: Service Delivery Integration	
Sub-Programme Purpose	To manage the Thusong Programme and support cooperative governance between the three spheres of government.
Outcome	Reduction in poverty.
Progress towards Outcome	The Thusong programme facilitated for 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	
Sub-Programme Purpose	To provide information to communities to access government services and to facilitate community access to socio-economic opportunities.
Outcome	Reduction in poverty.
Progress towards Outcome	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 citizen's 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 Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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 Legislation development, Review of By-laws, Systems Delegations, and comments on Provincial and National Bills.
		2.1.2(a) Number of assessments conducted on Senior Management Appointments in accordance with legal prescripts	21	37	15	27	12	Assessments of senior management appointments were conducted in various municipalities. This output is influenced by 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: Matzikama, Knysna, Stellenbosch, George, Breedevalley, Cape Winelands, Mossel Bay, Overstrand, Saldanha and Swartland.
		2.1.4(a) Code of Conduct cases assessed to ensure legislative compliance	1	4	10	4	(6)	This output is dependent upon cases brought to the attention of the Department during the year.
	2.1.5(a) Number of Legal Support initiatives provided to Municipalities to strengthen Municipal Governance	5	9	8	9	1	Support provided included, the hosting of workshops on inter alia the following: Rules of Order, MPACs, Code of Conduct for Councillors, Ethics, social media, Anti-Fraud & Corruption, Roles & Responsibilities, Commissioner of Oaths and Appointment of Senior Managers.	

B. Performance concerning Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
SPI:1.	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 Remuneration Packages Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers.
SPI:2.	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 Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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 Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
Improved interface between 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	5	6	6	6	-	Support programmes to improve citizens' interface included the Development of Client Service Charters, the Development and Review of Ward Committee Policies, the Development of Public Participation Plans, Know Your Ward, Ward Committee Training, and the Civic Education Programme.
		2.2.2(a) Number of municipalities supported with communication programmes	18	30	24	24	-	Communication campaigns were Hazard Awareness, Fire Safety, Area Based Risk and Hazard, Water Awareness & Water Usage and Communication Forum.
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	3	4	4	-	Municipalities received support through programmes such as Gender Mainstreaming and Human Rights, Human Trafficking Awareness, Disability Mainstreaming and Violence and Harassment Awareness campaigns.

B. Performance concerning Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
SPI:3	Number of municipalities supported to maintain functional ward committees (Linked to MTSF 2019 - 2024, Priority 1) ²	24	24	24	25	1	All 24 local municipalities were supported with various actions to maintain functional ward committees. CoCT received support with the Development and Review of Ward Committee Operational Plans, resulting to an over achievement.
SPI:4	Number of municipalities supported to promote participation in community based local governance processes (Priority 1: Capable, Ethical and Developmental State) (Priority 6 MTEF indicator: Social Cohesion and Safer Communities)	2	3	3	3	-	Civic Education Workshops were conducted in George, Witzenberg and Kannaland Municipalities.
SPI:5	Number of municipalities supported to respond to community concerns (Outcome 9: Sub-Outcome 2) (B2B Pillar 1)	1	1	1	1	-	All municipalities in the WC have complaints systems in place, however, Langeberg Municipality was requested to share a presentation of their current system Collaborator Bulk SMS.
SPI:6	Number of work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	16 144	16 689	17 700	16 112	(1 588)	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.

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

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

Programme 2: Local Governance								
Sub-programme 2.3: Capacity Development								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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 include 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 conducted an audit of skills in municipalities.
		2.3.3 Number of training and development programmes implemented in municipalities	3	3	2	2	-	Training for Councillors and Municipal Officials was implemented.

B. Performance concerning Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
SPI: 7	Number of Capacity Building Interventions conducted in municipalities (Linked to MTSF 2019-2024, Priority 1) (B2B Pillar 5) ³	3	3	3	3	-	Same support programmes as provincial indicator 2.3.1.
SPI: 8	Number of 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.
SPI:9	Number of Municipalities supported to institutionalise the performance management system (PMS) (Linked to MTSF 2019-2024, Priority 1)	4	4	4	4	-	
SPI:10	Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	4	4	4	4	-	

³ 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 Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/General comments
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	2	Development of a single data repository	Implementation of a single data repository	A single data repository implemented	-	The Knowledge Management System is currently implemented in the Department and serves as a single repository in the Department.
		2.4.2 Number of reports providing insight into municipal status and functioning produced	4 Status of Municipalities Reports	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	-	Support provided includes Technical Support and the Institutionalisation of GIS in municipalities.
		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 assessments of ICT status.

B. Performance concerning Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/General comments
SPI:11	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 Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
Reduction in poverty	2.5(a) Opportunities created through the Thusong Programme	2.5.1(a) Socio-economic projects facilitated	4	4	4	5	1	<p>The five socioeconomic projects facilitated were:</p> <ul style="list-style-type: none"> Hydroponic Greening in Breedevalley Business Hive Containers in Oudtshoorn Learners license & driver's license project in Hessequa Sewing and beading project in Mossel Bay Thusong digital youth ambassadors in Overstrand <p>Due to internal re-prioritisation, one additional citizen-centric project could be funded.</p>
	2.5(b) Effective Thusong Programme	2.5.1(b) Number of services accessed through the Thusong Programme	1 386 856	1 347 486	1 300 000	1 397 571	97 571	More people required access to government services
		2.5.2(b) Support actions to ensure effective functioning of the Thusong Programme	4	4	4	4	-	<p>Support actions included:</p> <ul style="list-style-type: none"> Establishment of Satellite Centres Operational & Maintenance Funding Thusong Provincial Forums and Functionality assessments.

Programme 2: Local Governance								
Sub-programme 2.5: Service Delivery Integration								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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	4	3	3	-	Support actions implemented to improve District IGR Platforms were. <ul style="list-style-type: none"> Updating of Contact List Supporting the implementation of Provincial IGR Forums Monitor the implementation of Provincial IGR Forums, and Participating in National IGR Forums
		2.5.2(c) Support actions to improve Provincial Inter-Governmental Relations (IGR) platforms	4	5	4	4	-	Support actions implemented to improve Provincial IGR Platforms were. <ul style="list-style-type: none"> Updating of Contact List Supporting the implementation of Provincial IGR Forums Monitor the implementation of Provincial IGR Forums, and Participating in National IGR Forums
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 Cooperatives, 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	2023/24			2022/23		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
Municipal Administration	15,058	15,058	-	17,383	16,668	715
Public Participation	11,483	11,483	-	11,804	11,651	153
Capacity Development	13,421	13,421	-	13,275	11,721	1,554
Municipal Performance Monitoring, Reporting and Evaluation	29,088	29,088	-	35,946	30,319	5,627
Service Delivery Integration	12,344	12,344	-	11,926	11,794	132
Community Development Worker Programme	82,586	82,586	-	78,235	77,561	674
Total	163,980	163,980	-	168,569	159,714	8,855

4.3 Programme 3: Development and Planning

Programme Purpose	To promote and facilitate effective disaster management practices, ensure well-maintained municipal infrastructure, and promote integrated planning.
Sub-programme 3.1: Municipal Infrastructure	
Sub-Programme Purpose	To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure.
Outcome	The provision and maintenance of infrastructure towards Infrastructure-led economic growth.
Progress towards Outcome	Hands on and financial support was provided to municipalities in support of various infrastructure projects such as water resilience and electricity, drought relief support as well as monitoring and supporting the effective and efficient utilisation of MIG allocation.
Sub-programme 3.2: Disaster Management	
Sub-Programme Purpose	To manage disaster management at the provincial and local level to ensure the establishment of effective and efficient disaster management mechanisms.
Outcome	Safer, Resilient Communities and Sustainable Development.
Progress towards Outcome	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.
Sub-programme 3.3: Integrated Development Planning	
Sub-Programme Purpose	To strengthen inter-governmental planning and budgeting through establishment of IDP as the single co-ordinating plan of government.
Outcome	Improved integrated planning, budgeting, and implementation.
Progress towards Outcome	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 Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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	1	2	2	-	Municipalities were supported with: <ul style="list-style-type: none"> The Municipal Infrastructure Grants appraisal and The Provision of critical infrastructure support tailored to the needs of a municipality.
		3.1.2 Number of programmes to enhance municipal infrastructure planning	1	1	2	2	-	Municipalities were supported with: <ul style="list-style-type: none"> Electricity Master Plans and Load Shedding Grants.
		3.1.3. Number of Water Resilience Programmes	1	1	2	2	-	The following support was provided: <ul style="list-style-type: none"> Water Resilience Projects and Geohydrological Services.
		3.1.4 Number of infrastructure Funding programmes	-	-	1	1	-	The Department facilitates the implementation of the second phase of the Sustainable Infrastructure Development & Financing Facility (SIDAFF) Programme.

B. Performance concerning Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Performance Indicator		Actual Achievement 2021/22	Actual Achievement 2022/23	Planned Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reasons deviations/ general comments
SPI:12	Number of municipalities monitored on the implementation of infrastructure delivery programmes (Outcome 9, Sub-outcome 1) (B2B Pillar 5).	22	22	22	22	-	Municipalities were supported with Municipal Infrastructure Grant-related matters.

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

Programme 3: Development and Planning								Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
Sub-programme 3.2: Disaster Management and Fire Service									
Outcome	Outputs	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments	
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	12	10	10	10	-	The Department facilitated various disaster management engagements with stakeholders.	
		3.2.2(a) Monitor & evaluate the implementation of Disaster management	5	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	2	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 Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
Safer, Resilient communities and Sustainable Development	3.2.(b) Effective and rapid emergency/ di-saster response and recovery mechanisms	3.2.1(b) Support organs of state to ensure disaster readiness and response	6	5	4	5	1	Support includes preparedness plans such as Winter, and Summer Readiness Plans, Functionality of the Centre, Internal Debriefing on Centre Activations, and Disaster Management and Communication System. Due to the flooding activation of the centre in September, an Internal debrief session was held in October to reflect on the lessons learnt.
		3.2.2(b) Co-ordinate effective disaster recovery processes to enhance resilience	7	3	1	4	3	Recovery projects implemented were: <ul style="list-style-type: none"> • Assessments & Verifications • Classifications & Declarations • Funding request, and • Monitoring & Evaluation of funds The occurrence of disasters cannot be predicted. Two disaster incidents were declared within the reporting period.

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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	3	1	1	2	1	Risk and Vulnerability Assessment was completed for Bitou Municipality to pilot review and update of standardise Risk Assessment Methodology, this project was aimed at capacitating local municipalities to conduct risk assessments independently. CoCT was supported with the updated Western Cape Standardised Risk Assessment Methodology piloted in Bitou.
		3.2.2(c) Upgrade & maintain Disaster Management Spatial Data Repository	1	1	1	1	-	The Department supported the Overberg District Municipality with a Map Book for Bitou Municipality.
		3.2.3(c) Number of municipalities supported in developing Disaster Risk Reduction measures in their IDPs	1	5	1	2	1	George and Stellenbosch received hands-on support on Risk Reduction measures in IDPs. The Implementation of Risk Reduction and integration into Development Planning Guidelines allowed for an additional Municipality to be supported.
		3.2.4(c) Hazard Awareness Programme	2	1	1	1	-	The hazard Awareness Campaign was conducted in the Garden Route District.

Programme 3: Development and Planning								
Sub-programme 3.2: Disaster Management and Fire Service								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
Safer, Resilient communities and Sustainable Development	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	6	-	Training programmes such as Fundamentals of Design, Interpretation and Application, Fire Risk Assessments, Examination of Building Plan, Fire Safety Legislation 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	4	3	3	-	Training programmes to improve Emergency and Special Capacity in the Province were: <ul style="list-style-type: none"> • ICS Logistics, • Planning Section Chief and • Situational Unit Training.
		3.2.3(d) Aerial Firefighting and Ground Support Programme implemented	1	1	1	1	-	Aerial Firefighting programme was implemented.

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

Output Indicator		Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22	Deviation from planned target to Actual Achievement for 2021/22	Reason deviations/ General comments
SPI:13	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.
SPI:14	Number of municipalities supported on Fire Brigade Services	14	6	5	11	6	The following municipalities received Fire Capacity Building Grants; Bergrivier LM, Swartland LM, West Coast DM, Witzenberg LM, Drakenstein LM, Breede Valley LM, Cape Winelands District, Overberg DM, Oudtshoorn LM, Garden Route DM, Central Karoo DM. Grant allocations were reprioritised during the budget adjustment process.

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

Programme 3: Development and Planning								
Sub-programme 3.3: Integrated Development Planning								
Outcome	Outputs	Output Indicator	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
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	-	The programmes implemented to improve IDPs were: <ul style="list-style-type: none"> Assessment of IDPs Provincial IDP Managers Forums, and Assessments of planning alignment of the district with respective local municipalities.
	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	-	All five District interface teams which were established in 2019 are functional.

B. Performance concerning Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Output Indicator		Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	Reason deviations/ General comments
SPI:15	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.
SPI:16	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	2023/24			2022/23		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
Municipal Infrastructure	126,477	125,178	1,299	113,661	111,764	1,897
Disaster Management	64,057	63,694	363	44,070	43,955	115
Integrated Development Planning	6,325	6,325	-	7,635	7,635	-
Total	196,859	195,197	1,662	165,366	163,354	2,012

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

Sub-programmes	2023/24			2022/23		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under expenditure R'000
4.1 Traditional Institutional Management	373	373	-	478	-	478
Total	373	373	-	478	-	478
Grand Departmental Total	411,626	409,709	1,917	388,912	376,001	12,911

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 2023 to 31 March 2024)

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
Community Development Workers (CDW) Operational Support Grant						
Beaufort West	Municipal Organisation	CDW Operational grant	Yes	226	186	The municipal financial year ends 30 June 2024
Bitou	Municipal Organisation	CDW Operational grant	Yes	19	-	The municipal financial year ends 30 June 2024
Breede Valley	Municipal Organisation	CDW Operational grant	Yes	94	73	The municipal financial year ends 30 June 2024
Cape Agulhas	Municipal Organisation	CDW Operational grant	Yes	57	24	The municipal financial year ends 30 June 2024
Cape Winelands District	Municipal Organisation	CDW Operational grant	Yes	76	37	The municipal financial year ends 30 June 2024
Cederberg	Municipal Organisation	CDW Operational grant	Yes	151	4	The municipal financial year ends 30 June 2024
City of Cape Town	Municipal Organisation	CDW Operational grant	Yes	1,018	293	The municipal financial year ends 30 June 2024
Drakenstein	Municipal Organisation	CDW Operational grant	Yes	113	-	The municipal financial year ends 30 June 2024
George	Municipal Organisation	CDW Operational grant	Yes	94	57	The municipal financial year ends 30 June 2024
Hessequa	Municipal Organisation	CDW Operational grant	Yes	38	38	Funds fully spent by the Municipality at the end of 31 March 2024
Kannaland	Municipal Organisation	CDW Operational grant	Yes	113	56	The municipal financial year ends 30 June 2024
Knysna	Municipal Organisation	CDW Operational grant	Yes	57	36	The municipal financial year ends 30 June 2024
Laingsburg	Municipal Organisation	CDW Operational grant	Yes	76	52	The municipal financial year ends 30 June 2024
Langeberg	Municipal Organisation	CDW Operational grant	Yes	38	38	Funds fully spent by the Municipality at the end of 31 March 2024
Matzikama	Municipal Organisation	CDW Operational grant	Yes	94	15	The municipal financial year ends 30 June 2024

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
Mossel Bay	Municipal Organisation	CDW Operational grant	Yes	57	52	The municipal financial year ends 30 June 2024
Oudtshoorn	Municipal Organisation	CDW Operational grant	Yes	57	37	The municipal financial year ends 30 June 2024
Overberg District	Municipal Organisation	CDW Operational grant	Yes	57	24	The municipal financial year ends 30 June 2024
Overstrand	Municipal Organisation	CDW Operational grant	Yes	76	76	Funds fully spent by the Municipality at the end of 31 March 2024
Prince Albert	Municipal Organisation	CDW Operational grant	Yes	76	37	The municipal financial year ends 30 June 2024
Saldanha Bay	Municipal Organisation	CDW Operational grant	Yes	76	29	Funds fully spent by the Municipality at the end of 31 March 2024
Stellenbosch	Municipal Organisation	CDW Operational grant	Yes	38	3	The municipal financial year ends 30 June 2024
Swartland	Municipal Organisation	CDW Operational grant	Yes	38	2	The Municipal financial year ends 30 June 2024
Theewaterskloof	Municipal Organisation	CDW Operational grant	Yes	113	14	The Municipal financial year ends 30 June 2024
West Coast District	Municipal Organisation	CDW Operational grant	Yes	76	-	The Municipal financial year ends 30 June 2024
Witzenberg	Municipal Organisation	CDW Operational grant	Yes	132	-	The Municipal financial year ends 30 June 2024
Thusong Service Centre Grant (Sustainability: Operational Support Grant)						
Bitou	Municipal Organisation	Thusong Operational Support Grant	Yes	120	-	Funds were transferred in Feb 2024 and Supply Chain Management (SCM) process for procurement commenced in April 2024.
Breede Valley	Municipal Organisation	Thusong Operational Support Grant	Yes	120	108	All funds will be spent by the end of June 2024.
Cederberg	Municipal Organisation	Thusong Operational Support Grant	Yes	120	1	The municipality started with the procurement process and plans to spend by the end of June 2024.
Drakenstein	Municipal Organisation	Thusong Operational Support Grant	Yes	116	-	The tender for SCM was concluded Friday 26 April 2024 process of shortlisting will commence.
George	Municipal Organisation	Thusong Operational Support Grant	Yes	150	126	All funds will be spent by the end of June 2024.

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
Hessequa	Municipal Organisation	Thusong Operational Support Grant	Yes	150	136	All funds will be spent by the end of June 2024.
Oudtshoorn	Municipal Organisation	Thusong Operational Support Grant	Yes	120	-	SCM process for procurement will be concluded by May 2024.
Prince Albert	Municipal Organisation			150	-	The municipality started with the procurement process.
Municipal Electricity Master Plan Grant						
Beaufort West	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	600	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Cederberg	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	500	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Drakenstein	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	800	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Hessequa	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	69,000	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Prince Albert	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	400	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Swartland	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	680	-	The municipality has commenced with the SCM process and will apply for the rollover of unspent funds.
Theewaterskloof	Municipal Organisation	Municipal Electrical Master Plan Grant	Yes	500	-	The municipality has commenced with the SCM process and will apply for the rollover 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
Municipal Service Delivery and Capacity Building Grant						
Breede Valley	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	700	298	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Cederberg	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	300	221	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Central Karoo District	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	400	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Drakenstein	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Garden Route District	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Kannaland	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	300	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Knysna	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	250	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Langeberg	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	1,000	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Matzikama	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	900	328	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Overstrand	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM process and will apply for the rollover 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
Oudshoorn	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Saldanha Bay	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Swartland	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Swellendam	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	778	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
West Coast District	Municipal Organisation	Municipal Service Delivery and Capacity Building Grant	Yes	500	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Fire Service Capacity Building Grant						
Bergvriër	Municipal Organisation	Fire Service Capacity Building Grant	Yes	926	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Central Karoo District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	500	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Drakenstein	Municipal Organisation	Fire Service Capacity Building Grant	Yes	985	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Breede Valley	Municipal Organisation	Fire Service Capacity Building Grant	Yes	1,103	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Cape Winelands District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	500	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Garden Route District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	6,981	-	The municipality has implemented the projects and will apply for the rollover 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
Overberg District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	500	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Oudshoorn	Municipal Organisation	Fire Service Capacity Building Grant	Yes	1,911	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Swartland	Municipal Organisation	Fire Service Capacity Building Grant	Yes	926	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
West Coast District	Municipal Organisation	Fire Service Capacity Building Grant	Yes	1,426	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Witzenberg	Municipal Organisation	Fire Service Capacity Building Grant	Yes	985	-	The municipality has implemented the projects and will apply for the rollover of unspent funds.
Western Cape Municipal Interventions Grant						
Beaufort West	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	1,635	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Cape Winelands District	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	100	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Cederberg	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	400	221	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Central Karoo District	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	700	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Garden Route District	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	100	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Kannaland	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	300	-	The Municipality commenced with the SCM process and will apply for the rollover 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
Cape Agulhas	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	400	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Matzikama	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	1,877	327	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Overberg District	Municipal Organisation	Western Cape Municipal Interventions Grant	Yes	100	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Municipal Water Resilience Grant						
Beaufort West	Municipal Organisation	Municipal Water Resilience Grant	Yes	1,200	-	The Municipality completed the SCM process and will apply for the rollover of unspent funds.
Cape Winelands District	Municipal Organisation	Municipal Water Resilience Grant	Yes	1,200	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Cederberg	Municipal Organisation	Municipal Water Resilience Grant	Yes	5,000	365	The Municipality completed the SCM process and will apply for the rollover of unspent funds.
Central Karoo District	Municipal Organisation	Municipal Water Resilience Grant	Yes	2,400	-	The Municipality completed the SCM process and will apply for the rollover of unspent funds.
Garden Route District	Municipal Organisation	Municipal Water Resilience Grant	Yes	1,200	-	The Municipality completed the SCM process and will apply for the rollover of unspent funds.
Kannaland	Municipal Organisation	Municipal Water Resilience Grant	Yes	2,440	-	The Municipality completed the SCM process and will apply for the rollover of unspent funds.
Laingsburg	Municipal Organisation	Municipal Water Resilience Grant	Yes	1,650	1,569	The Municipality completed the SCM process and will apply for the rollover of unspent funds.
Matzikama	Municipal Organisation	Municipal Water Resilience Grant	Yes	3,172	1,550	The Municipality completed the SCM process and will apply for the rollover 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	3,000	3,000	Funds fully spent by the Municipality at the end of 31 March 2024.
Overberg District	Municipal Organisation	Municipal Water Resilience Grant	Yes	1,200	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Prince Albert	Municipal Organisation	Municipal Water Resilience Grant	Yes	3,512	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Swellendam	Municipal Organisation	Municipal Water Resilience Grant	Yes	2,938	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
West Coast District	Municipal Organisation	Municipal Water Resilience Grant	Yes	2,400	-	The Municipality commenced with the SCM process and will apply for the rollover of unspent funds.
Other						
Departmental agencies and accounts	National Sea Rescue Institute	Operational Support	Yes	376	376	N/A
Departmental agencies and accounts	South African Broadcasting Corporation (SABC)	TV license	Yes	6	6	N/A
Non-Profit Institutions	Lifesaving Western Province (WP)	Operational Support	Yes	376	376	N/A
Households	Leave gratuities	Leave gratuities	Yes	-	-	N/A

4.4.3 Transfers not made:

N/A

4.5 Conditional grants and earmarked funds received

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	To provide financial assistance to municipalities to enhance water resilience through water supply augmentation, infrastructure capacity upgrades, water source management, and water demand management across the province.
Expected outputs of the grant	Water supply assurance and resilience
Actual outputs achieved	The appointment of the service provider in terms of a 3-year geo-hydrology tender (2023/24 financial year works completed, 2024/25 financial year quotations approved to the value of R 2 million up to 30 June 2024), conducting quarterly Infrastructure Forum meetings with all District Municipalities and Local Municipalities.
Amount per amended DORA	N/A
Amount transferred (R'000)	R25 000
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	R25 000
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the receiving department	Reviewing of business plans (before legal vetting process), legal vetting of Transfer payment agreements (TPA's), tracking of BAS payments, and tracking of expenditure reports linked to TPA requirements.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	Financial assistance to municipalities to ensure effective planning and functioning of municipal electrical infrastructure, to support the implementation of renewable energy and energy resilience projects within the province, and also to maximize the provision of basic electricity to citizens.
Expected outputs of the grant	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 unlock opportunities for job creation.
Actual outputs achieved	Riversdal Town in Hessequa Municipality has been selected as the pilot for Solar PV with a Battery Energy Storage System (BESS) of 10MW, after criteria of selection between a group of other districts. The tender was advertised, bids received by the municipality, bids have been evaluated and a contractor has been appointed subject to appeal. The Environmental Impact Assessment (EIA) authorization has been granted pending appeal.
Amount per amended DORA	N/A
Amount transferred (R'000)	R69 000
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	R69 000
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the receiving department	Monthly reporting on the project from the Municipality. Site visits and assessment visits for due diligence on the project.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	Financial assistance to municipalities to ensure effective planning and functioning of municipal electrical infrastructure, to support the implementation of renewable energy and energy resilience projects within the province, and also to maximize the provision of basic electricity to citizens.
Expected outputs of the grant	Improved functioning of municipal electrical infrastructure and improved energy resilience in the province. Furthermore, energy resilience will enable the mitigation of load-shedding risks and will promote local energy-related economic development which will result in job creation.
Actual outputs achieved	<p>Drakenstein municipality: Transfer of earmarked funding of R 240,000 toward Master Planning. PSP appointed master plan underway. Progress: 20% by March '24.</p> <p>Theewaterskloof municipality: Transfer of earmarked funding of R 500,000 toward Master Planning. PSP appointed master plan underway. Progress: 20% by March '24.</p> <p>Prince Albert municipality: Transfer of earmarked funding of R 400,000 toward Master Planning. PSP appointed master plan underway. Progress: 30% by March '24.</p> <p>Beaufort West municipality: Transfer of earmarked funding of R 600,000 toward Master Planning. PSP appointed; master plan underway. Progress: 30% by March '24.</p>
Amount per amended DORA	N/A
Amount transferred (R'000)	R1 740
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	R1 740
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the receiving department	Quarterly Reports from Municipalities that received this grant funding.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	Additional critical skills and capacity to support the Energy Security programme in the Department.
Expected outputs of the grant	To increase the human capital within the Energy Resilience Programme to support Municipalities.
Actual outputs achieved	1 Control Engineering technologist was appointed in February 2024 and the recruitment process for 3 posts (Chief Engineer and Deputy directors (2)) was concluded by 31 March 2024. The nominated candidates accepted the offer of appointment and assumed duty on 1 April 2024.
Amount per amended DORA	N/A
Amount transferred (R'000)	R1 293
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	R305
Reasons for the funds unspent by the entity	Recruitment processes were started in earnest in 2023/24. Most of the appointments (with a full complement of the team) were achieved during April 2024 (Quarter 1 2024/25 financial year).
Monitoring mechanism by the receiving department	Internal recruitment is monitored by the department and regular reports to the HoD on the progress made with the filling of posts.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	Resilient Connectivity
Expected outputs of the grant	The installation of a fibre line and an Uninterrupted Power Supply will aid as a backup to the Corporate Connectivity at the Provincial Disaster Management Centre in the event that communication channels are impacted or cut-off.
Actual outputs achieved	The specifications were advertised on the Electronic Procurement System on 07 December 2023. A sight visit was held on 11 December 2023 with the closing date for the submission of the quotation on 14 December 2023. The order was generated on 13 February 2024 and communicated to the service provider.
Amount per amended DORA	N/A
Amount transferred (R'000)	R 250
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	0
Reasons for the funds unspent by the entity	After approvals were received the service provider miscommunicated with the sub-contractor and the incorrect devices were installed. The service provider was given a timeframe to remedy this issue, however, by the due date it was not installed.
Monitoring mechanism by the receiving department	Ongoing follow-ups with the Service Provider and feedback at the monthly round table meetings.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	Technical Communications during major electricity disruptions
Expected outputs of the grant	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.
Actual outputs achieved	A business analyst was appointed to investigate alternative communication throughout the province. An exercise was held to test the current communication systems and a business requirement specification (BRS) was drawn up with recommendations.
Amount per amended DORA	N/A
Amount transferred (R'000)	R 500
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	R 387
Reasons for the funds unspent by the entity	The Department of Local Government entered into a Memorandum of Agreement (MoU) with the Department of the Premier (DoTP) Transversal Application Services (TAPS) and in terms of the MoU the invoices will be paid on an inter-departmental claim as when received from DoTP.
Monitoring mechanism by the receiving department	Ongoing follow-ups with the Department of the Premier and feedback at the monthly round table meetings.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	Response to incidents involving dangerous goods
Expected outputs of the grant	Provincial resilience which would ensure preparedness to respond to incidents involving dangerous goods (HAZMAT).
Actual outputs achieved	The funding is split across the 5 district municipalities, and all have projects in place ranging from Equipment to Personal Protective Equipment (PPE) clothing for Hazmat Incidents.
Amount per amended DORA	N/A
Amount transferred (R'000)	R2 500
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	R2 500
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the receiving department	Feedback is provided at Chief Fire Officers Workgroups, as well as providing feedback reports on the progress/updates. A database is also maintained with relevant updates.

Department to whom the grant has been transferred	Local Government
Purpose of the Grant	Response to incidents involving Flooding and Swift Water Incidents.
Expected outputs of the grant	Provincial resilience which would ensure preparedness to respond to incidents involving flooding/swift water incident.
Actual outputs achieved	The funding was allocated to the Garden Route District Municipality and is currently in process with the project. The project is proceeding according to the business plan and is split over 3 financial years and is therefore ongoing.
Amount per amended DORA	N/A
Amount transferred (R'000)	R2 500
Reasons if amount as per DORA not transferred	N/A
Amount spent by the municipality (R'000)	R2 500
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the receiving department	Feedback is provided at Chief Fire Officers Workgroups, as well as providing feedback reports on the progress/updates. A database is also maintained with relevant updates.

4.6 Conditional grants and earmarked funds paid

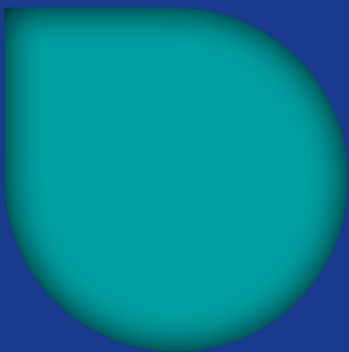
The Department does not pay conditional grants and earmarked funds.

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.



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 to ensure that state resources are utilised effectively, efficiently and economically. The Accounting Officer takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D: ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department.

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 (ERM) Policy and Strategy

The Department adopted an ERM Policy on 09 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), specifically as it relates to appetite levels, 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 and regulated its affairs in compliance with this Terms of Reference 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 Terms of Reference 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:

Name	Position	Meetings Attended
Mr G Pause	AO (Chairperson)	4
Ms B Sewlall-Singh	Chief Financial Officer and Risk Champion	3*
Mr A Dlwengu	Director: Policy and Strategic Support	3*
Ms E Barnard	Chief Director: Municipal Performance Monitoring and Support	2*
Ms N Zamxaka	Chief Director: Integrated Service Delivery	3*
Mr C Deiner	Chief Director: Disaster Management and Fire Brigade Service	4
Mr P Solomons	Directorate: Financial Management, Secretariat	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
Ms H Robson	COO	3
Ms A Haq	Director: ERM(DotP)	3
Mr D Micketts	Chief Risk Advisor: Enterprise Risk Management (DotP)	4
Ms S Greyling	Acting Chief Director: Municipal Performance Monitoring and Support	2
Mr M Pretorius	Director: Service Delivery Integration	1
Mr L Naphakade	Security and Occupational Health and Safety (DLG)	2
Mr I Kahaar	Assistant Director: Governance Fraud and Losses Management	2
Mr K Adams	Assistant Director: Corporate Services Relations Management	3
Mr F Matthee	Deputy Director: Corporate Services Relations Management	1
Ms S Kennedy	Assistant Director: Assurance Services	4
Ms B Cebekhulu	Deputy Director: Provincial Forensic Services (DotP)	3
Ms J Stratford	Forensic Consultant: Provincial Forensic Services (DotP)	2

Other Attendees	Position	Attended
Mr M Williams	Director: Internal Audit	3
Ms L Arendse	Deputy Director: Internal Audit (DotP)	4
Mr E Peters	ICT Risk Practitioner (DotP)	1
Ms E de Bruyn	Director: Economic/Governance and Administration	2
Ms J Reed	Risk Advisor (DotP)	4
Ms A Snyder	Deputy Director: Provincial Forensic Investigations (DotP)	1

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;
- Reviewed risks that are outside the tolerance levels for further action / attention;
- Monitored the implementation of the Fraud and Corruption Prevention Implementation 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 strategic 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 keys risks for the department and were perpetually deliberated on during the period under review:

- 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 risks includes the increasing mandate without accompanying resources, economic pressures that forces departments to reduce spending and energy insecurity at service sites.

The department is currently discussing and implementing mitigations to constrain the risk.

- 2) **Impeded coordination of disasters in the province** largely due to lack of capacity, understanding, responsibility and capability of municipalities and provincial departments to fulfil their obligation in relation to disaster management.
- 3) The myriad of challenges facing local government, from political instability to insufficient resource allocation, hinder its ability to efficiently deliver services and promote economic growth. These matters may increase the risk of **Unplanned, significant disruption/s to government services**.

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. The run up to and results of the National, Provincial and Local government elections may also present risks and impacts for the department. Therefore, the department is cognisant of the potential instability, pre- and post- elections (including by-elections), and keeps the risk on its radar. Mitigations are in place and will be further enhanced to constrain the concomitant risks to ensure stability.

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 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. Bespoke and generic risk awareness sessions were also conducted to share benchmarking elements so that risk management can mature in the department. 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 and Administration 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 their independent oversight role.

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.

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) Unit is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the Department and to generate statistics for the WCG and the Department.

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements 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 prima facie evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

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

Cases	Number of cases
Open cases as at 1 April 2023	1
New cases (2023/24)	1
Closed cases (2023/24)	(1)
Open cases as at 31 March 2024	1

The following table further analyses the closed case indicated above:

Nature and investigation outcome of case closed
The investigation was concluded with no adverse findings, but with recommendations.

4. INTERNAL AUDIT AND AUDIT COMMITTEES

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

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

Internal Audit work completed during the year under review for the Department included four

assurance engagements (including one transversal engagement) and three follow ups. The details of these engagements are included in the Audit Committee report.

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

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- AGSA management and audit report;
- Departmental In year Monitoring;
- Departmental Risk Management;
- Internal Control;
- Pre-determined objectives;
- Ethics, Fraud and Corruption

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

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Francois Barnard (Chairperson)	BProc; BCompt (Hons); CTA; Postgrad Diploma Auditing; MCom; CA (SA)	External	N/A	01 January 2022 (2 nd term)	N/A	6
Ms Crystal Abdoll	BCom; BCompt (Hons); Certificate in the Theory of Accounting; CA (SA); Post-graduate Diploma: Certified Internal Auditing	External	N/A	01 March 2021 (2 nd term)	31 March 2024 (Contract Expired)	6
Mr Comfort Bunting	ND: Internal Auditing MBA	External	N/A	01 January 2022 (1 st term)	N/A	6
Mr Andrew Davids	BCom; Professional Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CS)	External	N/A	01 September 2023 (1 st term)	N/A	2
Ms Ayanda Mvandaba	B Acc (Hons) CA(SA) Institute of Directors	External	N/A	01 February 2023 (1 st term)	20 August 2023 (Resigned)	3

On 1 November 2023, Cabinet approved the restructuring of the Western Cape Government Audit Committees to align to the WCG's priorities. This reduced the number of Audit Committees from

6 to 3 and resulted in the Governance, Innovation and Culture Cluster Audit Committee providing oversight to the Department from 1 April 2024.

5. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2024.

Audit Committee Responsibility

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

The Effectiveness of Internal Control

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.

The following internal audit engagements were approved by the Audit Committee and completed by Internal Audit for the year under review:

- Transfer Payments
- Specialised Support (Investigations)
- Disaster Risk Reduction
- Departmental Monitoring of IT Performance (Transversal audit)

The areas for improvements, as noted by internal audit during performance of their work, were agreed to by management. The Audit committee continues to monitor the current actions and previously reported actions on an on-going basis.

In-Year Monitoring Monthly/Quarterly Report

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

Evaluation of Financial Statements

The Audit Committee has:

- reviewed 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.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions. Feedback on new provisions that has an impact on the Department are provided quarterly to the Audit Committee.

Provincial Forensics Services

The Audit Committee has reviewed the reports presented by Provincial Forensic Services on a quarterly basis. There were no matters brought to our attention that required further reporting by the Audit Committee.

Performance Information

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

Report of the Auditor-General South Africa

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.

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



Mr Francois Barnard

Chairperson of the Governance, Innovation and Culture Cluster Audit Committee

Date: 7 August 2024

6. 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.

7. 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.

8. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

- The following interventions were conducted: Dealing with fear and anxieties amidst COVID-19, 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, Coping During a Crisis - Managing COVID-19 stress and anxiety, Transversal webinar: Developing and Managing my own Personal Brand.
- These interventions are based on the outbreak of COVID-19 and trends reflected in the quarterly reports and implemented to address employee or departmental needs.

9. SCOPA RESOLUTIONS

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
11/2/2/2/ PAC	<p>The Public Accounts Committee (PAC) Reports.</p> <p>18.4.1 The Committee requests that the Department furnish it with the following information by 31 January 2024:</p> <p>18.4.1.1 The reason why the R478 000 was not spent against the sub-programme Traditional Institutional Administration, as reflected on page 143 of the Annual Report of the Department.</p> <p>18.4.1.2 A Report on the actual expenditure by the municipalities who were the recipients of the R119,031 million; as indicated on page 145 of the Annual Report of the Department</p>	The Department responded with reports	Yes
WCPP /11/4/5	<p>Standing Committee on Local Government</p> <p>1.1 A copy of the Notice of Intervention in the Kannaland Municipality in terms of Section 139(5)(a) of the Constitution);</p> <p>1.2 A copy of the Beaufort West Municipality Recovery Plan and report on the progress with regard to the implementation thereof.</p> <p>1.3 A detailed breakdown of the R58,553 million allocated over the 2024 MTEF to strengthen existing water resilience interventions and explore innovative responses to deepen water resilience interventions.</p> <p>1.4 A detailed breakdown of the R125,1 million allocated over the 2024 MTEF for the Western Cape Energy Response; and</p> <p>1.5 A feedback report on the Commission on Khoi-San Matters Research Symposium</p>	The Department responded with reports	Yes
	NCOP local Government feedback report	The Department responded with reports	Yes

10. PRIOR MODIFICATIONS TO AUDIT REPORTS

N/A

11. INTERNAL CONTROL UNIT

The Internal Control Unit functions within the Directorate: Financial Management. The internal control unit support and provide 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.

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Has the Department applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 - 8) with regards 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 the 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.

HUMAN RESOURCE MANAGEMENT

D



1. INTRODUCTION

Our ability to contribute effectively to the WCG's work is a direct outcome of the persistent and often selfless efforts of the individuals within the Department despite the contemporary landscape of people management having undergone significant changes in recent years necessitating intricate navigation through various competing factors.

The recent implementation of the DPSA Directive on managing fiscal sustainability within national and provincial departments, which will be in effect until 31 March 2025, signified a pivotal moment during the period under review.

While our dedication to service delivery remains steadfast, the realities of constrained budgets and stringent regulations necessitate a strategic reassessment of our approach to talent management. One key impact that looms large in this new paradigm is the challenge of "doing more with less" in the face of staff turnover. As outlined in the directive, when staff exit the Department, their posts cannot be immediately filled, placing added strain on existing resources. This reality underscores the critical importance of talent retention strategies and succession planning initiatives within the Department.

Challenges faced during the period include striking a balance between service delivery imperatives and prudent resource allocation, leveraging technology and innovative practices to maximise efficiency, while at the same time attracting and retaining critical and scarce skills, empowering the workforce, managing career development, succession planning, promoting employment equity, and creating an environment that enables employee growth and fulfilment.

Despite the challenges posed by the evolving landscape of people management, we remain steadfast in our commitment to driving positive change within the Department, WCG and ultimately the citizens that we serve.

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 what extent 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 its 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 Administration

Table 3.1.1: Personnel expenditure by programme, 2023/24

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	50,159	35,573	264	9,755	70.9	487	73
Programme 2	163,980	128,243	830	16,141	78.2	490	262
Programme 3	195,197	38,284	2,204	36,554	19.6	598	64
Programme 4	373	371	-	2	99.5	371	1
Total	409,709	202,471	3,298	62,452	49.4	506	400

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, 2023/24

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Interns	277	0,1	31	9
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	8 041	4,0	298	27
Highly skilled production (Levels 6-8)	89 659	44,3	408	220
Highly skilled supervision (Levels 9-12)	83 832	41,4	650	129
Senior management (Levels 13-16)	20 574	10,2	1 372	15
Total	202 383	100,0	506	400

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, 2023/24

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	25 274	12,5	137	0,1	791	0,4	2 129	1,1
Programme 2	92 954	45,9	393	0,2	3 446	1,7	7 353	3,6
Programme 3	25 875	12,8	246	0,1	787	0,4	1 388	0,7
Programme 4	270	0,1	-	-	-	-	-	-
Total	144 373	71,3	777	0,4	5 024	2,5	10 869	5,4

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, 2023/24

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Interns	272	0,1	-	-	-	-	-	-
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-	-
Skilled (Levels 3-5)	5 415	2,7	30	0,0	420	0,2	967	0,5
Highly skilled production (Levels 6-8)	64 884	32,1	304	0,2	3 204	1,6	7 068	3,5
Highly skilled supervision (Levels 9-12)	60 360	29,8	443	0,2	1 289	0,6	2 637	1,3
Senior management (Levels 13-16)	13 442	6,6	-	-	111	0,1	197	0,1
Total	144 373	71,3	777	0,4	5 024	2,5	10 869	5,4

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 2024

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	60	60	-
Programme 2	246	243	1,2
Programme 3	56	54	3,6
Programme 4	1	1	-
Total	363	358	1,4

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2024

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	27	27	-
Highly skilled production (Levels 6-8)	211	210	0,5
Highly skilled supervision (Levels 9-12)	111	107	3,6
Senior management (Levels 13-16)	14	14	-
Total	363	358	1,4

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2024

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Disaster Manager	19	19	-
Engineer	8	6	25,0
GIS Technologist	1	1	-
ICT Governance Specialist	3	3	-
Management Accountant	4	4	-
Supply Chain Management Practitioner	9	9	-
Total	44	42	4,5

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

3.3 JOB EVALUATION

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

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

Table 3.3.1: Job evaluation, 1 April 2023 to 31 March 2024

Salary Band	Number of active posts as at 31 March 2024	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 2023 to 31 March 2024

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 2023 to 31 March 2024

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

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2023 to 31 March 2024

Beneficiaries	African	Coloured	Indian	White	Total
None					

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 2023 to 31 March 2024

Salary Band	Number of employees as at 31 March 2023	Turnover rate % 2022/23	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2023/24
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	27	10,0	2	-	1	-	3,7
Highly skilled production (Levels 6-8)	208	6,4	8	-	6	1	3,4
Highly skilled supervision (Levels 9-12)	117	14,4	12	1	20	3	19,7
Senior Management Service Band A (Level 13)	11	8,3	-	-	-	-	-
Senior Management Service Band B (Level 14)	3	-	-	-	1	-	33,3
Senior Management Service Band C (Level 15)	1	-	-	-	-	-	-
Total	367	9,3	22	1	28	4	8.7
			23		32		

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 2023).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2023 to 31 March 2024

Critical Occupation	Number of employees as at 31 March 2023	Turnover rate % 2022/23	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2023/24
Disaster Manager	18	20,0	3	1	3	-	16,7
Engineer	6	40,0	2	-	2	-	33,3
GIS Technologist	1	-	-	-	-	-	-
ICT Governance Specialist	3	-	-	-	-	-	-
Management Accountant	4	-	-	-	-	-	-
Supply Chain Management Practitioner	10	-	-	-	1	-	10,0
Total	42	15,0	5	1	6	-	14.3
			6		6		

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 2023).

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2023 to 31 March 2024

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2023
Death	1	3,1	0,3
Resignation *	15	46,9	4,1
Expiry of contract	8	25,0	2,2
Dismissal - operational changes	-	-	-
Dismissal - misconduct	-	-	-
Dismissal - inefficiency	-	-	-
Discharged due to ill-health	-	-	-
Retirement	4	12,5	1,1
Employee initiated severance package	-	-	-
Transfers to Statutory Body	-	-	-
Transfers to other Public Service departments	3	9,4	0,8
Promotion to another WCG Department	1	3,1	0,3
Total	32	100,0	8,7

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

* Resignations are further discussed in tables 3.4.4 and 3.4.5.

Table 3.4.4: Reasons why staff resigned, 1 April 2023 to 31 March 2024

Resignation Reasons	Number	% of total resignations
Current remuneration	1	6,7
Need for a career change	1	6,7
No reason provided	12	80,0
Successful for a permanent position within another WCG department	1	6,7
Total	15	100,0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2023 to 31 March 2024

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	-	-
Ages 25 to 29	1	6,7
Ages 30 to 34	5	33,3
Ages 35 to 39	6	40,0
Ages 40 to 44	1	6,7
Ages 45 to 49	2	13,3
Ages 50 to 54	-	-
Ages 55 to 59	-	-
Ages 60 to 64	-	-
Ages 65 >	-	-
Total	15	100.0

Table 3.4.6 Employee initiated severance packages.

Total number of employee-initiated severance packages offered in 2023/24	None
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Table 3.4.7: Promotions by salary band, 1 April 2023 to 31 March 2024

Salary Band	Number of Employees as at 31 March 2023	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	1	3,7	20	74,1
Highly skilled production (Levels 6-8)	208	1	0,5	61	29,3
Highly skilled supervision (Levels 9-12)	117	2	1,7	67	57,3
Senior management (Levels 13-16)	15	-	-	10	66,7
Total	367	4	1,1	158	43,1

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 2023 to 31 March 2024

Critical Occupation	Number of Employees as at 31 March 2023	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Disaster Manager	18	-	-	9	50,0
Engineer	6	-	-	2	33,3
GIS Technologist	1	-	-	-	-
ICT Governance Specialist	3	-	-	3	100,0
Management Accountant	4	-	-	3	75,0
Supply Chain Management Practitioner	10	-	-	8	80,0
Total	42	-	-	25	59,5

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 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2024

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	4	1	4	1	-	1	1	-	-	13
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	19	21	-	6	15	35	-	9	1	-	106
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and super-intendents (Levels 6-8)	24	45	-	-	60	77	1	5	-	-	212
Semi-skilled and discretionary decision making (Levels 3-5)	3	8	-	1	2	12	-	-	-	-	26
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	47	79	1	11	78	124	2	15	1	-	358
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	47	79	1	11	78	124	2	15	1	-	358

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 2024

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)	-	5	-	-	4	-	-	-	-	-	9
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	-	1	-	-	-	-	1
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	-	5	-	1	4	2	-	1	-	-	13
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	-	5	-	1	4	2	-	1	-	-	13

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 2023 to 31 March 2024

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-man- agement (Levels 9-12)	4	1	-	2	3	1	-	2	-	-	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superinten- dents (Levels 6-8)	1	3	-	-	2	2	-	-	-	-	8
Semi-skilled and discretionary decision making (Levels 3-5)	1	-	-	-	-	1	-	-	-	-	2
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	6	4	-	2	5	4	-	2	-	-	23
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	6	4	-	2	5	4	-	2	-	-	23

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 2023 to 31 March 2024

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

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 2023 to 31 March 2024

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)	7	6	-	1	3	3	-	3	-	-	23
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	-	3	-	-	1	2	-	1	-	-	7
Semi-skilled and discretionary decision making (Levels 3-5)	1	-	-	-	-	-	-	-	-	-	1
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	8	9	-	1	4	5	-	5	-	-	32
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	8	9	-	1	4	5	-	5	-	-	32

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 2023 to 31 March 2024

Disciplinary Actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Suspension without pay and a Final Written Warning	-	1	-	-	-	1	-	-	-	-	2
Total	-	1	-	-	-	1	-	-	-	-	2
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	-	1	-	-	-	1	-	-	-	-	2

Table 3.5.7: Skills development, 1 April 2023 to 31 March 2024

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	1	-	-	-	-	-	1	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	4	3	-	2	4	8	-	1	22
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	9	20	-	-	16	26	-	2	73
Semi-skilled and discretionary decision making (Levels 3-5)	2	3	-	-	-	3	-	-	8
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-
Total	15	27	-	2	20	37	-	4	105
Temporary employees	-	-	-	-	-	-	-	-	-
Grand total	15	27	-	2	20	37	-	4	105

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 2023

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	3	3	3	100,0
Salary Level 13	12	11	10	90,9
Total	16	15	14	93,3

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

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2023

Reasons for not concluding Performance Agreements with all SMS
The Performance Agreement not signed by 31 May 2023, was primarily due to a disagreement regarding its contents. Following a mediation process, the Performance Agreement was duly signed after the specified due date.

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2023

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

3.7 FILLING OF SMS POSTS

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

Table 3.7.1: SMS posts information, as at 30 September 2023

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100,0	-	-
Salary Level 14	3	3	100,0	-	-
Salary Level 13	11	11	100,0	-	-
Total	15	15	100,0	-	-

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

Table 3.7.2: SMS posts information, as at 31 March 2024

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100,0	-	-
Salary Level 14	2	2	100,0	-	-
Salary Level 13	11	11	100,0	-	-
Total	14	14	100,0	-	-

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

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2024

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Head of Department	-	-	-
Salary Level 14	1	-	-
Salary Level 13	2	-	-
Total	3	-	-

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

SMS Level	Reasons for non-compliance
Head of Department	N/A
Salary Level 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 2023 to 31 March 2024

Salary Band	Employees as at 31 March 2023	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	20	74,1
Highly skilled production (Levels 6-8)	208	61	29,3
Highly skilled supervision (Levels 9-12)	117	67	57,3
Senior management (Levels 13-16)	15	10	66,7
Total	367	158	43,1

Table 3.8.2: Notch progressions by critical occupation, 1 April 2023 to 31 March 2024

Critical Occupations	Employees as at 31 March 2023	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Disaster Manager	18	9	50,0
Engineer	6	2	33,3
GIS Technologist	1	-	-
ICT Governance Specialist	3	3	100,0
Management Accountant	4	3	75,0
Supply Chain Management Practitioner	10	8	80,0
Total	42	25	59,5

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2023 to 31 March 2024

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2023	% 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 2023 to 31 March 2024

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2023	% of total within salary bands	Cost (R'000)	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 2023 to 31 March 2024

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2023	% of total within salary bands	Cost (R'000)	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 2023 to 31 March 2024

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2023	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of 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 2023 to 31 March 2024

Salary Band	1 April 2023		31 March 2024		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)	-	-	-	-	-	-
Total	1	100,0	1	100,0	-	-

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

Table 3.9.2: Foreign Workers by major occupation, 1 April 2023 to 31 March 2024

Major Occupation	1 April 2023		31 March 2024		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 2023 TO 31 DECEMBER 2023

The following tables indicate 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 2023 to 31 December 2023

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	24	62,5	8	10	80,0	3	5
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	186	84,9	24	27	88,9	8	150
Highly skilled production (Levels 6-8)	1 415	86,1	147	223	65,9	10	1 672
Highly skilled supervision (Levels 9-12)	966	82,5	102	130	78,5	9	1 895
Senior management (Levels 13-16)	99	89,9	11	15	73,3	9	332
Total	2 690	84,7	292	405	72,1	9	4 054

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 ends 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 2023 to 31 December 2023

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)	-	-	-	27	-	-	-
Highly skilled production (Levels 6-8)	247	100,0	13	223	5,8	19	290
Highly skilled supervision (Levels 9-12)	182	100,0	8	130	6,2	23	348
Senior management (Levels 13-16)	-	-	-	15	-	-	-
Total	429	100,0	21	405	5,2	20	638

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 2023 to 31 December 2023

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	91	9	10
Lower skilled (Levels 1-2)	-	-	-
Skilled (Levels 3-5)	561	27	21
Highly skilled production (Levels 6-8)	4 986	215	23
Highly skilled supervision (Levels 9-12)	2 857	122	23
Senior management (Levels 13-16)	394	15	26
Total	8 889	388	23

Table 3.10.4: Capped leave, 1 January 2023 to 31 December 2023

Salary Band	Total capped leave available as at 31 Dec 2022	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 2023	Total capped leave available as at 31 Dec 2023
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	99,22	-	-	-	5	99,22
Highly skilled supervision (Levels 9-12)	361,34	11,43	1	11,43	12	349,12
Senior management (Levels 13-16)	183,83	2,00	1	2,00	4	181,83
Total	644,39	13,43	2	6,72	21	630,17

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 2023 to 31 March 2024

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	2	1	2 038
Current leave pay-outs on termination of service	611	25	24 441

3.11 HEALTH PROMOTION PROGRAMMES, INCLUDING HIV & AIDS

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2023 to 31 March 2024

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>Employee Health and Wellness Services are rendered to all employees in need and include the following:</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling; • Face to face counselling (4 session model); • Trauma and critical incident counselling; • Advocacy on HIV&AIDS awareness, including online services; and • Training, coaching and targeted Interventions as required.

Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2023 to 31 March 2024

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 in the Department of the Premier serves to promote the health and well-being of employees in the eleven (11) provincial client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners.</p> <p>Budget: R3.5 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 Metropolitan Health (external service provider) to render an Employee Health and Wellness Service to the eleven (11) provincial client departments.</p> <p>The following interventions were conducted:</p> <ul style="list-style-type: none"> • Effective communication for Managers; • Relationship Between Sleep, Gut and Brain Health; • Laughter therapy x 3; • Effective Communication for employees x 2; • Why Burnout Should be Taken Seriously; • Relationship Between Team Connectedness and Mental Wellbeing; • Creating an Environment of Psychological Safety; • Breaking through Mental Barriers; • Developing Resilience to Cope with Occupational Trauma; • Stress, Burnout and Depression; • Developing Emotional Intelligence; • Connection between Food Mood and cognitive Health; • Responsive leader; • Understanding How Personality Impacts the Workplace; • Creating a Psychological Safe Environment to Increase Employee Engagement; • Addressing the Stigma of Mental Health in the Current SA Climate; • Resilience and Vulnerabilities; • People Managers: Creating a Workplace Where Employees Feel Safe to Thrive; • How to Identify and Manage Burnout; • Is Emotional Intelligence Really the Elixir to Optimal Wellbeing; • What Gives Me A Sense of Belonging and How to Achieve It; • Difference Between Fear, Anxiety & Depression and Impact on the Team; • Tools to deal with vulnerability; Resilience amongst Children / Helping Children to Identify and Regulate Their Emotions; • Stress and Self-management; and • Situational Leadership. <p>These interventions are based on post COVID-19 and trends reflected in the quarterly reports and implemented to address employee or departmental needs.</p> <p>The targeted interventions for both employees and managers were aimed at providing support, updated knowledge and coping skills on managing new way of working. This involved online sessions facilitated through MS Teams. Information sessions were also provided to inform employees of the EHW service and how to access the Employee Health and Wellness (EHW) Programme.</p>

Question	Yes	No	Details, if yes
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.	✓		The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department. The Department is represented by Mr Franick Matthee and Mr Kirk Adams.
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.	✓		The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province in December 2016; and is currently under review. 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. Under the EHW banner, four EHW Policies were approved which includes HIV & AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace. The policy is in line with the amended National EHW Strategic Framework 2019. Further to this, the Department of Health, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Government. During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy are under review against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2023-2028) which ensures exclusivity and elimination of discrimination and stigma against employees with HIV.
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.	✓		The Provincial Strategic Plan on HIV & AIDS, STIs and TB 2023-2028 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma. The aim is to: <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees; and • Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees. The Department implemented the planned measures to address the stigma and discrimination against those infected or perceived to be infective with HIV, which are the following: <ul style="list-style-type: none"> • Wellness Screenings (Blood pressure, Glucose, Cholesterol, TB, BMI); • HCT Screenings; • TB Talks and Screenings; and • Distributing posters and pamphlets.
7. Does the department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	✓		HCT SESSIONS <ul style="list-style-type: none"> • Wellness Screening: 14 March 2024, 56 employees attended. • World Aids Day: 01 December 2023, No employees attended.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		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.

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 2023 to 31 March 2024

Subject Matter	Date
GPSSBC Resolution 1 of 2024: Charter of the GPSSBC: Collective Bargaining	11 March 2024
GPSSBC Resolution 2 of 2024: Improvement in Conditions of Service: Special Leave	11 March 2024
PSCBC Resolution 3 of 2023: Enforcement of Collective Agreements in the Public Service	13 July 2023
PSCBC Resolution 1 of 2024: Rules for the Conduct of Proceedings before the PSCBC	1 March 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 2023 to 31 March 2024

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Suspension without pay and a Final Written Warning	2	100,0
Total	2	100,0
Percentage of total employment		0.5

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2023 to 31 March 2024

Type of misconduct	Number	% of total
Conduct self in improper/unacceptable manner	1	50,0
Fails to carry out order or instruction	1	50,0
Total	2	100,0

Table 3.12.4: Grievances lodged, 1 April 2023 to 31 March 2024

Grievances lodged	Number	% of total
Number of grievances resolved	16	100,0
Number of grievances not resolved	-	-
Total number of grievances lodged	16	100,0

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

Table 3.12.5: Disputes lodged with Councils, 1 April 2023 to 31 March 2024

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	-	-
Number of disputes dismissed	1	100,0
Total number of disputes lodged	1	100,0

Note: Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is "upheld", it means that the Council 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 2023 to 31 March 2024

Strike actions	Number
None	

Table 3.12.7: Precautionary suspensions, 1 April 2023 to 31 March 2024

Precautionary suspensions	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	86 days
Cost (R'000) of suspensions	298

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 2023 to 31 March 2024

Occupational Categories	Gender	Number of employees as at 1 April 2023	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	4	-	2	-	2
	Male	11	-	9	-	9
Professionals (Salary Band 9 - 12)	Female	60	-	43	-	43
	Male	55	-	29	-	29
Technicians and associate professionals (Salary Band 6 - 8)	Female	142	-	192	-	192
	Male	68	-	131	-	131
Clerks (Salary Band 3 - 5)	Female	14	-	29	-	29
	Male	12	-	18	-	18
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	220	-	266	-	266
	Male	146	-	187	-	187
Total		366	-	453	-	453
Employees with disabilities	Female	7	-	6	-	6
	Male	7	-	7	-	7

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 2023 to 31 March 2024

Occupational Categories	Gender	Number of employees as at 31 March 2024	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	-	1	-	1
	Male	11	-	1	-	1
Professionals (Salary Band 9 - 12)	Female	59	-	19	-	19
	Male	47	-	13	-	13
Technicians and associate professionals (Salary Band 6 - 8)	Female	143	-	59	-	59
	Male	69	-	35	-	35
Clerks (Salary Band 3 - 5)	Female	14	-	8	-	8
	Male	12	-	8	-	8
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	219	-	87	-	87
	Male	139	-	57	-	57
Total		358	-	144	-	144
Employees with disabilities	Female	7	-	-	-	-
	Male	6	-	3	-	3

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

3.14 INJURY ON DUTY

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

Table 3.14.1: Injury on duty, 1 April 2023 to 31 March 2024

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	-
Temporary disablement	1	100,0
Permanent disablement	-	-
Fatal	-	-
Total	1	100,0
Percentage of total employment		0.3

3.15 UTILISATION OF CONSULTANTS

Table 3.15.1: Consultant appointments using appropriated funds

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: work days/ hours	Contract value in Rand	Total number of projects	B-BBEE level
1	V A M Production	Annual Report 2022/23	Publication of the Annual Report 2022/23 including editing, layout, design and proofreading	1	20 weeks	R 43,125.00	1	4
	Tredco Marketing Consultants	Annual Report 2022/23	Translation of the English version into isiXhosa and Afrikaans	1	28 days	R 69,000.00	1	4
	Wilfred Jewell Consultancy	Citizen's Report 2022/23	Translation of the English version into isiXhosa and Afrikaans	1	2 months	R 4,025.00	1	1
		Annual Performance Plan 2024/25	Translation of the English version into isiXhosa and Afrikaans	1	3 months	R 73,600.00	1	1
2	HS Business Solutions	Research on the status of scarce and critical skills in the Western Cape Municipalities	To assist the Department to better understand the actual situation about the scarce and critical skills needs of Municipalities in the Western Cape so that the Department and its key stakeholders are placed in a position to develop a Provincial Scarce and Critical Skills Strategy	6	3 months	R 475,065.01	1	4
	Agito Minds	Review and align the organisational structures of four (4) different types of municipalities	Review and align the organisational structures of four (4) different types of municipalities, according to the prototype structure proposed in the municipal staff regulations promulgated as GN. R890 (Phase 3 - 6)	7	11 months	R 1,967,107.00	1	2
	KG Business Development	Assessment on the state of public participation in 25 municipalities in the Western-Cape	To assess the state of public participation in 25 municipalities in the Western Cape	9	10 months	R 899,991.98	1	1
	Ignite Advisory Services	Develop and implement a Performance Management and Development System for Laingsburg Municipality	To develop and implement a Performance Management and Development System for Laingsburg Municipality	5	4 months	R 499,100.00	1	0
	Department of the Premier	Municipal ICT Support	ICT Advisory Services	1	12 months	R 563,555.24	1	N/A

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: work days/ hours	Contract value in Rand	Total number of projects	B-BBEE level
3	Vulcan Wildfire Management	Pre-Attack plans for the West Coast District	Development and Production of individual Fire Pre-Attack plans for the West Coast District: Focusing on the Algeria and Wuppertal Areas	3	8 months	R 164,337.53	2	4
		Fire Risk Assessment and Pre-attack Plans	Development and production of a single combined fire risk assessment and pre-attack plan for all of the air strips / fields within all the districts of the Western Cape (Cape Winelands / Central Karoo / Garden Route / Overberg and West Coast)	2	6 months	R 108,245.02	1	4
	JG Afrika	Hydrogeological Consulting Services	Hydrogeological consulting services for ongoing groundwater management at Cederberg Local Municipality	2	240 hours	R 427,209.53	4	1

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: work days/ hours	Contract value in Rand	Total number of projects	B-BBEE level
3			Hydrogeological consulting services for ongoing groundwater management at Matzikama Local Municipality	2	240 hours	R 265,914.41	1	1
			Hydrogeological consulting services for ongoing groundwater management at Matzikama Local Municipality	2	320 hours	R 717,482.52	4	1
			Hydrogeological consulting services for ongoing groundwater management at Overberg District Municipality	4	480 hours	R 802,966.75	4	1
			Hydrogeological consulting services for ongoing groundwater management at Prince Albert Municipality	2	128 hours	R 273,554.25	1	1
			Hydrogeological consulting services for ongoing groundwater management at Cape Winelands District Municipality	4	480 hours	R 1,042,696.93	5	1
			Hydrogeological consulting services for ongoing groundwater management at West Coast Municipality	4	480 hours	R 980,877.61	5	1
			Hydrogeological consulting services for ongoing groundwater management at Central Karoo Municipality	4	480 hours	R 720,973.84	3	1
			Hydrogeological consulting services for ongoing groundwater management at Garden Route District Municipality	4	480 hours	R 1,497,693.64	7	1
			Hydrogeological consulting services for ongoing groundwater management: Project Management	3	220 hours	R 274,452.15	1	1
			Department of the Premier	Inter Departmental Claims	Competency Assessment for the position of Director: Intergrated Development	1	2 days	R 20,213.10
Business Analyst Service	1	4 months			R 386,443.83	1	N/A	
Water and Sanitation Land Use Model	1	782 hours			R 1,034,000.00	1	N/A	
						R 13,311,630.34		

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: work days/ hours	Contract value in Rand	Total number of projects	B-BBEE level
N/A								

PFMA COMPLIANCE REPORT



E



Information on Irregular, Fruitless and Wasteful, Unauthorized Expenditure and Material Losses

1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	5	
Adjustment to opening balance	-	
Opening balance as restated	5	
Add: Irregular expenditure confirmed	5	
Less: Irregular expenditure condoned	(5)	
Less: Irregular expenditure not condoned and removed	-	
Less: Irregular expenditure recoverable	-	
Less: Irregular expenditure not recovered and written off	-	
Closing balance	5	5

Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure that was under assessment in 2023/24	-	-
Irregular expenditure that relates to 2022/23 and identified in 2023/24	-	-
Irregular expenditure for the current year	5	5
Total	5	5

2023/24 R4,050.00 expenditure above cost containment: S&T Tariffs

2023/24 R1,267.40 expenditure in contravention of cost containment: Entertainment

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

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure that was under assessment	23	-
Irregular expenditure that relates to 2022/23 and identified in 2023/24	-	-
Irregular expenditure for the current year	5	5
Total	29	5

c) Details of current and previous year irregular expenditure condoned

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure condoned	-	5
Total	-	5

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

Description	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

e) Details of current and previous year irregular expenditure recovered

Description	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

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

Description	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

Additional disclosure relating to Inter-Institutional Arrangements**g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement**

Description	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

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

Description	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

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

Disciplinary steps taken
Consequence management was implemented. Consultation was held with officials who were responsible for Irregular Expenditure.

2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	7	-
Less: Fruitless and wasteful expenditure written off	7	-
Less: Fruitless and wasteful expenditure recoverable		-
Closing balance		

Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to 2022/23 and identified in 2023/24	2	-
Fruitless and wasteful expenditure for the current year	5	-
Total	7	-

2023/24 Three cases: R1,828.51 - flight time change, R2,814.62 - rescheduling of a flight, R2,490.76 for a missed flight

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

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

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

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
Total	-	-

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

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure written off	5	-
Total	5	-

The costs were written off, based on a legal opinion received.

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

Disciplinary steps taken
Consequence management was implemented. Consultation was held with officials who were responsible for Fruitless Expenditure.

3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	-	-
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	-	-

The department had no unauthorised expenditure.

Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Unauthorised expenditure that was under assessment in 2023/24	-	-
Unauthorised expenditure that relates to 2022/23 and identified in 2023/24	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

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

Description	2023/24	2022/23
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

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

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

Material losses through criminal conduct	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

c) Other material losses recovered

Nature of other material losses	2023/24	2022/23
	R'000	R'000
None	-	-
Total	-	-

d) Other material losses written off

Nature of other material losses	2023/24	2022/23
	R'000	R'000
GG Vehicle Damage	190	3
Theft and Damage to Equipment	63	30
Total	253	33

4. Late and/or non-payment of suppliers

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2166	64,372
Invoices paid within 30 days or agreed period	2165	64,372
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

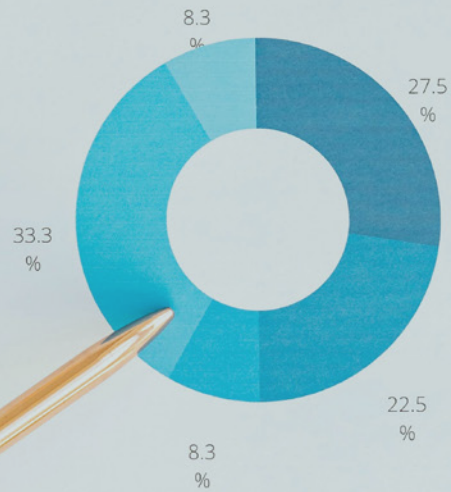
Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Supply of 180 cell phone packages	MTN	Limited bidding	LTD 01 2022-2023	R 1 594
Supply of 240 data packages	MTN	Limited bidding	-	R 800
ESRI Software	ESRI South Africa	Limited bidding	-	R 160
Graphic Design course	Red and Yellow Digital	Limited bidding	-	R 19
Municipal Staff Regulations, Performance and Human Resource Conference	Ignite Advisory Services	Limited bidding	-	R 16
Ergonomic Chair	NGA Office Automation	Limited bidding	-	R 7

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	Princeton Protection Services	Expansion	WCPT-TR 01/2017/2018 (FIN LG 131 2021-2022)	R 832	R 242	R 242
Aerial Support	Kishugu Aviation	Expansion	LG 02 2021-2022	R 32 563	R 12 918	R 3 538
Total				R 33 395	R 13 160	R 3 780

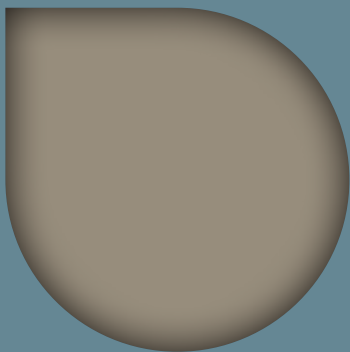
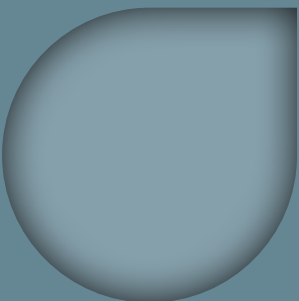


FINANCE REVIEW



15
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FINANCIAL INFORMATION

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ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2024

1. General review of the state of financial affairs

Spending trends:

The final appropriation for the Department of Local Government (DLG) amounts to R 411,626 million and the expenditure incurred by DLG amounts to R 409,709 million as at 31 March 2024, this reflects an underspending of R1,917 million as it relates to the following:

- **Compensation of employees -**

The savings is due to delays in the filling of vacant funded posts specifically to appoint additional capacity to strengthen internal capacity within the Department such as Joint District and Metro Approach and to appoint additional critical skills and capacity to support the energy security programme in the Department (Earmarked funds)

- **Goods and services -**

Earmarked funding due to the following reasons:

- delays with the Supply Chain Management process for the installation of fibre at the Disaster Management Centre (resilient connectivity); and
- the unspent earmarked funds related to providing an alternative satellite-based communications system for emergency communications (technical communications during major electricity disruptions)

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

Virements/rollover

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

- Programme 2 additional funds were 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 were 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.

The virements were undertaken within the guidelines of Provincial Treasury.

2. Capacity constraints

Compensation of employees (CoE) due to delays in the filling of vacant posts within the department, the appointment of additional capacity to support the JDMA (earmarked funding)

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2024**

in the Province and to strengthen internal capacity to be able to conduct investigations and interventions (earmarked funding).

3. Utilisation of donor funds

- None.

4. Trading entities and public entities

- None

5. Organisations to whom transfer payments have been made

- All transfer payments and the purposes for the payments made are reported in note 27 and Annexures 1A - 1D of the Notes to the Annual Financial Statements.
- Accountability arrangements are in place for each transfer payment as stipulated in the individual agreements to the entities receiving the transfer payments.

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 2023/24 financial year

9. New/proposed activities

- None.

10. Events after the reporting date

- None.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2024

11. Service Delivery Environment

This report accounts for the Department performance for the 2023/24 financial year, wherein the Department achieved 97% of the targets set, while partially achieving 3% for the reasons detailed in section which follows. Despite the significant challenges posed by the financial pressures the country faced, including the need for departments to implement further budget cuts, these unprecedented cuts had a potential to severely affect the delivery of the Department's mandate. However, the Department managed to carefully navigate these challenges to deliver on its on its mandate. I express my sincere gratitude to the senior management and the staff for the unwavering commitment not to only just deliver on the plans of the Department but to do so consistently. This is evident in the eleventh consecutive unqualified audit that the Department has achieved for the year under review.

Addressing service delivery challenges faced by municipalities in a constrained fiscal environment requires innovation, hence the Department partnered with municipalities through providing the necessary resources to protect the provision of basic services to communities. Efforts were enhanced to secure other sources of financing infrastructure, notably, the French and the Swedish governments joined the Sustainable Infrastructure Development and Financial Facility. The programme is aimed at raising grant funding towards financing catalytic infrastructure projects identified in municipalities. Extensive work has been undertaken to lay a strong foundation for this programme to attract potential funders who have indicated a keen interest in investing in municipal infrastructure development.

Just a couple of years back, drought disaster was declared in at least five of the nine provinces in South Africa, because of water scarcity which is a global phenomenon. The Province has not taken this risk lightly, resulting in the development of a 15 year Western Cape Integrated Water Resource Plan. The aim of the plan is to ensure sustainable management of water resources and to guide the Province's transversal response to water security. With a view to influence the allocation of Water Resilience Grant funding to municipalities.

The impact of the energy crisis on service delivery and business is equally critical. During the year under review, the Department provided support to municipalities through an Emergency Loadshedding Relief Grant, to assist particularly with the functioning of water reservoirs and Waste Water Treatment plants. Municipalities were also supported with technical advisory services, the development of response strategies and assessment of key infrastructure components. Recognising that more must be done to manage and mitigate the impact of load-shedding on basic services and the economy of the Province, now and in the future, the Department continues to prioritise the implementation of several initiatives. These are aimed at exploring various energy generation alternatives, which include support to municipalities with the Energy Master Plans and support towards load-shedding free towns.

Dealing with the realities that local government as a first point of contact with communities is facing, requires all stakeholders to be united and act with speed to ensure efficient service delivery that widely benefits the communities. The Department has been at the forefront facilitating platforms for various spheres of government to plan and implement plans collectively. We will continue to provide these platforms for the exploration of new ways of conducting business and facilitating cohesive implementation by all those who work in the local government space.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2024****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 150 to 210 have been approved by the Accounting Officer.

Mr Graham Pause

ACCOUNTING OFFICER

DATE: 31 August 2024

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

**REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2024**

Refer to page 82 for the Audit Committee's report.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2024****Report of the Auditor-General to 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 150 to 196, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, and 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 2024 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 197 to 210 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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2024****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 as prescribed by the National Treasury 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.

Responsibilities of the accounting officer for 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 forms part of our auditor's report. This description, which is located on pages 6 and 7, forms part of this auditor's report.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2024

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 programmes 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 2024 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
Programme 2: Local governance	41- 48	To promote viable and sustainable developmental local governance, to promote integrated and sustainable planning and community participation in developmental processes.
Programme 3: Development and planning	51 - 57	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 programmes 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
 - 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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

REPORT OF THE AUDITOR-GENERAL for the year ended 31 March 2024

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 or underachievement.
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 page 44.

Programme 2: Local governance

<i>Targets achieved: 96%</i>		
<i>Budget spent 100%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	17 700	16 112

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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2024****Other information in the annual report**

25. The accounting officer is responsible for the other information included in the annual report. The other information referred to 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, the report on the audit of the annual performance report and the report on 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 annual performance report, and several sections of the annual report were outstanding and is expected to be made available to us after 31 July 2024.
29. 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.
30. 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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2024****Internal control deficiencies**

31. 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.
32. I did not identify any significant deficiencies in internal control.

Auditor - General

Cape Town
31 July 2024



**A U D I T O R - G E N E R A L
S O U T H A F R I C A**

Auditing to build public confidence

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2024**

Annexure to the auditor's report

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

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

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2024**

- 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

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.

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.

From the matters communicated to those charged with governance, I determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore key audit matters. I describe these matters in this auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in this auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(f); 38(1)(c)(i); 38(1)(c)(ii) Section 38(1)(d); 38(1)(h)(iii); 38(1)(j); 39(1)(a) Section 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(1); 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a) Regulation 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b) Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1 Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4 Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2 Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2 Regulation 16A3.2(a); 16A6.1; 16A6.2(a) Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b) Regulation 16A6.3(c); 16A 6.3(e); 16A6.4 Regulation 16A6.5; 16A6.6; 16A7.1; 16A7.3 Regulation 16A7.6; 16A7.7; Regulation 16A8.3; ; 16A8.4; 16A9.1(b)(ii) Regulation ; 16A 9.1(d); 16A 9.1(e); 16A9.1(f) Regulation 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2 Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
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); 3.3.1;
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
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; Regulation 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; Regulation 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 25(1)(e)(i) ; 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Appropriation per programme									
Voted funds and Direct charges	2023/24							2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virment R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
Programme									
1. Administration	53,062	-	(2,648)	50,414	50,159	255	99.5	54,499	52,933
2. Local Governance	163,634	-	346	163,980	163,980	-	100.0	168,569	159,714
3. Development and Planning	194,112	-	2,747	196,859	195,197	1,662	99.2	165,366	163,354
4. Traditional Institutional Management	818	-	(445)	373	373	-	100.0	478	-
TOTAL	411,626	-	-	411,626	409,709	1,917	99.5%	388,912	376,001
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				3,343				5,464	
Actual amounts per Statement of Financial Performance (Total Revenue)				414,969				394,376	
Actual amounts per Statement of Financial Performance Expenditure (Total Expenditure)					409,709				376,001

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Appropriation per economic classification									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virment	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
Current payments	265,427	114	-	265,541	263,624	1,917	99.3	260,231	248,344
Compensation of employees	205,865	(2,756)	(383)	202,726	201,172	1,554	99.2	198,390	195,859
Goods and services	59,562	2,870	383	62,815	62,452	363	99.4	61,841	52,485
Transfers and subsidies	139,564	227	-	139,791	139,791	-	100.0	120,825	120,825
Provinces and municipalities	138,381	-	-	138,381	138,381	-	100.0	119,031	119,031
Departmental agencies and accounts	382	-	-	382	382	-	100.0	382	382
Non-profit institutions	376	-	-	376	376	-	100.0	376	376
Households	425	227	-	652	652	-	100.0	1,036	1,036
Payments for capital assets	6,418	(559)	-	5,859	5,859	-	100.0	7,815	6,791
Machinery and equipment	6,418	(559)	-	5,859	5,859	-	100.0	7,815	6,791
Payment for financial assets	217	218	-	435	435	-	100.0	41	41
Total	411,626	-	-	411,626	409,709	1,917	99.5	388,912	376,001

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 1: Administration									
Sub programme	2023/24							2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virment R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
1. Office of the MEC	-	-	-	-	-	-	-	-	-
2. Corporate Services	53,062	-	(2,648)	50,414	50,159	255	99.5	54,499	52,933
Total for sub programmes	53,062	-	(2,648)	50,414	50,159	255	99.5	54,499	52,933

Economic classification	2023/24							2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
Current payments	47,606	559	(2,582)	45,583	45,328	255	99.4	47,908	47,254
Compensation of employees	36,523	-	(695)	35,828	35,573	255	99.3	36,158	35,702
Goods and services	11,083	559	(1,887)	9,755	9,755	-	100.0	11,750	11,552
Transfers and subsidies	88	-	-	88	88	-	100.0	52	52
Departmental agencies and accounts	6	-	-	6	6	-	100.0	6	6
Households	82	-	-	82	82	-	100.0	46	46
Payments for capital assets	5,319	(559)	(31)	4,729	4,729	-	100.0	6,514	5,602
Machinery and equipment	5,319	(559)	(31)	4,729	4,729	-	100.0	6,514	5,602
Payment for financial assets	49	-	(35)	14	14	-	100.0	25	25
Total	53,062	-	(2,648)	50,414	50,159	255	99.5	54,499	52,933

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APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 2: Local Governance									
Sub programme	2023/24							2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virment R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
1. Municipal Administration	16,381	(864)	(459)	15,058	15,058	-	100.0	17,383	16,668
2. Public Participation	11,791	(308)	-	11,483	11,483	-	100.0	11,804	11,651
3. Capacity Development	13,473	(52)	-	13,421	13,421	-	100.0	13,275	11,721
4. Municipal Performance Monitoring Reporting and Evaluation	28,975	113	-	29,088	29,088	-	100.0	35,946	30,319
5. Service Delivery Integration	12,480	(146)	10	12,344	12,344	-	100.0	11,926	11,794
6. Community Development Worker Programme	80,534	1,257	795	82,586	82,586	-	100.0	78,235	77,561
Total for sub programmes	163,634	-	346	163,980	163,980	-	100.0	168,569	159,714

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Economic classification	2023/24							2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virment R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
Current payments	144,528	(424)	280	144,384	144,384	-	100.0	145,970	137,115
Compensation of employees	127,709	(205)	739	128,243	128,243	-	100.0	124,595	122,887
Goods and services	16,819	(219)	(459)	16,141	16,141	-	100.0	21,375	14,228
Transfers and subsidies	18,081	204	-	18,285	18,285	-	100.0	21,551	21,551
Provinces and municipalities	17,846	-	-	17,846	17,846	-	100.0	20,632	20,632
Households	235	204	-	439	439	-	100.0	919	919
Payments for capital assets	935	-	31	966	966	-	100.0	1,032	1,032
Machinery and equipment	935	-	31	966	966	-	100.0	1,032	1,032
Payment for financial assets	90	220	35	345	345	-	100.0	16	16
Total	163,634	-	346	163,980	163,980	-	100.0	168,569	159,714

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 3: Development and Planning									
Sub programme	2023/24							2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virment R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Municipal Infrastructure	128,441	(1,964)	-	126,477	125,178	1,299	99.0	113,661	111,764
2. Disaster Management	59,138	2,172	2,747	64,057	63,694	363	99.4	44,070	43,955
3. Integrated Development Planning Coordination	6,533	(208)	-	6,325	6,325	-	100.0	7,635	7,635
Total per sub programme	194,112	-	2,747	196,859	195,197	1,662	99.2	165,366	163,354

Economic Classification	2023/24							2022/23	
	Approved Budget R'000	Shifting of Funds R'000	Virment R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
Current payments	72,475	(21)	2,747	75,201	73,539	1,662	97.8%	65,875	63,975
Compensation of employees	40,835	(2,551)	-	38,284	36,985	1,299	96.6	37,270	37,270
Goods and services	31,640	2,530	2,747	36,917	36,554	363	99.0	28,605	26,705
Transfers and subsidies	121,395	23	-	121,418	121,418	-	100.0	99,222	99,222
Provinces and municipalities	120,535	-	-	120,535	120,535	-	100.0	98,399	98,399
Departmental agencies and accounts	376	-	-	376	376	-	100.0	376	376
Non-profit institutions	376	-	-	376	376	-	100.0	376	376
Households	108	23	-	131	131	-	100.0	71	71
Payments for capital assets	164	-	-	164	164	-	100.0	269	157
Machinery and equipment	164	-	-	164	164	-	100.0	269	157
Payment for financial assets	78	(2)	-	76	76	-	100.0	-	-
Total	194,112	-	2,747	196,859	195,197	1,662	99.2	165,366	163,354

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

APPROPRIATION STATEMENT
for the year ended 31 March 2024
Programme 4: Traditional Institutional Management

	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virment	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Traditional Institutional Administration	818	-	(445)	373	373	-	100.0	478	-
Total for sub programme	818	-	(445)	373	373	-	100.0	478	-

	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virment	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic Classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	818	-	(445)	373	373	-	100.0	478	-
Compensation of employees	798	-	(427)	371	371	-	100.0	367	-
Goods and Services	20	-	(18)	2	2	-	100.0	111	-
Total	818	-	(445)	373	373	-	100.0	478	-

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2024**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**

Programme	Final Budget	Actual Expenditure	Variance	Variance as a %
	R'000	R'000	R'000	%
ADMINISTRATION	50,414	50,159	255	0.5%
Explanation of variance: The savings on Compensation of Employees is due to delays with the filling of vacant posts (predominantly includes the funds allocated to support the implementation of the Joint District and Metro Approach).				
LOCAL GOVERNANCE	163,980	163,980	-	0.0%
DEVELOPMENT AND PLANNING	196,859	195,197	1,662	0.8%
Explanation of variance: The savings relates to the following:				
<ul style="list-style-type: none"> delays with the recruitment process to appoint additional critical skills and capacity to support the energy security programme in the Department (Earmarked funding); delays with the Supply Chain Management process for the installation of fibre at the Disaster Management Centre (resilient connectivity); and the unspent earmarked funds related to providing an alternative satellite-based communications system for emergency communications (technical communications during major electricity disruptions). 				
The Department has surrendered the unspent earmarked amount to the Provincial Revenue Fund.				
TRADITIONAL INSTITUTIONAL MANAGEMENT	373	373	-	0.0%
Total	411,626	409,709	1,917	0.5%

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2024

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	202,726	201,172	1,554	0.8%
Goods and services	62,815	62,452	363	0.6%
Transfers and subsidies				
Provinces and municipalities	138,381	138,381	-	0.0%
Departmental agencies and accounts	382	382	-	0.0%
Non-profit institutions	376	376	-	0.0%
Households	652	652	-	0.0%
Payments for capital assets				
Machinery and equipment	5,859	5,859	-	0.0%
Payments for financial assets	435	435	-	0.0%
Total	411,626	409,709	1,917	0.5%

Explanation of variance: The savings are due to the following:

- Compensation of employees -
 - delays with the filling of vacant posts (Joint District and Metro Approach); and
 - delays with the recruitment process to appoint additional critical skills and capacity to support the energy security programme in the Department (Earmarked funds).
- Goods and services: Earmarked funds
 - delays with the Supply Chain Management process for the installation of fibre at the Disaster Management Centre (resilient connectivity); and
 - the unspent earmarked funds related to providing an alternative satellite-based communications system for emergency communications (technical communications during major electricity disruptions).

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

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
ASSETS			
Current Assets		2,262	13,446
Cash and cash equivalents	8	1,819	12,619
Receivables	9	443	827
Non-Current Assets		1	12
Receivables	9	1	12
TOTAL ASSETS		2,263	13,458
LIABILITIES			
Current Liabilities		1,948	13,014
Voted funds to be surrendered to the Revenue Fund	10	1,917	12,911
Departmental revenue and NRF Receipts surrendered to the Revenue Fund	11	10	32
Payables	12	21	71
TOTAL LIABILITIES		1,948	13,014
NET ASSETS		315	444
Represented by:			
Recoverable revenue		315	444
TOTAL		315	444

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
NET ASSETS			
Recoverable revenue			
Opening balance		444	407
Transfers		(129)	37
Debts recovered (included in departmental receipts)		(141)	(68)
Debts raised		12	105
Closing balance		315	444
TOTAL		315	444

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

CASH FLOW STATEMENT
for the year ended 31 March 2024

	<i>Note</i>	2023/24 R'000	2022/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		415,088	394,448
Annual appropriated funds received	1.1	411,626	388,912
Departmental revenue received	2	3,462	5,536
Net (increase)/decrease in working capital		334	(234)
Surrendered to Revenue Fund		(16,395)	(17,751)
Current payments		(263,624)	(248,344)
Payments for financial assets		(435)	(41)
Transfers and subsidies paid		(139,791)	(120,825)
Net cash flow available from operating activities	13	(4,823)	7,253
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(5,859)	(6,791)
Proceeds from sale of capital assets	2.2	-	42
(Increase)/decrease in non-current receivables	9	11	(12)
Net cash flows from investing activities		(5,848)	(6,761)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		(129)	37
Net cash flows from financing activities		(129)	37
Net increase/ (decrease) in cash and cash equivalents		(10,800)	529
Cash and cash equivalents at beginning of period		12,619	12,090
Cash and cash equivalents at end of period	14	1,819	12,619

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES
for the year ended 31 March 2024

Summary of significant accounting policies

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

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

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

1. Basis of preparation

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

2. Going concern

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

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

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

6. Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7. Revenue

7.1 Appropriated funds

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

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES for the year ended 31 March 2024

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 reliably.

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

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

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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES for the year ended 31 March 2022

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 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.

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

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

9. Aid Assistance

9.1 Aid assistance received

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

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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES for the year ended 31 March 2022

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 are recognised in the statement of financial performance if the amount paid is material and budgeted for, as an expense in the year in which the actual prepayment or advance was made.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

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

14. Financial assets

14.1 Financial assets (not covered elsewhere)

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

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES for the year ended 31 March 2022

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.

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 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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES for the year ended 31 March 2022

17. Provisions and Contingents

17.1 Provisions

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

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

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

17.4 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

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES for the year ended 31 March 2022

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.

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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ACCOUNTING POLICIES for the year ended 31 March 2022

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.

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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024**ACCOUNTING POLICIES
for the year ended 31 March 2022****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.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

1. 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	2023/24			2022/23		
	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	53,062	53,062	-	54,499	54,499	-
Local Governance	163,634	163,634	-	168,569	168,569	-
Development and Planning	194,112	194,112	-	165,366	165,366	-
Traditional Institutional Management	818	818	-	478	478	-
Total	411,626	411,626	-	388,912	388,912	-

2. Departmental Revenue

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services other than capital assets	2.1	115	118
Sales of capital assets	2.2	-	42
Transactions in financial assets and liabilities	2.3	3,347	5,418
Total revenue collected		3,462	5,578
Less: Own revenue included in appropriation	11	119	114
Total		3,343	5,464

2.1 Sales of goods and services other than capital assets 2

Sales of goods and services produced by the department	115	118
Other sales	115	118
Total	115	118

Other sales consist of commission on insurance and garnishees.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
2.2 Sales of capital assets	2		
Machinery and equipment		-	42
Total		-	42
2.3 Transactions in financial assets and liabilities	2		
Other Receipts including Recoverable Revenue		3,347	5,418
Total		3,347	5,418
Included in Other Receipts including Recoverable Revenue: Refunds received from Municipalities for unspent grants.			
2.4 Gifts, donations and sponsorships received in-kind (not included in main or sub note)			
Sponsorships	<i>Annex 1E</i>	205	232
Total gifts, donations and sponsorships received in kind		205	232
3. Compensation of employees			
3.1 Analysis of balance			
Basic salary		144,314	135,434
Performance award		-	63
Service Based		73	54
Compensative/circumstantial		1,290	1,286
Other non-pensionable allowances		26,631	31,805
Total		172,308	168,642
3.2 Social contributions			
Employer contributions			
Pension		18,008	16,864
Medical		10,812	10,311
Bargaining council		44	42
Total		28,864	27,217
Total compensation of employees		201,172	195,859
Average number of employees		367	376

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	Note	2023/24 R'000	2022/23 R'000
4. Goods and services			
Administrative fees		106	108
Advertising		1,801	3,161
Minor assets	4.1	276	237
Bursaries (employees)		379	403
Catering		657	765
Communication		1,140	1,451
Computer services	4.2	1,070	702
Consultants: Business and advisory services		13,312	5,911
Legal services		2,305	2,499
Contractors		21,329	17,104
Agency and support / outsourced services		19	-
Entertainment		50	52
Audit cost - external	4.3	3,010	2,596
Fleet services		3,105	3,017
Consumables	4.4	616	793
Operating leases		256	240
Property payments	4.5	2,081	1,948
Rental and hiring		11	17
Transport provided as part of the departmental activities		256	250
Travel and subsistence	4.6	5,656	5,536
Venues and facilities		340	298
Training and development		3,298	2,220
Other operating expenditure	4.7	1,379	3,177
Total		62,452	52,485

Consultants include mainly the following:

Hydrogeological services, ICT System Analyst and an assessment on public participation in the Western Cape Municipalities.

Contractors include mainly the following:

Aerial firefighting and Forensic investigators fees.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
4.1 Minor assets	4		
Tangible assets		276	237
Machinery and equipment		276	237
Total		276	237
4.2 Computer services	4		
SITA computer services		282	281
External computer service providers		788	421
Total		1,070	702
External computer service providers includes the costs relating to the software for the disaster management information and communication system as well as the MTN data contract.			
4.3 Audit cost - external	4		
Regularity audits		3,010	2,596
Total		3,010	2,596
4.4 Consumables	4		
Consumable supplies		135	390
Household supplies		59	74
Building material and supplies		5	207
IT consumables		70	103
Other consumables		1	6
Stationery, printing and office supplies		481	403
Total		616	793

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
4.5 Property payments	4		
Municipal services		16	14
Property maintenance and repairs		-	224
Other		2,065	1,710
Total		2,081	1,948

Other includes firefighting and protection services, safeguarding and security as well as fumigation of offices.

4.6 Travel and subsistence	4		
Local		5,549	5,512
Foreign		107	24
Total		5,656	5,536

4.7 Other operating expenditure	4		
Professional bodies, membership and subscription fees		4	3
Resettlement costs		378	79
Other		997	3,095
Total		1,379	3,177

Other includes:
Photocopies, printing and binding of the Annual Report and Annual Performance Plan, Municipal Client Service charters and Know Your Ward Committees.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
5. Payments for financial assets			
Other material losses written off	5.1	253	33
Debts written off	5.2	182	8
Total		435	41
5.1 Other material losses written off	5		
Nature of losses			
GG Vehicle Damage		190	3
Assets		63	30
Total		253	33
5.2 Debts written off	5		
Nature of debts written off			
Vehicle damages		-	7
Assets		-	1
Fruitless and wasteful expenditure		2	-
Salaries		72	-
Leave without pay		108	-
Total		182	8
Total debt written off		182	8
6 Transfers and Subsidies			
Provinces and municipalities	26	138,381	119,031
Departmental agencies and accounts	ANNEX 1B	382	382
Non-profit institutions	ANNEX 1C	376	376
Households	ANNEX 1D	652	1,036
Total		139,791	120,825

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
7 Expenditure for capital assets			
Tangible capital assets		5,859	6,791
Machinery and equipment		5,859	6,791
Total		5,859	6,791
7.1 Analysis of funds utilised to acquire capital assets - Current year			
	Voted Funds R'000	2023/24 Aid assistance R'000	TOTAL R'000
Tangible capital assets	5,859	-	5,859
Machinery and equipment	5,859	-	5,859
Total	5,859	-	5,859
7.2 Analysis of funds utilised to acquire capital assets - Prior year			
	Voted Funds R'000	2022/23 Aid assistance R'000	TOTAL R'000
Tangible capital assets	6,791	-	6,791
Machinery and equipment	6,791	-	6,791
Total	6,791	-	6,791
	Note	2023/24 R'000	2022/23 R'000
7.3 Finance lease expenditure included in Expenditure for capital assets			
Tangible capital assets			
Machinery and equipment		3,481	3,126
Total		3,481	3,126
8 Cash and cash equivalents			
Consolidated Paymaster General Account		1,769	12,569
Cash on hand		50	50
Total		1,819	12,619

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

9. Receivables

		2023/24			2022/23		
		Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
Claims recoverable	9.1	-	-	-	147	-	147
Recoverable expenditure	9.2	27	-	27	113	-	113
Staff debt	9.3	416	1	417	551	11	562
Other receivables	9.4	-	-	-	16	1	17
Total		443	1	444	827	12	839

	Note	2023/24 R'000	2022/23 R'000
9.1 Claims recoverable	9		
Provincial departments		-	147
Total		-	147
9.2 Recoverable expenditure	9		
Damages: GG Vehicles		2	67
Theft and damages: Assets		25	46
Total		27	113
9.3 Staff debt	9		
Bursary		41	41
Leave without pay		310	381
Income Tax		15	11
Salary		25	99
Telephone		-	1
Assets		26	29
Total		417	562
9.4 Other receivables	9		
Fruitless and wasteful expenditure		-	17
Total		-	17

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
9.4 Impairment of receivables	9		
Estimate of impairment of receivables		412	644
Total		412	644
<p>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.</p>			
10 Voted Funds to be surrendered to the Revenue Fund			
Opening balance		12,911	12,175
As restated		12,911	12,175
Transferred from statement of financial performance (as restated)		1,917	12,911
Paid during the year		(12,911)	(12,175)
Closing balance		1,917	12,911
11 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		32	30
As restated		32	30
Transfer from statement of financial performance (as restated)		3,343	5,464
Own revenue included in appropriation		119	114
Paid during the year		(3,484)	(5,576)
Closing balance		10	32
12 Payables - current			
Clearing accounts	12.1	21	71
Total		21	71
12.1 Clearing accounts	12		
Sal: GEHS refund control account: CL		-	41
Sal: Income Tax: CL		16	26
Sal: Reversal Control: CA		5	4
Total		21	71

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
13 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		5,260	18,375
Add back non cash/cash movements not deemed operating activities		(10,083)	(11,122)
(Increase)/decrease in receivables		384	(263)
Increase/(decrease) in payables – current		(50)	29
Proceeds from sale of capital assets		-	(42)
Expenditure on capital assets		5,859	6,791
Surrenders to Revenue Fund		(16,395)	(17,751)
Own revenue included in appropriation		119	114
Net cash flow generated by operating activities		(4,823)	7,253
14 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		1,769	12,569
Cash on hand		50	50
Total		1,819	12,619
15 Contingent liabilities and contingent assets			
15.1 Contingent assets			
<p>There are 7 PILIR cases under investigation which were not finalised by the Department as at 31 March 2024. 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.</p>			
16 Capital Commitments			
Machinery and equipment		-	1,028
Total		-	1,028

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

17 Accruals and payables not recognised

17.1 Accruals

			2023/24 R'000	2022/23 R'000
Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	681	-	681	587
Capital assets	409	-	409	-
Other	15	-	15	-
Total	1,105	-	1,105	587

	Note	2023/24 R'000	2022/23 R'000
Listed by programme level			
Programme 1: Administration		697	156
Programme 2: Local Governance		297	420
Programme 3: Development and Planning		111	11
Total		1,105	587

17.2 Payables not recognised

			2023/24 R'000	2022/23 R'000
Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	34	-	34	31
Transfers and subsidies	-	-	-	1
Other	-	-	-	2
Total	34	-	34	34

	Note	2023/24 R'000	2022/23 R'000
Listed by programme level			
Programme 1: Administration		-	9
Programme 2: Local Governance		10	3
Programme 3: Development and Planning		24	22
Total		34	34

Included in the above totals are the following:

Confirmed balances with departments	Annex 3	103	9
Confirmed balances with other government entities	Annex 3	626	81
Total		729	90

The difference between the confirmation of debt (Payables Annexure) and the accruals amount for Government Motor Transport relates to the credit amount refunded to the Department on 29 April 2024.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
18 Employee benefits			
Leave entitlement		8,829	8,474
Service bonus		5,116	4,750
Capped leave		1,647	1,547
Other		172	182
Total		15,764	14,953

At this stage the department is not able to reliably measure the long term portion of the long service awards. Included in leave entitlement are credits amounting to R171 500.

19. Lease commitments**19.1 Operating leases**

	Specialised military assets R'000	Land R'000	2023/24 Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	290	290
Later than 1 year and not later than 5 years	-	-	-	475	475
Total lease commitments	-	-	-	765	765

	Specialised military assets R'000	Land R'000	2022/23 Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	178	178
Later than 1 year and not later than 5 years	-	-	-	24	24
Total lease commitments	-	-	-	202	202

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

19.2 Finance leases

	Specialised military assets R'000	Land R'000	2023/24 Buildings and other fixed structures R'000	Machinery and equipment R'000	Total 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
Total lease commitments	-	-	-	11,183	11,183

	Specialised military assets R'000	Land R'000	2022/23 Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2,994	2,994
Later than 1 year and not later than 5 years	-	-	-	5,514	5,514
Total lease commitments	-	-	-	8,508	8,508

Included in finance leases are data-cards and vehicles.

The Department leased 35 vehicles from Government Motor Transport as at 31 March 2024 (31 March 2023: 37). 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 Government Motor Transport. The department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

20. Accrued departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Transactions in financial assets and liabilities	20.1	2,046	604
Total		2,046	604

20.1 Analysis of accrued departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Opening balance	20	604	1,328
Less: Amounts received		2,943	5,303
Add: Amount recorded		4,385	5,117
Other (Adjustments)		-	(538)
Total		2,046	604

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
21. Unauthorised, Irregular and Fruitless and wasteful expenditure			
Irregular expenditure - current year		5	5
Fruitless and wasteful expenditure - current year		7	5
Closing balance		12	10

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.

23. Key management personnel

	2023/24 R'000	2022/23 R'000
Officials:		
Level 15 to 16	5,980	1,869
Level 14 (incl CFO if at a lower level)	1,970	5,689
Total	7,950	7,558

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

24. Movable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	2023/24 Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	25,304	-	2,403	1,663	26,044
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
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	25,304	-	2,403	1,663	26,044

Included in additions is a laptop that was purchased in 2023/24 financial year and has been reported as stolen. The amount has been journalised to disallowance: damages and losses for investigation.

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	34	705
Total	34	705

6 Assets reported and under investigation. Assets have been reported either as lost, stolen or damaged, and is under investigation to determine liability.
28 Assets not presented for verification during the annual asset verification process. These assets must be reported as a loss, which will subsequently be investigated to determine liability.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

24.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance R'000	Value adjustments R'000	2022/23 Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	22,494	-	3,694	884	25,304
Computer equipment	13,576	-	3,582	843	16,315
Furniture and office equipment	3,911	-	-	21	3,890
Other machinery and equipment	5,007	-	112	20	5,099
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	22,494	-	3,694	884	25,304

24.2 Minor assets

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

	2023/24					
	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	6,078	-	6,078
Additions	-	-	-	276	-	276
Disposals	-	-	-	264	-	264
TOTAL MINOR ASSETS	-	-	-	6,090	-	6,090
Number of R1 minor assets	-	-	-	1	-	1
Number of minor assets at cost	-	-	-	3,312	-	3,312
TOTAL MINOR CAPITAL ASSETS	-	-	-	3,313	-	3,313

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	80	120

13 Assets reported and under investigation. Assets have been reported either as lost, stolen or damaged, and is under investigation to determine liability.
67 Assets not presented for verification during the annual asset verification process. These assets must be reported as a loss, which will subsequently be investigated to determine liability.

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2023

	2022/23					
	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	6,034	-	6,034
Additions	-	-	-	237	-	237
Disposals	-	-	-	193	-	193
TOTAL MINOR CAPITAL ASSETS	-	-	-	6,078	-	6,078

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	3	-	3
Number of minor assets at cost	-	-	-	3,335	-	3,335
TOTAL NUMBER OF MINOR ASSETS	-	-	-	3,338	-	3,338

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for the year ended 31 March 2024

24.3 Movable tangible capital assets written off

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

	2023/24					Total R'000
	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	
Assets written off	-	-	-	326	-	326
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	326	-	326

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2023

	2022/23					Total R'000
	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	
Assets written off	-	-	-	103	-	103
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	103	-	103

25. Intangible Capital Assets

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

	2023/24			Closing balance R'000
	Opening balance R'000	Additions R'000	Disposals R'000	
SOFTWARE	498	-	-	498
TOTAL INTANGIBLE CAPITAL ASSETS	498	-	-	498

25.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR YEAR ENDED
31 MARCH 2023

	2022/23			Closing balance R'000
	Opening balance R'000	Additions R'000	Disposals R'000	
SOFTWARE	498	-	-	498
TOTAL INTANGIBLE CAPITAL ASSETS	498	-	-	498

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

26. Statement of Conditional Grants and other transfers paid to municipalities

NAME OF MUNICIPALITY	2023/24							2022/23	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers R'000	Actual Transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %		
Community Development Worker Operational Support Grant									
Beaufort West	226	-	-	226	226	-	-	-	223
Bitou	19	-	-	19	19	-	-	-	19
Breede Valley	94	-	-	94	94	-	-	-	94
Cape Agulhas	57	-	-	57	57	-	-	-	56
Cape Winelands District	76	-	-	76	76	-	-	-	75
Cederberg	151	-	-	151	151	-	-	-	152
City of Cape Town	1 018	-	-	1 018	1 018	-	-	-	1 034
Drakenstein	113	-	-	113	113	-	-	-	113
George	94	-	-	94	94	-	-	-	94
Hessequa	38	-	-	38	38	-	-	-	38
Kannaland	113	-	-	113	113	-	-	-	112
Knysna	57	-	-	57	57	-	-	-	56
Laingsburg	76	-	-	76	76	-	-	-	94
Langeberg	38	-	-	38	38	-	-	-	38
Matzikama	94	-	-	94	94	-	-	-	94
Mossel Bay	57	-	-	57	57	-	-	-	56
Oudtshoorn	57	-	-	57	57	-	-	-	56
Overberg District	57	-	-	57	57	-	-	-	56
Overstrand	76	-	-	76	76	-	-	-	75
Prince Albert	76	-	-	76	76	-	-	-	56
Saldanha Bay	76	-	-	76	76	-	-	-	75
Stellenbosch	38	-	-	38	38	-	-	-	38
Swartland	38	-	-	38	38	-	-	-	38
Theewaterskloof	113	-	-	113	113	-	-	-	112
West Coast District	76	-	-	76	76	-	-	-	75
Witzenberg	132	-	-	132	132	-	-	-	131

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

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for the year ended 31 March 2024

NAME OF MUNICIPALITY	2023/24							2022/23	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers R'000	Actual Transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %		
Thusong Service Centre Grant (Sustainability: Operational Support Grant)									
Bitou	120	-	-	120	120	-	-	-	150
Breede Valley	120	-	-	120	120	-	-	-	150
Cederberg	120	-	-	120	120	-	-	-	150
Drakenstein	116	-	-	116	116	-	-	-	-
George	150	-	-	150	150	-	-	-	-
Hessequa	150	-	-	150	150	-	-	-	-
Oudtshoorn	120	-	-	120	120	-	-	-	150
Overstrand	-	-	-	-	-	-	-	-	150
Prince Albert	150	-	-	150	150	-	-	-	150
Saldanha Bay	-	-	-	-	-	-	-	-	146
Municipal Energy Resilience Grant									
Beaufort West	-	-	600	600	600	-	-	-	-
Cederberg	-	-	500	500	500	-	-	-	-
Drakenstein	-	-	800	800	800	-	-	-	800
Hessequa	-	-	69,000	69,000	69,000	-	-	-	-
Prince Albert	-	-	400	400	400	-	-	-	-
Saldanha Bay	-	-	-	-	-	-	-	-	800
Swartland	-	-	680	680	680	-	-	-	-
Theewaterskloof	-	-	500	500	500	-	-	-	-
Unallocated	8,476	-	(8,476)	-	-	-	-	-	-
Municipal Service Delivery and Capacity Building Grant									
Breede Valley	-	-	700	700	700	-	-	-	-
Cape Agulhas	-	-	-	-	-	-	-	-	420
Cederberg	-	-	300	300	300	-	-	-	-
Central Karoo District	-	-	400	400	400	-	-	-	-
Drakenstein	-	-	500	500	500	-	-	-	-
Garden Route District	-	-	500	500	500	-	-	-	-
Hessequa	-	-	-	-	-	-	-	-	250
Kannaland	-	-	300	300	300	-	-	-	-

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for the year ended 31 March 2024

NAME OF MUNICIPALITY	2023/24							2022/23	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers R'000	Actual Transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %		
Knysna	-	-	250	250	250	-	-	-	-
Langeberg	-	-	1,000	1,000	1,000	-	-	-	-
Matzikama	-	-	900	900	900	-	-	-	-
Mossel Bay	-	-	-	-	-	-	-	-	300
Overstrand	-	-	500	500	500	-	-	-	1,550
Oudshoorn	-	-	500	500	500	-	-	-	-
Saldanha Bay	-	-	500	500	500	-	-	-	500
Swartland	-	-	500	500	500	-	-	-	-
Swellendam	-	-	778	778	778	-	-	-	-
Theewaterskloof	-	-	-	-	-	-	-	-	620
West Coast District	-	-	-	500	500	-	-	-	200
Witzenberg	-	-	-	-	-	-	-	-	500
Unallocated	3,603	-	(3,603)	-	-	-	-	-	-
Fire Service Capacity Building Grant									
Bergrivier	926	-	-	926	926	-	-	-	-
Breede Valley	1,103	-	-	1,103	1,103	-	-	-	-
Cape Winelands District	500	-	-	500	500	-	-	-	-
Central Karoo District	500	-	-	500	500	-	-	-	-
Drakenstein	985	-	-	985	985	-	-	-	-
Garden Route District	4,481	-	2,500	6,981	6,981	-	-	-	-
Langeberg	-	-	-	-	-	-	-	-	821
Mossel Bay	-	-	-	-	-	-	-	-	824
Oudshoorn	1,911	-	-	1,911	1,911	-	-	-	-
Overberg District	500	-	-	500	500	-	-	-	-
Swartland	926	-	-	926	926	-	-	-	-
West Coast District	1,426	-	-	1,426	1,426	-	-	-	821
Witzenberg	985	-	-	985	985	-	-	-	-
Unallocated	2,500	-	(2,500)	-	-	-	-	-	-

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

NAME OF MUNICIPALITY	2023/24							2022/23	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers R'000	Actual Transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %		
Western Cape Municipal Interventions Grant									
Beaufort West	-	-	1,635	1,635	1,635	-	-	-	480
Cape Agulhas	-	-	-	-	-	-	-	-	700
Cape Winelands District	-	-	100	100	100	-	-	-	100
Cederberg	-	-	400	400	400	-	-	-	750
Central Karoo District	-	-	700	700	700	-	-	-	100
Garden Route District	-	-	100	100	100	-	-	-	100
Kannaland	-	-	300	300	300	-	-	-	606
Laingsburg	-	-	400	400	400	-	-	-	200
Matzikama	-	-	1,877	1,877	1,877	-	-	-	450
Mossel Bay	-	-	-	-	-	-	-	-	250
Oudtshoorn	-	-	-	-	-	-	-	-	250
Overberg District	-	-	100	100	100	-	-	-	300
Overstrand	-	-	-	-	-	-	-	-	450
Prince Albert	-	-	-	-	-	-	-	-	1,200
Swellendam	-	-	-	-	-	-	-	-	500
Theewaterskloof	-	-	-	-	-	-	-	-	250
West Coast District	-	-	-	-	-	-	-	-	100
Witzenberg	-	-	-	-	-	-	-	-	400
Unallocated	5,647	-	(5,647)	-	-	-	-	-	-
Disaster Management Grant									
Breede Valley	-	-	-	-	-	-	-	-	118

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

NAME OF MUNICIPALITY	2023/24							2022/23	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers R'000	Actual Transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %		
Municipal Water Resilience Grant									
Beaufort West	-	-	1,200	1,200	1,200	-	-	-	-
Breede Valley	-	-	-	-	-	-	-	-	700
Cape Winelands District	-	-	1,200	1,200	1,200	-	-	-	-
Cederberg	-	-	5,000	5,000	5,000	-	-	-	3,000
Central Karoo District	-	-	2,400	2,400	2,400	-	-	-	-
Garden Route District	-	-	1,200	1,200	1,200	-	-	-	-
Hessequa	-	-	-	-	-	-	-	-	400
Kannaland	-	-	2,440	2,440	2,440	-	-	-	-
Laingsburg	-	-	1,650	1,650	1,650	-	-	-	-
Matzikama	-	-	3,172	3,172	3,172	-	-	-	-
Oudtshoorn	-	-	3,000	3,000	3,000	-	-	-	-
Overberg District	-	-	1,200	1,200	1,200	-	-	-	-
Prince Albert	-	-	3,512	3,512	3,512	-	-	-	-
Swartland	-	-	-	-	-	-	-	-	600
Swellendam	-	-	2,938	2,938	2,938	-	-	-	-
West Coast District	-	-	2,400	2,400	2,400	-	-	-	-
Witzenberg	-	-	-	-	-	-	-	-	700
Unallocated	31,312	-	(31,312)	-	-	-	-	-	-
Joint District and Metro Approach Grant									
Cape Winelands District	-	-	-	-	-	-	-	-	1,000
Central Karoo District	-	-	-	-	-	-	-	-	1,000
Garden Route District	-	-	-	-	-	-	-	-	1,000
Overberg District	-	-	-	-	-	-	-	-	1,000
West Coast District	-	-	-	-	-	-	-	-	1,000
Emergency Municipal Load-Shedding Relief Grant									
Beaufort West	-	-	-	-	-	-	-	-	1,115
Bergrivier	-	-	-	-	-	-	-	-	3,600
Bitou	-	-	-	-	-	-	-	-	5,600

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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NAME OF MUNICIPALITY	2023/24							2022/23	
	GRANT ALLOCATION				TRANSFER			DoRA and other transfers R'000	Actual Transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %		
Breede Valley	-	-	-	-	-	-	-	-	950
Cape Agulhas	-	-	-	-	-	-	-	-	350
Cape Winelands District	-	-	-	-	-	-	-	-	950
Cederberg	-	-	-	-	-	-	-	-	1,600
Central Karoo District	-	-	-	-	-	-	-	-	350
Drakenstein	-	-	-	-	-	-	-	-	6,000
Garden Route District	-	-	-	-	-	-	-	-	1,600
George	-	-	-	-	-	-	-	-	14,220
Hessequa	-	-	-	-	-	-	-	-	3,800
Kannaland	-	-	-	-	-	-	-	-	1,075
Knysna	-	-	-	-	-	-	-	-	2,400
Lainsgsburg	-	-	-	-	-	-	-	-	60
Langeberg	-	-	-	-	-	-	-	-	350
Matzikama	-	-	-	-	-	-	-	-	1,050
Mossel Bay	-	-	-	-	-	-	-	-	5,000
Oudtshoorn	-	-	-	-	-	-	-	-	4,665
Overberg District	-	-	-	-	-	-	-	-	1,600
Overstrand	-	-	-	-	-	-	-	-	6,700
Prince Albert	-	-	-	-	-	-	-	-	175
Saldanha Bay	-	-	-	-	-	-	-	-	2,950
Stellenbosch	-	-	-	-	-	-	-	-	6,175
Swartland	-	-	-	-	-	-	-	-	10,945
Swellendam	-	-	-	-	-	-	-	-	1,360
Theewaterksloof	-	-	-	-	-	-	-	-	1,800
West Coast District	-	-	-	-	-	-	-	-	1,900
Witzenberg	-	-	-	-	-	-	-	-	475
Total	69,887	-	68,494	138,381	138,381	-	-	-	119,031

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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27. 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.

28. Natural Disaster or Relief Expenditure

	Note	2021/22 R'000	2020/21 R'000
Goods and services	Annex 4	-	6
Total		-	6

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT				Division of Revenue Act	Actual Transfer
	DobA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	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	%	R'000	R'000
Community Development Worker Operational Support Grant													
Beaufort West	226	-	-	226	226	-	-	226	186	40	82.3%	223	223
Bitou	19	-	-	19	19	-	-	19	-	19	0.0%	19	19
Breede Valley	94	-	-	94	94	-	-	94	73	21	77.7%	94	94
Cape Agulhas	57	-	-	57	57	-	-	57	24	33	42.1%	56	56
Cape Winelands District	76	-	-	76	76	-	-	76	37	39	48.7%	75	75
Cederberg	151	-	-	151	151	-	-	151	4	147	2.6%	152	152
City of Cape Town	1,018	-	-	1,018	1,018	-	-	1,018	293	725	28.8%	1,034	1,034
Drakenstein	113	-	-	113	113	-	-	113	-	113	0.0%	113	113
George	94	-	-	94	94	-	-	94	57	37	60.6%	94	94
Hessequa	38	-	-	38	38	-	-	38	38	-	100%	38	38
Kannaland	113	-	-	113	113	-	-	113	56	57	49.6%	112	112
Knysna	57	-	-	57	57	-	-	57	36	21	63.2%	56	56
Laingsburg	76	-	-	76	76	-	-	76	52	24	68.4%	94	94
Langeberg	38	-	-	38	38	-	-	38	38	-	100%	38	38
Matzikama	94	-	-	94	94	-	-	94	15	79	16.0%	94	94
Mossel Bay	57	-	-	57	57	-	-	57	52	5	91.2%	56	56
Oudtshoorn	57	-	-	57	57	-	-	57	37	20	64.9%	56	56
Overberg District	57	-	-	57	57	-	-	57	24	33	42.1%	56	56
Overstrand	76	-	-	76	76	-	-	76	76	-	100%	75	75
Prince Albert	76	-	-	76	76	-	-	76	37	39	48.7%	56	56
Saldanha Bay	76	-	-	76	76	-	-	76	29	47	38.2%	75	75
Stellenbosch	38	-	-	38	38	-	-	38	3	35	7.9%	38	38
Swartland	38	-	-	38	38	-	-	38	2	36	5.3%	38	38
Theewaterskloof	113	-	-	113	113	-	-	113	14	99	12.4%	112	112
West Coast District	76	-	-	76	76	-	-	76	-	76	0.0%	75	75
Witzenberg	132	-	-	132	132	-	-	132	-	132	0.0%	131	131

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NAME OF MUNICIPALITY	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT				Division of Revenue Act	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	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	%	R'000	R'000
Thusong Service Centre Grant (Sustainability: Operational Support Grant)													
Bitou	120	-	-	120	120	-	-	120	-	120	0%	150	150
Breede Valley	120	-	-	120	120	-	-	120	108	12	90.0%	150	150
Cederberg	120	-	-	120	120	-	-	120	1	119	0.8%	150	150
Drakenstein	116	-	-	116	116	-	-	116	-	116	0%	-	-
George	150	-	-	150	150	-	-	150	126	24	84.0%	-	-
Hessequa	150	-	-	150	150	-	-	150	136	14	90.7%	-	-
Oudtshoorn	120	-	-	120	120	-	-	120	-	120	0%	150	150
Overstrand	-	-	-	-	-	-	-	-	-	-	-	150	150
Prince Albert	150	-	-	150	150	-	-	150	-	150	0%	150	150
Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	146	146
Municipal Energy Resilience Grant													
Beaufort West	-	-	600	600	600	-	-	600	-	600	0%	-	-
Cederberg	-	-	500	500	500	-	-	500	-	500	0%	-	-
Drakenstein	-	-	800	800	800	-	-	800	-	800	0%	800	800
Hessequa	-	-	69,000	69,000	69,000	-	-	69,000	-	69,000	0%	-	-
Prince Albert	-	-	400	400	400	-	-	400	-	400	0%	-	-
Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	800	800
Swartland	-	-	680	680	680	-	-	680	-	680	0%	-	-
Theewaterskloof	-	-	500	500	500	-	-	500	-	500	0%	-	-
Unallocated	8,476	-	(8,476)	-	-	-	-	-	-	-	-	-	-
Municipal Service Delivery and Capacity Building Grant													
Breede Valley	-	-	700	700	700	-	-	700	298	402	42.6%	-	-
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	420	420
Cederberg	-	-	300	300	300	-	-	300	221	79	73.7%	-	-
Central Karoo District	-	-	400	400	400	-	-	400	-	400	0%	-	-
Drakenstein	-	-	500	500	500	-	-	500	-	500	0%	-	-
Garden Route District	-	-	500	500	500	-	-	500	-	500	0%	-	-
Hessequa	-	-	-	-	-	-	-	-	-	-	-	250	250
Kannaland	-	-	300	300	300	-	-	300	-	300	0%	-	-

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

NAME OF MUNICIPALITY	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT				Division of Revenue Act	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	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	%	R'000	R'000
Knysna	-	-	250	250	250	-	-	250	-	250	0%	-	-
Langeberg	-	-	1,000	1,000	1,000	-	-	1,000	-	1,000	0%	-	-
Matzikama	-	-	900	900	900	-	-	900	328	572	36.4%	-	-
Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	300	300
Overstrand	-	-	500	500	500	-	-	500	-	500	0.0%	1,550	1,550
Oudshoorn	-	-	500	500	500	-	-	500	-	500	0.0%	-	-
Saldanha Bay	-	-	500	500	500	-	-	500	-	500	0.0%	500	500
Swartland	-	-	500	500	500	-	-	500	-	500	0.0%	-	-
Swellendam	-	-	778	778	778	-	-	778	-	778	0.0%	-	-
Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	620	620
West Coast District	-	-	500	500	500	-	-	500	-	500	0.0%	200	200
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	500	500
Unallocated	3,603	-	(3,603)	-	-	-	-	-	-	-	-	-	-
Fire Service Capacity Building Grant													
Bergrivier	926	-	-	926	926	-	-	926	-	926	0%	-	-
Central Karoo District	500	-	-	500	500	-	-	500	-	500	0%	-	-
Drakenstein	985	-	-	985	985	-	-	985	-	985	0%	-	-
Breede Valley	1103	-	-	1103	1103	-	-	1103	-	1103	0%	-	-
Cape Winelands District	500	-	-	500	500	-	-	500	-	500	0%	-	-
Garden Route District	4 481	-	2 500	6 981	6 981	-	-	6 981	-	6 981	0%	-	-
Langeberg	-	-	-	-	-	-	-	-	-	-	-	821	821
Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	824	824
Overberg District	500	-	-	500	500	-	-	500	-	500	0%	-	-
Oudshoorn	1911	-	-	1911	1911	-	-	1911	-	1911	0%	-	-
Swartland	926	-	-	926	926	-	-	926	-	926	0%	-	-
West Coast District	1426	-	-	1426	1426	-	-	1426	-	1426	0%	821	821
Witzenberg	985	-	-	985	985	-	-	985	-	985	0%	-	-
Unallocated	2 500	-	(2 500)	-	-	-	-	-	-	-	-	-	-

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NAME OF MUNICIPALITY	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT				Division of Revenue Act	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	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	%	R'000	R'000
Western Cape Municipal Interventions Grant													
Beaufort West	-	-	1 635	1 635	1 635	-	-	1 635	-	1 635	0%	480	480
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	700	700
Cape Winelands District	-	-	100	100	100	-	-	100	-	100	0%	100	100
Cederberg	-	-	400	400	400	-	-	400	221	179	55.3%	750	750
Central Karoo District	-	-	700	700	700	-	-	700	-	700	0%	100	100
Garden Route District	-	-	100	100	100	-	-	100	-	100	0%	100	100
Kannaland	-	-	300	300	300	-	-	300	-	300	0%	606	606
Cape Agulhas	-	-	400	400	400	-	-	400	-	400	0%	200	200
Matzikama	-	-	1 877	1 877	1 877	-	-	1 877	327	1 550	17.4%	450	450
Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	250	250
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	250	250
Overberg District	-	-	100	100	100	-	-	100	-	100	0%	300	300
Overstrand	-	-	-	-	-	-	-	-	-	-	-	450	450
Prince Albert	-	-	-	-	-	-	-	-	-	-	-	1 200	1 200
Swellendam	-	-	-	-	-	-	-	-	-	-	-	500	500
Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	250	250
West Coast District	-	-	-	-	-	-	-	-	-	-	-	100	100
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	400	400
Unallocated	5 647	-	(5 647)	-	-	-	-	-	-	-	-	-	-
Disaster Management Grant													
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	118	118
Municipal Water Resilience Grant													
Beaufort West	-	-	1 200	1 200	1 200	-	-	1 200	-	1 200	0%	-	-
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	700	700
Cape Winelands District	-	-	1 200	1 200	1 200	-	-	1 200	-	1 200	0%	-	-
Cederberg	-	-	5 000	5 000	5 000	-	-	5 000	365	4 635	7.3%	3 000	3 000
Central Karoo District	-	-	2 400	2 400	2 400	-	-	2 400	-	2 400	0%	-	-

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

NAME OF MUNICIPALITY	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT				Division of Revenue Act	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	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	%	R'000	R'000
Garden Route District	-	-	1 200	1 200	1 200	-	-	1 200	-	1 200	0%	-	-
Hessequa	-	-	-	-	-	-	-	-	-	-	-	400	400
Kannaland	-	-	2 440	2 440	2 440	-	-	2 440	-	2 440	0%	-	-
Laingsburg	-	-	1 650	1 650	1 650	-	-	1 650	1 569	81	95.1%	-	-
Matzikama	-	-	3 172	3 172	3 172	-	-	3 172	1 550	1 622	48.9%	-	-
Oudtshoorn	-	-	3 000	3 000	3 000	-	-	3 000	3 000	-	100%	-	-
Overberg District	-	-	1 200	1 200	1 200	-	-	1 200	-	1 200	0%	-	-
Prince Albert	-	-	3 512	3 512	3 512	-	-	3 512	-	3 512	0%	-	-
Swartland	-	-	-	-	-	-	-	-	-	-	-	600	600
Swellendam	-	-	2 938	2 938	2 938	-	-	2 938	-	2 938	0%	-	-
West Coast District	-	-	2 400	2 400	2 400	-	-	2 400	-	2 400	0%	-	-
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	700	700
Unallocated	31 312	-	(31 312)	-	-	-	-	-	-	-	-	-	-
Joint District and Metro Approach Grant													
Cape Winelands District	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Central Karoo District	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Garden Route District	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Overberg District	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
West Coast District	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Emergency Municipal Load-Shedding Relief Grant													
Beaufort West	-	-	-	-	-	-	-	-	-	-	-	1 115	1 115
Bergrivier	-	-	-	-	-	-	-	-	-	-	-	3 600	3 600
Bitou	-	-	-	-	-	-	-	-	-	-	-	5 600	5 600
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	950	950
Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	350	350
Cape Winelands District	-	-	-	-	-	-	-	-	-	-	-	950	950
Cederberg	-	-	-	-	-	-	-	-	-	-	-	1 600	1 600
Central Karoo District	-	-	-	-	-	-	-	-	-	-	-	350	350

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

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for the year ended 31 March 2024

NAME OF MUNICIPALITY	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT				Division of Revenue Act	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	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	%	R'000	R'000
Drakenstein	-	-	-	-	-	-	-	-	-	-	-	6 000	6 000
Garden Route District	-	-	-	-	-	-	-	-	-	-	-	1 600	1 600
George	-	-	-	-	-	-	-	-	-	-	-	14 220	14 220
Hessequa	-	-	-	-	-	-	-	-	-	-	-	3 800	3 800
Kannaland	-	-	-	-	-	-	-	-	-	-	-	1 075	1 075
Knysna	-	-	-	-	-	-	-	-	-	-	-	2 400	2 400
Lainsgsburg	-	-	-	-	-	-	-	-	-	-	-	60	60
Langeberg	-	-	-	-	-	-	-	-	-	-	-	350	350
Matzikama	-	-	-	-	-	-	-	-	-	-	-	1 050	1 050
Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	5 000	5 000
Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	4 665	4 665
Overberg District	-	-	-	-	-	-	-	-	-	-	-	1 600	1 600
Overstrand	-	-	-	-	-	-	-	-	-	-	-	6 700	6 700
Prince Albert	-	-	-	-	-	-	-	-	-	-	-	175	175
Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	2 950	2 950
Stellenbosch	-	-	-	-	-	-	-	-	-	-	-	6 175	6 175
Swartland	-	-	-	-	-	-	-	-	-	-	-	10 945	10 945
Swellendam	-	-	-	-	-	-	-	-	-	-	-	1 360	1 360
Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	1 800	1 800
West Coast District	-	-	-	-	-	-	-	-	-	-	-	1 900	1 900
Witzenberg	-	-	-	-	-	-	-	-	-	-	-	475	475
Total	69,887	-	68,494	138,381	138,381	-	-	138,381	9,433	128,948	-	119,031	119,031

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2023/24						2022/23	
	TRANSFER ALLOCATION				TRANSFER		Final Budget	Actual Transfer
	Adjusted Budget	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds trans- ferred		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
National Sea Rescue Institute (NSRI)	376	-	-	376	376	100%	376	376
South African Broadcasting Corporation Limited	6	-	-	6	6	100%	6	6
Total	382	-	-	382	382		382	382

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

ANNEXURE 1C

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	2023/24						2022/23	
	TRANSFER ALLOCATION				TRANSFER		Final Budget R'000	Actual Transfer R'000
Non-Profit Institutions	Adjusted Budget R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %		
Transfers								
Lifesaving WC	376	-	-	376	376	100%	376	376
Total	376	-	-	376	376		376	376

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ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	2023/24						2022/23	
	TRANSFER ALLOCATION				TRANSFER		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	R'000
Transfers								
Leave Gratuity	411	-	227	638	638	100%	431	431
Severance package	-	-	-	-	-		605	605
Injury on duty	14	-		14	14	100%	-	-
Total	425	-	227	652	652		1,036	1,036

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for the year ended 31 March 2024

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2023/24 R'000	2022/23 R'000
Received in kind			
Sponsorships			
United Nations Coordination of Humanitarian Affairs (UNOCHA) and European Union	Attend the Union civil Protection Mechanism Assessment Mission Course (18AMCS)	-	40
Hanns Seidel Foundation	Local Government Practitioners Course presented by Hanns Seidel Foundation and the Institute for Federalism (IFF)	-	54
United Nations Disaster Assessment and Coordination (UNDAC)	Capacity for Disaster Reduction Initiative (CADRI)	-	42
International Organisation for Industrial Emergency Response and Fire Hazard Management (JOIFF)	JOIFF Africa Summit	-	15
EURAC Research Institute	Winter School on Federalism and Governance	-	50
United Nations Disaster Assessment and Coordination (UNDAC)	Support Mission to Turkey	-	31
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	-
Total sponsorships		205	232
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		205	232

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 2

CLAIMS RECOVERABLE

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2023/24*	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Payment date up to six (6) working days after year end	Amount R'000
GOVERNMENT ENTITY	R'000	R'000	R'000	R'000	R'000	R'000		
DEPARTMENT								
Provincial Treasury	-	147	-	-	-	147		-
Total	-	147	-	-	-	147		-

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

ANNEXURE 3

INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2023/24*	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Payment date up to six (6) working days after year end	Amount R'000
	R'000	R'000	R'000	R'000	R'000	R'000		
DEPARTMENTS								
Current								
WC: Department of the Premier	31	9	-	-	31	9	-	-
WC: Department of Infrastructure	72	-	-	-	72	-	-	-
Total Departments	103	9	-	-	103	9	-	-
OTHER GOVERNMENT ENTITIES								
Current								
Government Motor Transport	581	141	-	-	581	141	-	-
Total Other Government Entities	581	141	-	-	581	141	-	-
TOTAL INTERGOVERNMENTAL PAYABLES	684	150	-	-	684	150	-	-

The credit amount reflecting on the confirmation of debt from Government Motor Transport was refunded to the Department on 29 April 2024.

ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2024

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ANNEXURE 4

NATURAL DISASTER OR RELIEF EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2023/24					2022/23
	Q1 R'000	Q2 R'000	Q3 R'000	Q4 R'000	TOTAL R'000	TOTAL R'000
Goods services	-	-	-	-	-	6
Consumable Supplies	-	-	-	-	-	6
TOTAL NATURAL DISASTER OR RELIEF EXPENDITUREE	-	-	-	-	-	6

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ANNEXURE 5

TRANSPORT ASSETS AS PER FINANCE LEASE REGISTER YEAR ENDED 31 MARCH 2024

Movable Tangible Capital Assets

	Opening balance R'000	Current year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Government Motor vehicles	8 176	-	2 976	(2 073)	9 079

TRANSPORT ASSETS AS PER FINANCE LEASE REGISTER YEAR ENDED 31 MARCH 2023:

	Opening balance R'000	Current year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Government Motor vehicles	8 010	-	977	(811)	8 176

The Department of Local Government utilised 35 Government motor vehicles during the year ended 31 March 2024, and 37 Government motor vehicles during the previous financial year ended 31 March 2023. The motor vehicles are leased under a finance agreement unique to the Western Cape Government and the annexure aims to improve the minimum reporting requirements as per the Modified Cash Standard.

INSIDE BACK COVER

Western Cape Government: Local Government

Private Bag X9083, Cape Town, 8000
8th Floor, Waldorf Building, 80 St George's Mall, Cape Town, 8000
tel: +27 21 483 8986 fax: +27 21 483 0632

www.westerncape.gov.za

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



**Western Cape
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