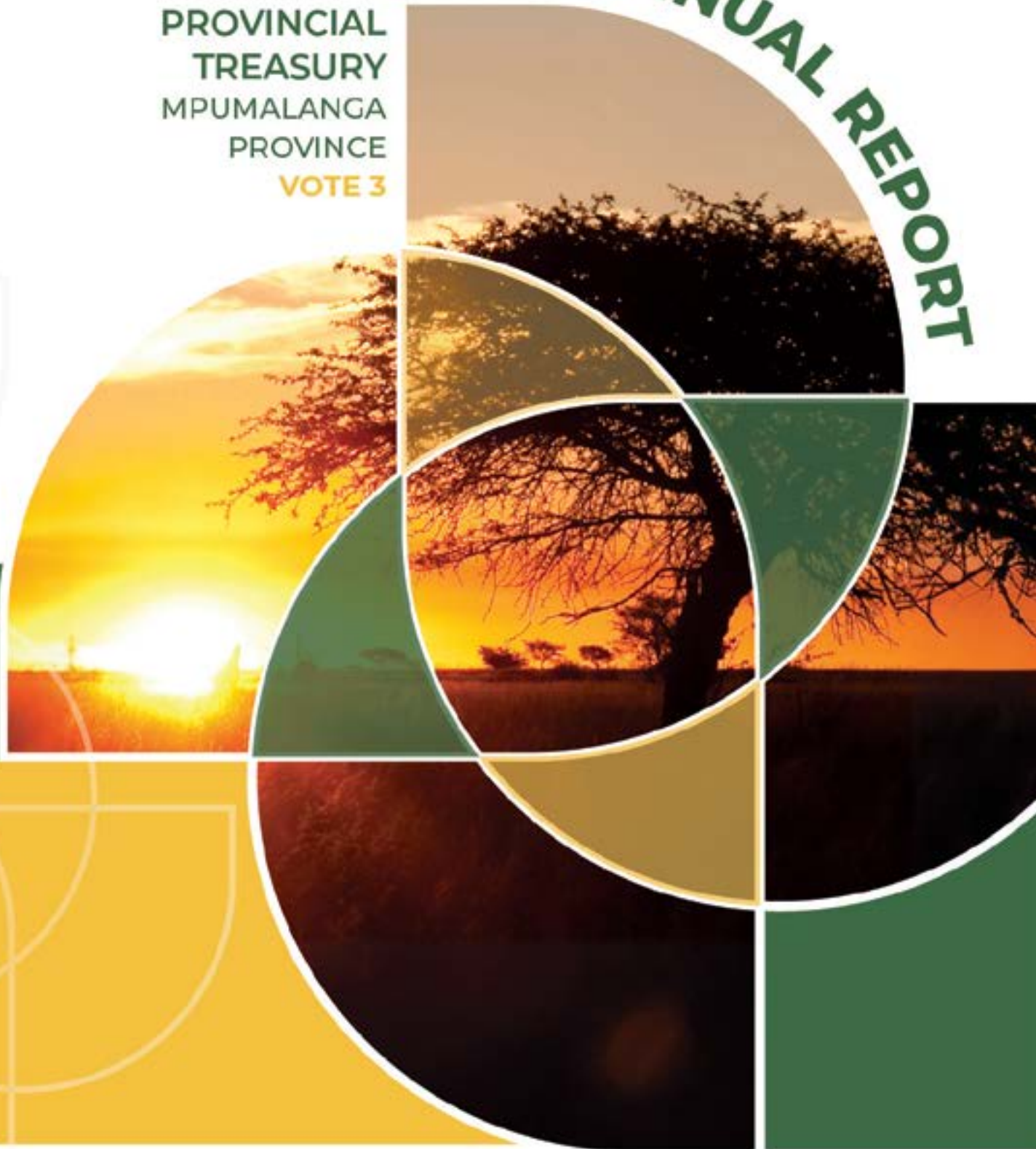


2023/24 ANNUAL REPORT


PROVINCIAL
TREASURY
MPUMALANGA
PROVINCE
VOTE 3



provincial treasury
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA







“ True growth is not just measured in profits, but in the strength of the community we build together. Financial success is most meaningful when it lifts everyone. ”

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**GENERAL
INFORMATION**

PART A

1. DEPARTMENT GENERAL INFORMATION

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EMAIL ADDRESS:	 HOTreasury@mpg.gov.za
WEBSITE ADDRESS:	 http://treasury.mpg.gov.za
X:	 @MPTreasury
FACEBOOK:	 Mpumalanga Treasury

2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements	HIRA	Hazard Identification and Risk Assessment
AGSA	Auditor General of South Africa	HIV	Human Immune Virus
AIDS	Acquired Immunodeficiency Syndrome	HPT	Head: Provincial Treasury
AO	Accounting Officer	HR	Human Resource
BAS	Basic Accounting System	IAISP	Integrated Audit Improvement Support Plan
BBBEE	Broad Based Black Economic Empowerment	ICT	Information Communication Technology
BBBEEA	Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	IDMS	Infrastructure Delivery Management System
BCM	Business Contingency Management	IT	Information Technology
BCP	Business Continuity Plan	IYM	In-Year Monitoring
CFO	Chief Financial Officer	LED	Local Economic Development
CIPC	Companies and Intellectual Property Commission	LOGIS	Logistical Information System
COGTA	Department of Cooperative Governance and Traditional Affairs	MAA	Mpumalanga Appropriation Act
CSD	Central Supplier Database	M&E	Monitoring And Evaluation
DORA	Division of Revenue Act	MEC	Member of Executive Council
DPSA	Department of Public Service and Administration	MEGA	Mpumalanga Economic Growth Agency
DPWRT	Department of Public Works Roads and Transport	MER	Mpumalanga Economic Regulator
DTI	Department of Trade and Industries	MERRP	Mpumalanga Economic Recovery and Reconstruction Plan
EDD	Electronic Document Delivery	MFMA	Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
EHW	Employee Health and Wellness	MPL	Member of Provincial Legislature
ERMF	Enterprise Risk Management Framework	MPT	Mpumalanga Provincial Treasury
EU	European Union	MTEC	Medium Term Expenditure Committee
EXCO	Executive Council	MTEF	Medium Term Expenditure Framework
FRP	Financial Recovery Plan	MTPA	Mpumalanga Tourism and Parks Agency
GDP	Gross Domestic Product	MTSF	Medium Term Strategic Framework
GIAMA	Government Immovable Asset Management Act, 2007 (Act 19 of 2007)	NFAST	National First Aid and Safety Training
		NSG	National School of Government
		NT	National Treasury
		OAG	Office of the Accountant General

OHS	Occupational Health and Safety	PSDF	Provincial Spatial Development Framework
ORW	Other Remunerative Work	PSR	Public Service Regulations, 2016
ORW	Outstanding Resource Water	PSRF	Public Sector Risk Management Framework
OTP	Office of the Premier	PSWMW	Public Service Women Management Week
PAIA	Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)	PYEI	Presidential Youth Employment Initiative
PAJA	Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)	REMC	Risk and Ethics Management Committee
PAMA	Public Administration Management Act, 2014 (Act No. 11 of 2014)	SAIPA	South African Institute of Professional Accountant
PERSAL	Personnel Salary System	SALGA	South African Local Government Association
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)	SARB	South African Reserve Bank
PGDP	Provincial Growth and Development Plan	SARS	South African Revenue Service
PILIR	Policy on Incapacity and Ill Health Retirement	SCM	Supply Chain Management
PINK Programme	Procurement Infrastructure Knowledge Management	SCOPA	Standing Committee on Public Accounts
PMDS	Performance Management and Development System	SDIP	Service Delivery Improvement Plan
PMTCT	Prevention of Mother to Child Transmission	SEDA	Small Enterprise Development Agency
POPIA	Protection of Personal Information Act, 2013 (Act No. 4 of 2013)	SHEQ	Safety Healthy and Environment Quality
PPP	Public Private Partnership	SITA	State Information Technology Agency
PPPFA	Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)	SLA	Service Level Agreement
PPPFR	Preferential Procurement Policy Framework Regulations, 2022	SMME	Small Medium and Micro Enterprises
PRMF	Provincial Risk Management Framework	SMS	Senior Management Services
PSA	Public Service Act, 1994 (Proclamation No. 107 of 1994)	TR	Treasury Regulations, 2005
PSA	Public Service Association	TVET	Technical Vocational Education and Training
PSCBC	Public Service Commission's Bargaining Council		

MEC BONAKELE MAJUBA
MEC for Finance



3. FOREWORD BY THE MEC

I am pleased to present the Annual Report of the Provincial Treasury for the 2023/24 financial year. This report reflects the commitment of our institution to responsible financial management within a developmental state. It encapsulates the essence of our collective effort and chronicles our achievements and challenges in our pursuit of prudent fiscal policy and resource management in the Province.

The Provincial Treasury continued to execute its mandate to produce a credible provincial budget and exercise oversight on its implementation. During the year under review, the Department successfully tabled two provincial appropriations bills, underscoring the importance of giving legislative effect to spending plans for the Province.

The Province improved overall year-end spending from 99 per cent in 2022/23 to 99.2 per cent during the year under review. This is replicated at the departmental level, as highlighted in the overview by the Accounting Officer in the same report.

We recognise that success is measured through the totality and effectiveness of systems and the credibility of the support and advisory services in asset management, supply chain management, and overall financial governance.

“ This report reflects the commitment of our institution to responsible financial management within a developmental state. It encapsulates the essence of our collective effort ”

We can report that all programmes achieved their planned deliverables for the year under review. The revenue collection exceeded the targets. The Department ventured into municipal infrastructure matters following the introduction of the Procurement Infrastructure and Knowledge Management programme, and resident advisors were placed in municipalities to boost capacity in the local government sphere.

Furthermore, we provided network infrastructure, systems, and end-user support to most departments and continues to monitor the implementation of the business automation programme.

We remain committed to monitoring the implementation of audit improvement plans as part of our efforts to promote clean governance across public institutions in the Province.

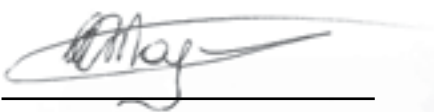
It is evident from the recent audit outcomes that the internal control systems in departments and public entities have improved in the last three financial years. However, more work still needs to be done to improve the effectiveness of controls at the municipal level.

Our medium-term policy priorities include supporting municipalities to enhance the credibility of adopted budgets, facilitating the development and implementation of digital systems to improve efficiencies in administration and financial management, and focusing on the overall financial health and governance of public sector institutions.

As the seventh administration, we determined to advance service delivery and ensure that no one is left behind in the pursuit of a better life for all.

I would like to express my gratitude to Ms Gugu Mashiteng, the Head Official of the Provincial Treasury, and her team for their commitment to the policy mandate and for delivering yet again an unqualified audit opinion without matters of emphasis (clean audit outcome).

I also extend my appreciation to all governance structures for their guidance and support to management over the years.



Mr BA MAJUBA (MPL)

MEC for Finance

Date: 29 July 2024

MS GUGU MASHITENG
Head: Provincial Treasury



4. REPORT OF THE ACCOUNTING OFFICER

Overview of the operations of the department

This report presents progress on implementation of the department's strategic objectives outlined in the 2023/24 Annual Performance Plan. The 2023/24 annual performance plan was implemented within a constrained fiscal environment and a persistently low economic growth rate. While significant, these challenges did not deter our commitment to maintaining measures that promote fiscal discipline. We remained steadfast in ensuring that the provincial resources sustain core service delivery commitments to its citizens.

As of 31 March 2024, the department had cumulatively achieved 100 per cent of the planned output indicators Annual Performance Plan (APP) targets for the year under review. Additional capacity acquired during the year and extra effort on performance management, monitoring, and reporting assisted the institution in making tremendous progress on the implementation of the Treasury mandate.

During the same period, the Provincial Treasury (PT) spent R534.622 million (98.7 per cent) against the projected expenditure of R550.712 million for the year ended 31 March 2024. Given the moderate increase in the overall budget year-on-year, the department will continue implementing measures to improve the quality of spending and monitor expenditure closely.

“ We remained steadfast in ensuring that the provincial resources sustain core service delivery commitments to its citizens. ”

The province collected an aggregated amount of R3.130 billion and thus recorded an over-collection of R2.479 million. The Provincial Treasury's contribution to the Province's own collection stream for the year under review was R508.173 million, which represents 331.6 per cent collection against the target of R153.268 million.

The Provincial Treasury has committed to implementing the public procurement framework in sourcing goods and services. During the year under review, the department implemented transformative policies, ensuring that spending is aligned with government policies and supporting public sector institutions in carrying out this policy guidance.

To further support the sustainability of small businesses, the department maintained ongoing engagement with departments and public entities on the implementation of the policy requirement for creditors to be paid within 30 days of receipt of a valid invoice. On average, the Provincial Treasury took 30 days to pay suppliers during the period under review.

The Provincial Treasury continues to make strides in digitalizing various systems to improve efficiencies in administration and service provision. Following the successful implementation of electronic leave management and the entrenchment of CaseWare as a single portal for preparing financial statements, the provincial treasury stepped up efforts to improve the use of the invoice tracking system.

The department has also embarked on the development of an electronic submission system to be piloted in the 2024/25 financial year. Alongside these efforts were efforts to improve the governance and management of ICT, particularly its alignment with the government's digital transformation agenda.

The Provincial Treasury supported departments, public entities, and municipalities in embedding the principles contained in the Financial Management Accountability Model to ensure good governance and accountability in the Province.

In the quest to ensure continuous improvements in audit outcomes, the Provincial Treasury coordinated and reviewed the audit improvement plan, monitored the implementation, and provided advice on areas of improvement. The results of these efforts are highlighted in the previous audit outcomes of some institutions in the Province.

The organisational achievements during this period underscore the departmental officials' commitment and hard work to the principal mandates contained in various financial management legislation and accompanying regulations during the sixth administration.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT:

DEPARTMENTAL RECEIPTS

Departmental receipts	2022/2023			2023/2024		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	2 665	824	1 847	2 662	1 375	1 287

4. REPORT OF THE ACCOUNTING OFFICER CONTINUED

Departmental receipts	2022/2023			2023/2024		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Transfers received	-	-	-	-	-	-
Interest, dividends and rent on land	143 305	188 513	(45 208)	150 604	506 736	(356 132)
Sale of capital assets	-	-	-	-	62	(62)
Financial transactions in assets and liabilities	2	-	2	2	-	2
Total	145 972	189 337	(43 365)	153 268	508 173	(354 905)

The Provincial Treasury collected R508 173 000, which is 331.6 percent of the planned target of R153 268 000. The over collection is mainly on the interest accrued on the PMG and Revenue Fund accounts due to inadequate spending by the provincial departments.

Programme Expenditure

Departmental receipts	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	131 524	131 413	111	141 447	140 117	1 330
Sustainable Resource Management	70 374	70 369	5	96 090	95 878	212
Assets and Liabilities Management	228 598	228 579	19	287 550	282 012	5 538
Financial Governance	49 522	49 436	86	25 625	25 615	10
Total	480 018	479 797	221	550 712	543 622	7 090

The Provincial Treasury has spent R543 622 000, which is 98.7 percent of the allocated budget of R550 712 000. The total under spending amounted to R7 090 000 was mainly on compensation of employees and payments for capital assets due to delay in finalisation of appointments and delivery of assets at year end.

PROGRAMME 1: ADMINISTRATION

The Programme's budget was reduced by R630 000, which was mainly on the allocation for goods and services.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

The Programme's budget was increased by R6 839 000, which was mainly on the allocation for transfers and subsidies.

PROGRAMME 3: ASSETS AND LIABILITIES MANAGEMENT

The Programme's budget was reduced by R6 209 000, which was mainly on the allocation for goods and services.

PROGRAMME 4: FINANCIAL GOVERNANCE

None

VIREMENTS/ROLL-OVERS

The Provincial Treasury utilised savings accumulated under two main divisions within the vote to defray excess expenditure under another two main divisions (Sustainable Resource Management and Financial Governance) within the same vote.

The reasons for the virement were to defray excess expenditure for two main divisions under goods and services.

UNAUTHORISED, IRREGULAR, FRUITLESS, AND WASTEFUL EXPENDITURES

The Provincial Treasury did not incur any unauthorised, irregular, fruitless and wasteful expenditure during the financial year under review.

STRATEGIC FOCUS OVER THE SHORT TO MEDIUM TERM PERIOD

The Provincial Treasury aims to improve its systems to enhance the support to Provincial Departments, Municipalities and Public Entities on sound financial and administrative management. The Provincial Treasury will continue to support Provincial Departments in maximizing collection and generating own revenue through training workshops, the convening of revenue forums, and monitoring of cash offices.

The focus of Provincial Treasury is to support municipalities with improvement in the following areas:

- Development of funded budgets
- Improved revenue management
- Improved role of oversight through training of relevant municipal structures and committees
- Improvement of the control environment

The introduction of Financial Management reforms in government entrusts Provincial Treasuries with the responsibility of ensuring that the Government's physical and financial assets, as well as its liabilities, are well managed.

The Provincial Treasury will contribute to efforts aimed at improving service delivery to the people of the Mpumalanga Province. The implementation of appropriate supply chain management practices, including their governance framework, will contribute to poverty alleviation, job creation and economic development, as well as infrastructure development, which includes proper roads, housing, schools, and hospitals, amongst others.

PUBLIC PRIVATE PARTNERSHIPS

The Provincial Treasury provided advice and support on Public Private Partnerships to Departments, Public Entities and Municipalities. This support is provided in liaison with the National Treasury's Public Private Partnerships unit.

DISCONTINUED KEY ACTIVITIES / ACTIVITIES TO BE DISCONTINUED.

There are no discontinued activities or activities to be discontinued.

4. REPORT OF THE ACCOUNTING OFFICER CONTINUED

NEW OR PROPOSED KEY ACTIVITIES.

There were no new or proposed key activities.

SUPPLY CHAIN MANAGEMENT

The Provincial Treasury has an approved Supply Chain Management Policy that is aligned to the Preferential Procurement Regulations 2022 (PPR 2022) that came into effect on the 16th of January 2023, and all Bid Committees were appointed in line with applicable prescripts and legislation.

All processes and systems are in place to prevent unauthorised, irregular, fruitless and wasteful expenditures. The Provincial Treasury has complied with the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003) as amended when awarding bids during the year under review.

The Provincial Treasury continues to monitor compliance with Local Content Regulations through the 2011 Preferential Procurement Policy Framework Act (PPPFA) as amended. The Local Content Regulations empower the Department of Trade and Industry (DTI) to designate specific industries/sectors for local procurement by organs of state.

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

The Provincial Treasury did not receive any gifts or donations in kind from non-related parties.

EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

The Provincial Treasury has not applied for exemptions from National Treasury for the financial year under review.

EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date.

OTHER

There are no material facts or circumstances, which may have an effect on the understanding of the financial state of affairs to report on.

ACKNOWLEDGEMENT/S OR APPRECIATION

I would like to convey my appreciation to the management and staff in the Provincial Treasury, and the assistance of the Audit Committee, Risk and Ethics Management Committee in the compilation of this Annual Report.

CONCLUSION

The Provincial Treasury will always strive to improve on performance to realise the objectives set for this administration.

APPROVAL AND SIGN OFF

I hereby, in my capacity as the Accounting Officer, approve the Annual Report for the 2023/24 financial year.



MS GUGU MASHITENG

Accounting Officer: Provincial Treasury

Date: 31 May 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 is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The Annual Financial Statements (Part F) 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



MS GUGU MASHITENG

Accounting Officer: Provincial Treasury

Date: 31 May 2024

6. STRATEGIC OVERVIEW



VISION

Leading in innovation and service excellence.



MISSION

Enhance fiscal discipline, accountability and effective governance in PFMA and MFMA institutions through:

- Capable and professional workforce;
- Inter-governmental collaboration; and
- Sustainable funding and Equitable allocation and prudent financial management



VALUES

We are committing ourselves to serve with;

- Integrity;
- Diligence;
- Commitment;
- Collaboration;
- Transparency;
- Leadership

7. LEGISLATIVE AND OTHER MANDATES

<p>Constitution of the Republic of South Africa, 1996</p>	<p>The Constitution is the supreme law of the Republic of South Africa. It provides the legal foundation for the existence of the Republic and no other law may be in conflict with it. It further sets out the rights and duties of its citizens, and defines the structure of the Government</p>
<p>Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)</p>	<p>To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith.</p>
<p>Division of Revenue Act (DORA)</p>	<p>The Act is passed annually to provide for the equitable division of revenue anticipated to be raised nationally among the national, provincial and local spheres of government for that particular financial year; it further makes provision for determination of each province's equitable share; allocations to provinces, local government and municipalities from national government's equitable share; provides for the responsibilities of all three spheres and provide for the reporting requirements for allocations pursuant to such division and allocations</p>
<p>Government Immovable Asset Management Act, 2007 (Act 19 No. of 2009) (GIAMA)</p>	<p>This Act provide for a uniform framework for the management of an immovable asset that is held or used by a National or Provincial Department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a National or Provincial Department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a National or Provincial Department; and to provide for matters incidental thereto</p>
<p>Mpumalanga Appropriation Act</p>	<p>The Act is passed annually to:</p> <ul style="list-style-type: none"> • provide for the appropriation of money from the Provincial Revenue Fund for the requirements of the Province for each financial year in question; • prescribe conditions for the spending of funds withdrawn for the following financial year before the commencement of the Act for each financial year in question; and • provide for matters incidental thereto.
<p>Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)</p>	<p>This Act secures sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; establishes treasury norms and standards for the local sphere of government; and to provide for matters connected therewith.</p>
<p>Mpumalanga Adjustments Appropriation Act</p>	<p>The Act is also passed annually and it effects adjustments to the appropriation of money from the Provincial Revenue Fund for the requirements of the Province in respect of a financial year in question and to provide for matters incidental thereto.</p>
<p>Preferential Procurement Policy Framework Act, 2000, (Act No.5 of 2000) (PPPFA)</p>	<p>The Act gives effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution; and to provide for matters connected therewith.</p>

7. LEGISLATIVE AND OTHER MANDATES CONTINUED

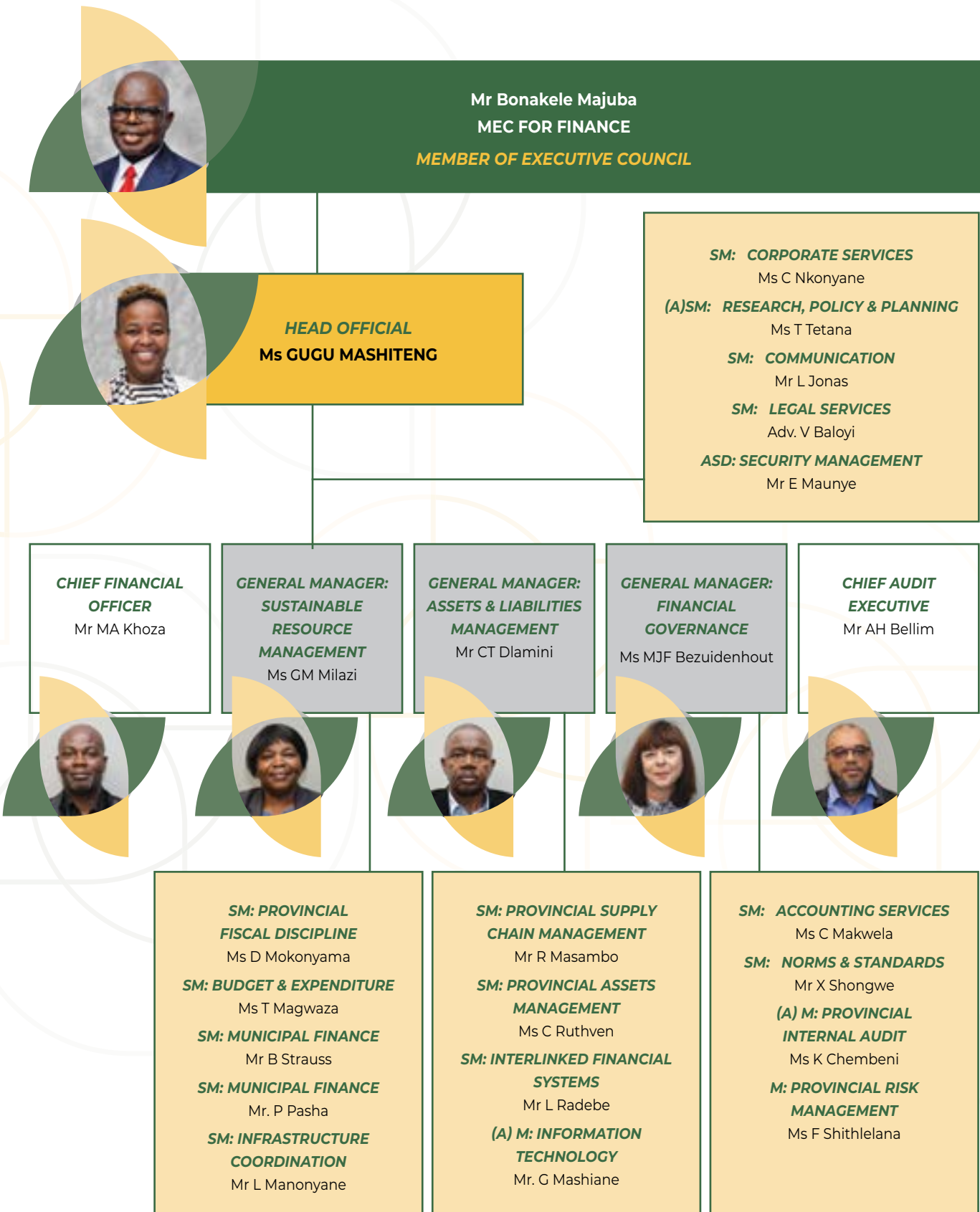
Preferential Procurement Policy Framework Regulations, 2022	<p>The Preferential Procurement Regulations in terms of the PPPFA were gazetted in November, 2022 and repeal the 2017 Regulations. The purpose of the 2022 Regulations is to:</p> <ul style="list-style-type: none"> • comply with section 217 of the Constitution on procurement of goods and services by organs of state; • comply with the PPPFA of 2000; and • to comply with transitional arrangements in terms of the Constitutional Court judgement of February 2022.
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) (PAIA)	<p>The Act gives effect to the Constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.</p>
Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA)	<p>The Act serves to give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996, and to provide for matters incidental thereto.</p>
Protection of Personal Information Act, 2013 (Act No. 4 of 2013) (POPIA)	<p>POPIA aims to:</p> <ul style="list-style-type: none"> • Promote the protection of personal information processed by public and private bodies; • Introduce certain conditions so as to establish minimum requirements for the processing of personal information; • Provide for the establishment of an Information Regulator to exercise certain powers and to perform certain duties and functions in terms of this Act and the Promotion of Access to Information Act, 2000; • Provide for the issuing of codes of conduct; • Provide for the rights of persons regarding unsolicited electronic communications and automated decision making; • Regulate the flow of personal information across the borders of the Republic; and provide for matters connected therewith
Public Finance Management Act, 1999 (Act 1 No. of 1999) (PFMA)	<p>This Act regulates financial management in the national and provincial spheres of government; it further ensures that all revenue, expenditure, assets and liabilities of those spheres governments are managed efficiently and effectively; also provides for the responsibilities of persons entrusted with financial management in those governments; the Treasury and to provide for matters connected therewith</p>
Public Service Act, 1994 (Act No. 103 of 1994) as amended (PSA)	<p>The Act makes provision for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith</p>
Public Service Regulations, 2016 as amended	<p>The Public Service Regulations, 2016 were issued in terms of and in compliance with section 41 of the Public Service Act, No. 103 of 1994</p>

<p>Public Administration Management Act, 2014 (Act No. 11 of 2014) (PAMA)</p>	<p>PAMA seeks to:</p> <ul style="list-style-type: none"> • Promote the basic values and principles governing the public administration referred to in section 195(1) of the Constitution; • Provide for the transfer and secondment of employees in the public administration; • Regulate conducting business with the State; • Provide for capacity development and training; • Provide for the establishment of the National School of Government; • Provide for the use of information and communication technologies in the public administration; • Establish the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit; • Provide for the Minister to set minimum norms and standards for public administration;
<p>Public Administration Management Act, 2014 (Act No. 11 of 2014) (PAMA) continued</p>	<p>Establish the Office of Standards and Compliance to ensure compliance with minimum norms and standards;</p> <p>Empower the Minister to make regulations; and provide for related matters</p>
<p>State Liability Act, 1957 (Act No. 20 of 1957)</p>	<p>The Act consolidates the law relating to the liability of the State in respect of acts of its servants.</p>
<p>Treasury Regulations, 2005</p>	<p>The Treasury Regulations were issued in compliance and in terms of Section 76 of the Public Finance Management Act, No. 1 of 1999.</p>

UPDATES TO RELEVANT COURT RULINGS

There were no new court rulings impacting on the operations of the Provincial Treasury for the period under review

8. ORGANISATIONAL STRUCTURE



PROVINCIAL TREASURY MANAGEMENT TEAM



9. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC for Finance in his capacity as MEC responsible for finance in the Province.



**PERFORMANCE
INFORMATION**

PART B

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 114 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

The Provincial Treasury monitors the usage of all resources (budgets) allocated to Provincial Departments, Municipalities and Public Entities. The Provincial Treasury's programmes are aligned to the national priorities especially Priority 1 "A Capable, Ethical and Developmental State" with focus on the outcome: "Improved Governance and Accountability".

Eradicating poverty, inequality and unemployment is as urgent today, if not more so, as it was at the dawn of our democracy nearly 30 years ago.

In an effort to achieve Priority 1 of "A Capable, Ethical and Developmental State" with focus on the outcome "Improved Governance and, our priorities in 2023 are decisively to:

As the country moves towards closing a chapter for the current administration and towards seventh administration, the global economy was shaken by the onset of a pandemic, when an overwhelming health crisis turned into an overwhelming economic crisis. However, over the medium term strategic framework great milestones were celebrated such as achieving over collection of own revenue for the Province.

This Annual Report intends to highlight the steps that the Provincial Treasury has taken to respond to these challenges and to deliver on its strategic priorities.

Departmental Administration and Governance

The role of the Provincial Treasury remains that of a guiding light in the promotion of good governance to departments, public entities, and municipalities in the Province. We achieve this by providing stewardship on budgetary and governance processes to promote transparency, accountability, and the effective financial management of resources. In essence, the Provincial Treasury ensures that provincial strategies are funded through projects and other initiatives that are aligned with the provincial priorities.

Towards achieving both the National and Provincial priorities of becoming "A capable, ethical and developmental state" Provincial Treasury strived to achieve the following priorities:

- Facilitate development and implementation of the e-submission system
- Facilitate development and implementation of the Provincial ICT strategy
- Monitor and strengthen ESKOM debt repayment by Municipalities

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE CONTINUED

- Monitor PFMA and MFMA audit action plans in order to improve audit outcomes
- Monitor 30% of bids allocated to previously disadvantaged individuals

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

Provincial Treasury had developed a two year Service Delivery Improvement Plan (SDIP) that commenced at the start of the 2018/19 to the 2020/21 financial year. Therefore, for this reporting cycle Provincial Treasury did not have an SDIP that was tabled in the Legislature. This was caused by the delay in issuing of guidelines to develop the SDIP by the Department of Public Service and Administration (DPSA).

However, Provincial Treasury held workshops with the Office of the Premier (OTP) on the SDIP building blocks for submission of SDIP which will be in line with the MTSF.

Provincial Treasury continued to monitor key services identified on the 2018/19-2020/21 approved SDIP which focused on the following key services:

- Monitor and support all Departments, Municipalities and Public Entities in adhering to compliance on payment of suppliers within 30 days after receipt of an invoice
- Monitor and Support all departments, municipalities and public entities in adhering to supply chain frameworks on submission of procurement plans and adherence to schedules

The information below indicates a list of activities completed as required for preparing the SDIP

SDIP Building Blocks	Progress
Service Standards	Held workshops in conjunction with Office of the Premier which assisted units to develop programmes service standards
Service Charter	Updated departmental service charter and presented to management committee
Complaints Management Mechanism	Provincial Treasury has developed guidelines in managing complaints and compliments
Satisfactory Surveys	Developed satisfactory survey pamphlets
Batho Pele	Together with Office of the Premier, Provincial Treasury conducted Batho Pele Assessment Tool for all 16 service delivery sites

2.3 ORGANISATIONAL ENVIRONMENT

The Provincial Treasury has an approved organisational structure with 433 posts and the Provincial Treasury operated with a staff compliment of 307 permanent employees and 99 non-permanent employees (which comprise of Interns/ Learners).

The overall vacancy rate as per posts in the approved organisational structure was at 29% based on the total of 126 vacant posts against the total of 433 posts in the organisational structure.

The Provincial Treasury filled forty-one (41) permanent posts and appointed 99 non-permanent employees (Interns/ Learners). during the period under review, which significantly enhanced capacity in service delivery. A staff turnover of 2.40% was experienced due to service terminations during the period under review due to voluntary resignations, retirement, interdepartmental transfers and internal promotions, which necessitated a recruitment process to fill the critical vacant posts. In order to ensure or enhance business continuity within various units where there are vacancies, the Provincial Treasury appointed officials to act in higher positions and acting allowances were paid.

In addition to the above, the Provincial Treasury coordinated seventeen (17) Skills Development Programmes, which were facilitated by various training providers, namely:

No	Training Programme	Training Service Provider
1.	Compulsory Induction Programmes	National School of Government
2.	Supply Chain Management	Oracle Training Hub
3.	Microsoft Visio (2 Groups)	Trainers Without Borders
4.	Microsoft PowerPoint	Trainers Without Borders
5.	Microsoft Business intelligence	Trainers Without Borders
6.	Microsoft Intermediate and Advanced Word	Trainers Without Borders
7.	Microsoft Intermediate and Advanced Excel	Trainers Without Borders
8.	Business report writing and presentation	Oracle Training Hub
9.	Occupational Health and Safety	National First Aid and Safety Training (NFAST)
10.	Emotional Intelligence	National School of Government
11.	Second Chance Matric	Department of Education
12.	Coaching for Leadership Development Programme	NSG and Department of Education
13.	Citizen Centred Service Delivery	NSG and Department of Education
14.	Recognition Prior Learning (Public Administration NQF 5)	VUCA in partnership with Department of Education
15.	Hazard identification and Risk Assessment (HIRA)	National First Aid and Safety Training (NFAST)
16.	First Aid	National First Aid and Safety Training (NFAST)
17.	Basic Fire Fighting	National First Aid and Safety Training (NFAST)

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE CONTINUED

The core mandate of the Provincial Treasury is to provide financial and governance support towards effective implementation of the Public Finance Management Act (PFMA) in Departments and Public Entities and Municipal Finance Management Act (MFMA) in Municipalities.

The organisational structure currently makes provision for four Programmes. Programme 1 is responsible for the financial and administrative management and support. The other three Programmes focus on treasury functions, which are Sustainable Resource Management, Assets and Liabilities Management and Financial Governance.

The current organisational structure was revised, internal consultation processes were concluded and it was thereafter submitted to Department of Public Service Administration (DPSA) for concurrence and approval by the Minister.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

- Key Policy developments: There were no key policy developments affecting operations of the Provincial Treasury for the period under review.
- Legislative changes: The Public Service Regulations, 2016 were amended with effect from 1 November 2023.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The year under review has been challenging, given various externalities as well as growing resource scarcity. Notwithstanding the aforementioned, the Provincial Treasury has been steadfast in its pursuit of clean audit status over the medium term expenditure framework.

OPERATION CLEAN AUDIT

Despite regressing during the 2021/22 financial year, Provincial Treasury managed to achieve an improved audit outcome in the 2022/23 financial year. It is evident that, adequate internal controls with limited resources resulted in effective and demonstrable change.

The provincial outlook on audit outcomes highlight an improvement for the PFMA institutions as compared to the MFMA institutions who have regressed.

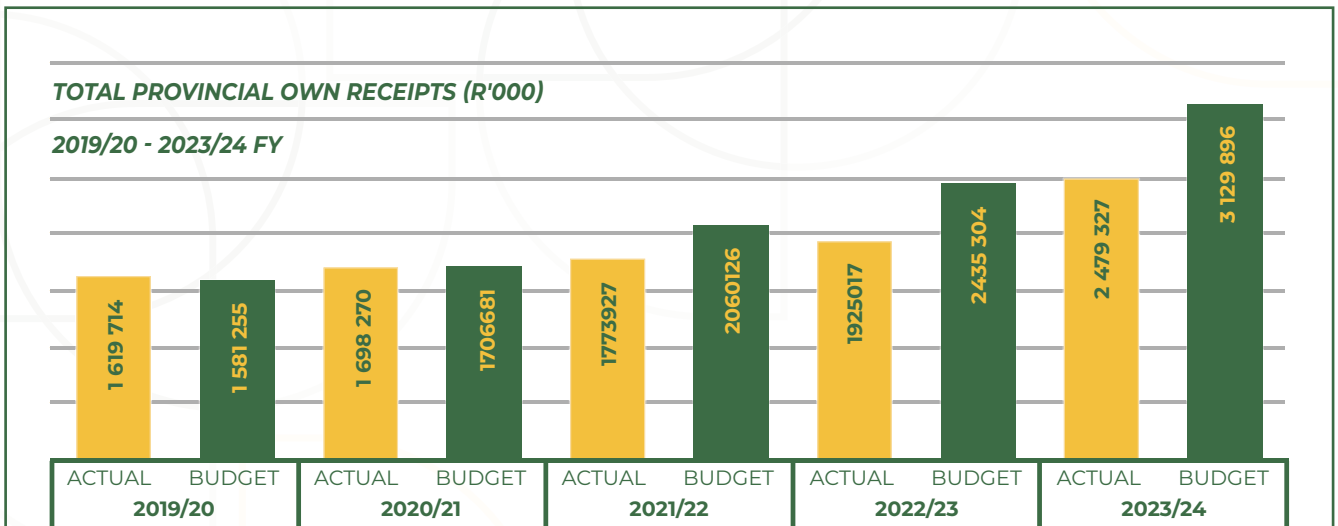
Over and above the electricity crisis, the performance of the logistics and transportation system has deteriorated, municipal services and financial stability are in distress, below snapshot shows the audit outcomes of 16 auditees in the province –12 Departments, and 4 Public Entities.

Provincial Government has improved on audit outcomes. 2022/23 PFMA Audit outcomes reflect that:

- 5 Institutions obtained unqualified audit opinions with no findings
- 8 received unqualified audit opinions with findings
- 3 received Qualified audit opinions

Overall there was an improvement in the audit outcomes for the MFMA institutions from the 2018/19 financial year compared to the 2022/23 financial year. The Adverse audit opinions decreased from 2 to 1 while the Disclaimed audit opinions decreased from 5 to 0. With regards to the year on year comparison between 2021/22 to 2022/23, there was a regression in terms of the Unqualified opinions which decreased from 10 to 7 and the Qualified audit opinions increased from 6 to 10. In the 2020/21 financial year the Unqualified audit opinions without any matters were 4 which decreased to 2 in the 2021/22 and 2022/23 financial years

OWN REVENUE COLLECTION



INFRASTRUCTURE

Despite all the challenges the sub programme managed to achieve all its planned targets. Previously the unit supported six infrastructure departments that increased to seven during the year under review. Since the addition of Human Settlements as an Infrastructure Department, the unit had challenges as the Department was not ready to report as an infrastructure department. National Treasury has automated the IRM reporting and province has handled the transition well and is now using the E-Web to report to National Treasury. The sub programme also managed to add one professional to its team to alleviate the work load on the short staffed team. The introduction of PINK (Procurement Infrastructure and Knowledge Management) programme by National Treasury required the unit to be fully involved with municipal infrastructure matters.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES CONTINUED

PROVINCIAL DEPARTMENTS SPEND ON DESIGNATED GROUPS

The total spend for provincial departments during the 2023/24 financial year amounted to R14.41 billion. R10.47 billion (72.70%) was spent on black owned business, R3.11 billion (21.56%) was spent on women owned businesses, R2.07 billion (14.38%) was spent on youth owned businesses and R50 million was spent on businesses owned by people with disabilities. The provincial departments achieved the 30 % target for designated groups, having spent R5.23 billion (36.29%) on women, youth and people with disabilities.

PERFORMANCE MANAGEMENT

Despite setting off plans from low economic growth, Provincial Treasury drew lessons from inspirational performance in the previous years to further build a resilient and credible financial administration that the people of Mpumalanga will be proud of.

During the period, all planned output indicators were achieved and over achievements were reported in comparison with the previous performance audit wherein two output indicators were not achieved due to the on-going load shedding which affected the system..

EVALUATIONS

A prerequisite for a successful M&E system is the existence of partnerships that will assist Provincial treasury's efforts in the process. For the year under review, a strong partnership was formed between Provincial Treasury and Office of the Premier. This partnership allowed for acceleration of evaluations within Provincial Treasury. During the 2023/24 financial year first phase of evaluations was implemented.

PROGRAM OF ACTION

The Mpumalanga Provincial Government (MPG) implements long term plans in line with the following strategic plans and frameworks that are informed by national policy frameworks:

- Mpumalanga Vision 2030 Implementation Plan Framework,
- Provincial Spatial Development Framework (PSDF)
- Mpumalanga Economic Recovery and Reconstruction Plan (MERRP)
- Revised Provincial 2019-24 Medium Term Strategic Framework (MTSF)

Impact Statement		Financially viable government institutions	
Outcome	Outcome Indicator	Baseline	Five year target
Improved financial performance and governance in PFMA and MFMA institutions	Unqualified audit outcomes	47% qualified in 2019	75% reduction of qualified audits in provincial and local government level and public entities by 2025
	Percentage of public infrastructure investment	10%	12%
	Number of financially viable government institutions	PFMA: 33% MFMA: 35%	PFMA: 50% MFMA: 70%
	Percentage of own revenue collection in the Province	3%	5%

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 PROGRAMME 1: ADMINISTRATION

The Programme is responsible for political, financial and administrative management of the Provincial Treasury. The Programme provides effective and efficient administrative support to all line functions in the Provincial Treasury.

The Programme consists of the following Sub-Programmes:

- Management Services: Office of the Head: Provincial Treasury
- Financial Management: Office of the CFO
- Internal Audit

List of institutional outcomes

- Improved financial performance and governance in PFMA and MFMA institutions.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 1 is responsible for political, financial, administrative management and support. The programme provides prompt, continuous, effective and efficient administrative support to all line functions in the Provincial Treasury.

Financial Management

In continuing with the spirit of supporting Small Medium Micro Enterprises during the period under review Provincial Treasury was able to pay all valid invoices within the set time lines of 30 days.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Performance Management

During the reporting period under review, Provincial Treasury maintained a 100% achievement on all planned output indicators.

Governance

The Risk and Ethics Management Committee as well as the Audit Committee are in place, these committees convene on a regular basis.

Table 4.1.1

Programme 1: Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Management Services: Office of the Head Provincial Treasury								
Improved financial performance and governance in PFMA and MFMA institutions	Unqualified audit opinion on pre-determined objectives	Achievement of departmental performance targets	1 Audit Opinion	1	1	1	N/A	N/A
	Approved Strategic Risk Register	Number of Approved Strategic Risk Register	1 Register	1 Register	1	1	N/A	N/A
Financial Management Office of the Chief Financial Officer								
Improved financial performance and governance in PFMA and MFMA institutions	Financial management practices that support optimal departmental performance	Unqualified audit opinion on financial information	1	1	1	1	N/A	N/A
	Payment of valid invoices	Percentage of suppliers paid within 30 days of receipt of valid invoices	100%	99.9%	100%	100%	N/A	N/A

Programme 1 : Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Internal Audit								
Improved financial performance and governance in PFMA and MFMA institutions	Improved risk management, governance and internal controls	Number of approved Internal Audit Plans	1 Internal Audit Plan	1	1	1	N/A	N/A

Linking performance with budgets

- The Programme has spent R140 117 000 which is 99.1 percent of its total budget

Sub-programme expenditure

Departmental receipts	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Member of the Executive Council	-	-	-	-	-	-
Management Services	51 176	51 168	8	56 902	56 107	795
Financial Management	74 575	74 473	102	79 064	78 607	457
Internal Audit	5 773	5 772	1	5 481	5 403	78
Total	131 524	131 413	111	141 447	140 117	1 330

Strategy to overcome areas of under performance

- All planned targets were achieved for the period under review.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

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

- Not Applicable for the Programme

4.2. PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

The Programme exists to promote optimal and effective provincial and municipal fiscal policy in line with applicable financial management prescripts.

The programme consists of the following Sub-Programmes:

- Provincial Administration Fiscal Discipline
- Budget and Expenditure Management
- Municipal Finance
- Infrastructure Co-ordination

List of institutional outcomes

- Improved financial performance and governance in PFMA and MFMA institutions

Outcomes, outputs, output indicators, targets and actual achievements

Budget and Expenditure Management

The Provincial Treasury continued to ensure allocative efficiencies, maintain fiscal discipline, and encourage credible spending and accountability within the institution and across the Provincial departments, public entities, and municipalities. The period ahead was characterized by focused attention to innovation in supporting the provincial institution through business process automation, enhancing revenue streams, and strengthening accountability mechanisms across the department and the provincial institutions.

The provincial fiscus improved in the 2023/24 financial year due to the reviewal of the risk-adjusted index on the health component. The province received additional funding to sustain the previous year wage agreement of cash gratuity allowance on compensation of employees for the Department of Health and Education. The province chose to also cater for the Compensation of Employees for the Department of Social Development. To a smaller extent the Department of Community Safety Security and Liaison was allocated additional funds for Compensation of Employees mainly to deal with the challenges at the Lebombo Boarder. An additional R556 million was received for Presidential Youth Employment Initiative (PYEI), which was only for Department of Education.

Overall, the province maintained its good performance on the expenditure outcome with a 99.2 percent when compared to 99 percent of the previous financial year.

Provincial Administration Fiscal Discipline

The programme provided support to 12 votes in respect of own revenue collection. The programme achieved all its deliverables as planned. R3, 130 billion was collected against a budget of R2, 479 billion. The Province over collected by R651 million. Department of Community Safety Security and Liaison will remain a priority for Provincial Treasury as the department has the biggest potential for own revenue generation. Special attention will be given to the Mpumalanga Economic Regulator as the second biggest collector for the province because of gambling and betting.

Infrastructure Coordination

Despite all the challenges the sub programme managed to achieve all its planned targets. Previously the unit supported six infrastructure departments that increased to seven during the year under review. Since the addition of Human Settlements as an Infrastructure Department, the unit had challenges as the Department was not ready to report as an infrastructure department. National Treasury has automated the IRM reporting and province has handled the transition well and is now using the E-Web to report to National Treasury. The sub programme also managed to add one professional to its team to alleviate the work load on the short staffed team. The introduction of the PINK (Procurement Infrastructure and Knowledge Management) programme by National Treasury required the unit to be fully involved with municipal infrastructure matters.

Municipal Finance

The Municipal Finance Unit achieved all the set targets for the financial year and furthermore provided training on the tariff setting tool, support with application for approval of tariffs and collection of revenue owed to Municipalities.

Support for municipalities continued and six (6) more municipalities benefitted through the placement of resident advisors to boost capacity and strengthen financial management, accountability and reporting.

Table 4.2.1

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Provincial Administration Fiscal Discipline								
Improved financial performance and governance in PFMA and MFMA institutions	Collected projected Provincial own revenue	Percentage of projected own revenue collection in the Province	0.7% (120% actual own revenue collection Own revenue amounted to R 2,043 Billion of the budget of R1,705 Billion	127%	100%	126%	26%	Over collection is mainly from betting and gambling taxes, and interest on IGCC and exchequer account

4. INSTITUTIONAL PROGRAMME PERFORMANCE
INFORMATION CONTINUED

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved financial performance and governance in PFMA and MFMA institutions	Financial management practices that support optimal revenue fund	Unqualified audit opinion on revenue fund financial statements	1 Set	1 Set	1	1	N/A	N/A
Budget and Expenditure Management								
Improved financial performance and governance in PFMA and MFMA institutions	Estimates of Provincial Revenue Expenditure (EPRE) documents Prepared	Number of Estimates of Provincial Revenue Expenditure documents Prepared	3 Documents	3 Documents	2	2	N/A	N/A
	Appropriation Bills Prepared	Number of Appropriation Bills Prepared	3 Bills	3 Bills	2	2	N/A	N/A

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Municipal Finance								
Improved financial performance and governance in PFMA and MFMA institutions	Municipalities draft budgets analysed	Number of Municipalities' draft budgets analysed.	19 Municipalities	19 Municipalities	19	19	N/A	N/A
	Municipalities Mid-year budgets performance analysed	Number of municipalities Mid-year Budget performance analysed	19 Municipalities	19 Municipalities	19	19	N/A	N/A
Infrastructure Coordination								
Improved financial performance and governance in PFMA and MFMA institutions	Delivery of infrastructure in the province coordinated	Number of feedback reports submitted to institutions based on the analysis of Infrastructure Reporting Model	12 Reports	12 Reports	12	12	N/A	N/A

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved financial performance and governance in PFMA and MFMA institutions continued...		Number of feedback submitted to institutions based on the analysis of user Asset Management plans	9 Plans	13 Plans	6	6	N/A	N/A

Linking performance with budgets

- The Programme has spent R95 878 000 which is 99.8 percent of its total budget.

Sub-programme expenditure

Departmental receipts	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1 851	1 848	3	2 031	2 010	21
Provincial Administration Fiscal Discipline	12 764	12 764	-	13 151	13 151	0
Budget and Expenditure Management	13 470	13 469	1	14 002	14 002	-
Municipal Finance	34 859	34 859	-	59 862	59 671	191
Infrastructure Co-Ordination	7 430	7 429	1	7 044	7 044	-
Total	70 374	70 369	5	96 090	95 878	212

Strategy to overcome areas of under performance

- All planned targets were achieved for the period under review.

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

- Not Applicable for the Programme

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

4.3. PROGRAMME 3: ASSETS AND LIABILITIES MANAGEMENT

The Programme is responsible for monitoring and support of Assets, Liabilities, Provincial Supply Chain Management, as well as provisioning of Transversal Systems and Information Technology Services to Departments, Public Entities and Municipalities in Mpumalanga Province.

The programme consists of the following Sub-programmes:

- a) Provincial Supply Chain Management
- b) Public Sector Liabilities
- c) Physical Assets Management
- d) Interlinked Financial Systems
- e) Information Technology

List of institutional outcomes

- a) Improved financial performance and governance in PFMA and MFMA institutions

Outcomes, outputs, output indicators, targets and actual achievements

The Programme achieved all its targets for the year under review in all the sub-programme being Supply Chain Management, Public Sector Liabilities, Physical Assets Management, Interlinked Financial Systems and Information Technology.

Supply Chain Management

All three annual indicators within this sub-programme were achieved. Feedback reports were issued to all PFMA and MFMA institutions with regards to the compliance on procurement plans. Feedback reports were further issued to all PFMA and MFMA institutions regarding payment of contracted service providers within 30 days. The payment of service providers within 30 days remains a challenge mainly at the Department of Health, Department of Education, Department of Human Settlements and at Mpumalanga Economic Growth Agency (MEGA). These Institutions record that cash flow shortages remain the main reason for non-compliance. These institutions were advised to not over-commit the budget. The over commitment of the budget was identified as the route cause for the cash flow challenges. Institutions were further advised to revise the cash flow submitted to the Provincial Treasury where necessary. The sub-programme achieved all targets relating to the monitoring of PFMA and MFMA Institutions on contract management. Feedback reports were issued to all institutions advising them on action to be taken to ensure compliance to contract management practises.

Public Sector Liabilities

The sub-programme achieved 100% on the planned output for the financial year under review. Feedback reports were issued to all planned PFMA and MFMA Institutions on compliance with liabilities management. Timeous renewal of contracts remains a challenge that Institutions need to address. These has the potential of resulting in irregular expenditure. Institutions have been engaged on a one on one and have committed to implement the remedial measures as recommended by the Provincial Treasury.

Physical Assets Management

The sub-programme achieved 100% on all planned outputs for the year under review. Feedback reports were issued to all identified PFMA and MFMA institutions on compliance to asset management framework and progress on implementation of the audit improvement plan.

Interlinked Financial Systems

The sub-programme achieved 100% on all planned outputs for the year under review. The Sub-Programme is responsible for providing support to the 12 votes on the utilisation of transversal systems (PERSAL, BAS, LOGIS and VULINDLELA). All 12 votes were supported, and feedback reports issued. The Sub-programme further monitors the implementation of the Business Process Automation projects, these are the electronic document delivery (EDD), e-leave system, Invoice Tracking system and the e-submission system. It is planned to be piloted at the Provincial Treasury and the Office of the Premier. The other systems are fully implemented, and the sub-programme monitors the usage thereof.

Information Technology

The sub-programme overachieved on its output for the year under review. The planned target for network connectivity was 85%. This was overachieved since ESKOM did not implement very high levels of load shedding

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Provincial Supply Chain Management								
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued for compliance on procurement plans	Percentage of institutions issued with feedback for compliance on Procurement plans	100%	100%	100%	100%	N/A	N/A
	Feedback issued on 30 day payment	Percentage of institutions monitored on 30 days payment to contracted service providers	100%	100%	100%	100%	N/A	N/A
	Feedback issued on compliance of contract management practices	Percentage of institutions monitored on contract management	100%	100%	100%	100%	N/A	N/A

4. INSTITUTIONAL PROGRAMME PERFORMANCE
INFORMATION CONTINUED

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Public Sector Liabilities Management								
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued for compliance on liabilities management	Number of PFMA and MFMA institutions issued with feedback for compliance on liabilities management	12 Votes, 10 Municipalities and 4 Public Entities	12 Votes, 10 Municipalities and 4 Public Entities	12 Votes, 10 Municipalities and 4 Public Entities	12 Votes, 10 Municipalities and 4 Public Entities	N/A	N/A
Physical Assets Management								
Improved financial performance and governance in PFMA and MFMA institutions	Complete and accurate asset registers in line with prescripts	Number of PFMA and MFMA institutions issued with feedback for compliance to assets management framework	6 Votes 2 Public Entities 8 Municipalities	6 Votes 2 Public Entities 8 Municipalities	6 Votes 2 Public Entities 8 Municipalities	6 Votes 2 Public Entities 8 Municipalities	N/A	N/A
Interlinked Financial Systems								
Improved financial performance and governance in PFMA and MFMA institutions	Business continuity on transversal systems	Number of Votes supported on utilisation of transversal systems	12 Votes	12 Votes	12	12	N/A	N/A

Programme 3 : Assets and Liabilities Management

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Information Technology								
Improved financial performance and governance in PFMA and MFMA institutions	Business continuity on information communication technology services	Number of PFMA and MFMA institutions provided with IT Governance Support	6 Votes and 9 Municipalities	6 Votes and 9 Municipalities	6 Votes and 8 Municipalities	7 Votes and 8 Municipalities	1 Vote	One vote did not respond on time and an additional vote was done, however the original vote was also done when response received.

4. INSTITUTIONAL PROGRAMME PERFORMANCE
INFORMATION CONTINUED

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Improved financial performance and governance in PFMA and MFMA institutions	Business continuity on information communication technology services	Percentage of network availability	95%	88.92%	85%	89.36%	4,36%	Network availability of 89.36% was achieved due to lower load shedding levels

Table 4.3.1**Linking performance with budgets**

- The Programme has spent R282 012 000 which is 98.1 percent of its total budget

Sub-programme expenditure

Departmental receipts	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1 796	1 795	1	1 811	1 811	-
Provincial Supply Chain Management	21 164	21 162	2	23 178	23 178	-
Public Sector Liabilities	4 397	4 396	1	4 688	4 688	-
Physical Assets Management	6 760	6 757	3	7 014	7 014	-
Interlinked Financial Systems	84 282	84 280	2	127 896	127 047	849
Information Technology	110 199	110 189	10	122 963	118 274	4 689
Total	228 598	228 579	19	287 550	282 012	5 538

Strategy to overcome areas of under performance

- All planned targets were achieved during the period under review

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

- Not Applicable for the Programme

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

4.4. PROGRAMME 4: FINANCIAL GOVERNANCE

This Programme serves to facilitate, monitor, support and provide professional advice to ensure good governance in the Province.

The Programme consist of the following Sub-programmes:

- a) Accounting Services
- b) Norms and Standards
- c) Provincial Risk Management
- d) Provincial Internal Audit

List of institutional outcomes

- a) Improved financial performance and governance in PFMA and MFMA institutions.

Outcomes, outputs, output indicators, targets and actual achievements

Accounting Services

Provincial Treasury supported departments, public entities and municipalities on the preparation of accurate financial statements through reviewing Interim and Annual Financial Statements. The support also included the implementation and interpretation of MCS and GRAP accounting standards

Norms and Standards

Provincial Treasury supports departments, public entities, and municipalities to implement remedial audit action plans to improve the province's overall annual outcomes during the period under review.

The Provincial Treasury works with all institutions to ensure the adequacy of internal controls so that the limited resources result in a demonstrable change in the quality of life of the people of Mpumalanga.

Provincial Risk Management

The overachievements under the Provincial Risk Management Unit were due to the high number of requests received from stakeholders for assistance with risk assessments, orientation of Risk Committee members and invitations to attend Risk Management Committees.

Provincial Internal Audit

The Provincial Internal Audit Unit had overachievements in terms of the evaluation of Audit Committees due to a high number of requests received for the attendance and evaluation of such meetings.

Table 4.4.1

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Accounting Services								
Improved financial performance and governance in PFMA and MFMA institutions	Public institutions' AFS complying with legislation and prescripts	Number of public institutions issued with feedback on financial statements analysed	12 Votes 2 Public Entities 8 Municipalities	12 Votes 2 Public Entities 10 Municipalities	12 Votes 2 Public Entities 8 Municipalities	12 Votes 2 Public Entities 8 Municipalities	N/A	N/A
Norms and Standards								
Improved financial performance and governance in PFMA and MFMA institutions	Public institutions complying with legislation and prescripts	Number of public institutions issued with feedback on compliance to fleet management prescripts	6 Votes	6 Votes	3 Votes	3 Votes	N/A	N/A
		Number of public institutions issued with feedback on compliance to information management prescripts	7 Municipalities	6 Municipalities	6 Municipalities	6 Municipalities	N/A	N/A

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Provincial Risk Management								
Improved financial performance and governance in PFMA and MFMA institutions	Enterprise Risk Management Framework (ERMF) issued	Number of Enterprise Risk Management Frameworks (ERMF) issued to standardize Risk Management processes in public institutions	1 ERMF	1 ERMF	1 ERMF	1 ERMF	N/A	N/A
Improved financial performance and governance in PFMA and MFMA institutions continued...	Risk management processes evaluated	Number of evaluations performed on effectiveness of Risk Management processes	New Indicator	New Indicator	30	37	7	High number of requests received from stakeholders
	Increased Risk Maturity levels	Number of public institutions with increased Risk Maturity levels	New indicator	1 Vote 1 Municipality	2 Votes 1 Public Entity 3 Municipalities	3 Votes 1 Public Entity 3 Municipalities	1 Vote	High number of request received from stakeholders

Programme 4 : Financial Governance

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Provincial Internal Audit								
Improved financial performance and governance in PFMA and MFMA institution	Internal audit plans analysed	Percentage of Internal audit plans for Public institutions analysed	100% of internal audit plans that were received, analysed	100% of internal audit plans that were received, analysed	100%	100%	N/A	N/A
	Audit Committees evaluated	Number of evaluations performed on effectiveness of Audit Committees of public institutions	71 Evaluations: 26 Votes 8 Public Entity 37 Municipalities	72 Evaluations	45	68	23	Most audit committee meetings are held virtually, which gave officials flexibility to attend more meetings

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

Linking performance with budgets

- The Programme has spent R25 615 000 which is 100 percent of its total budget.

Sub-programme expenditure

Departmental receipts	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	26 635	26 626	9	3 025	3 015	10
Accounting Services	5 751	5 718	33	5 872	5 872	-
Norms and Standards	9 595	9 588	7	9 831	9 831	-
Provincial Risk Management	3 401	3 387	14	3 487	3 487	-
Provincial Internal Audit	4 140	4 117	23	3 410	3 410	-
Total	49 522	49 436	86	25 625	25 615	10

Strategy to overcome areas of under performance

- All planned targets were achieved for the period under review

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

- Not Applicable for the Programme

5. TRANSFER PAYMENTS

5.1. TRANSFER PAYMENTS TO PUBLIC ENTITIES

There were no transfers made to public entities in the financial year under review.

5.2. TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The Provincial Treasury transferred R31 255 000 to 4 (four) Municipalities for financial support towards improvement of their revenue collection ability.

The table below reflects the 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	Did the dept. comply 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
Msukaligwa Local Municipality	Local Municipality	Improvement of revenue collection ability	Yes	10 000	6 405	Project for meter audit and data cleansing project still in progress
Mkhondo Local Municipality	Local Municipality	Improvement of revenue collection ability	Yes	7 735	2 289	The amount spent is on data cleansing and metre audit which is still in progress
Pixley Ka Isaka Seme Local Municipality	Local Municipality	Improvement of revenue collection ability	Yes	3 500	0	The contractor for data cleansing project was appointed in May 2024 and is on site of the municipality
Govan Mbeki Local Municipality	Local Municipality	Improvement of revenue collection ability	Yes	10 020	6 047	Funds used for purchase of electricity and water meters, the reminder is still been used for the purchase of electricity meters

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION CONTINUED

6. CONDITIONAL GRANTS

The Provincial Treasury did not receive any conditional grant for the financial year under review.

7. DONOR FUNDS

The Provincial Treasury did not receive any donor funds for the financial year under review.

8. CAPITAL INVESTMENT

8.1. CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Departmental receipts	2022/2023			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	47 976	47 721	255	25 330	20 753	4 577
Total	47 976	47 721	255	25 330	20 753	4 577



GOVERNANCE

PART C

1. INTRODUCTION

Commitment by the Provincial Treasury to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users need assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the taxpayer. As such and in order keep up with the highest standards as set, the Provincial Treasury has well established governance structures such as the Audit Committee and Risk and Ethics Management Committee, which are tasked with a responsibility to ensure that risks are managed, internal controls are adequate and effective and governance principles are implemented

2. RISK MANAGEMENT

The Provincial Treasury has an approved Risk Management Policy, Risk and Ethics Management Committee Charter and Risk Management Strategy. Risk assessments are conducted annually for all Programmes to identify risks that impact on the achievement of objectives. Progress made on addressing identified risk areas are evaluated on a quarterly basis, the quarterly reviews would also identify new or emerging risks to ensure that risks which were not covered during the Risk Assessment process are considered and monitored on a quarterly basis. Risk awareness workshops are conducted to create awareness of risk management to all levels in the Provincial Treasury.

Business Continuity Plan

Environmental risks, particularly related to climate change, extreme weather events have also emerged as key concerns over the past years. The extreme weather events has unfortunately caused the loss of lives, damage to properties as well as infrastructure. These losses have incurred more than R3bn of damages which had to reported to the National Government for financial assistance after disaster declarations and in response to coordinate preventative risk reduction measures in an attempt to ensure that minimal life threatening risks are encountered, Provincial Treasury developed a Business Continuity Plan.

The overall objective of plan (BCP) is to mobilise all key government resources to ensure that there is enough capacity to resume critical functions effectively in the event of a disruption.

The plan aims to accomplish the following objectives: Operations continuity assurance during disruption; Improved mitigation of risks; and Robust platforms continued operations.

The Department as a provider of IT Services to the Province has an IT Disaster recovery plan that includes access to Transversal Systems. IT does daily back-ups of information stored on servers and these back-ups are tested regularly. As part of the disaster recovery plan the department has hot and cold sites available for access to transversal systems.

Together with SITA the Transversal Systems are tested Bi-Annually with all Departments to ensure access in case of a disaster. The department has done business impact analysis for all sections that were identified as critical. The business impact analysis has details on how each critical business process within the department would continue with business and how each unit will then recover to normal operations.

3. FRAUD AND CORRUPTION

The Provincial Treasury has an approved Fraud Prevention Policy and Plan. Awareness sessions were conducted for the staff of the Provincial Treasury on the policy, plan and responsibilities of staff on fraud prevention as well as the reporting mechanisms.

An approved Whistle Blowing Policy is in place to guide staff on the processes to follow in reporting cases of suspected fraud and corruption. Confidential disclosures are managed via the Anti-Corruption Hotline 0800 701 701 managed by the Public Service Commission. Cases reported via the Hotline are referred to the Integrity Management Unit in the Office of the Premier that liaise with the Provincial Treasury on the investigation.

4. MINIMISING CONFLICT OF INTEREST

With the introduction of the structured approach to Ethics Management within the Public Service, matters relating to conflict of interests are now dealt within the ambit of a designated Ethics Management function. As a result of the latter, the Risk Management function has now been merged with the Ethics Management function and aligns to the DPSA generic structure. The Public Service Regulations were amended during the period under review to allow for appointment of the officers and the MPT will consider the option.

In order to minimise conflict of interest, the MPT derives guidance from relevant prescripts/frameworks dealing with but not limited to the following issues:-

Disclosure of Financial Interest: The Provincial Treasury continued its program on minimising conflict of interest by raising awareness amongst officials on the importance of disclosing their interests and placed emphasis especially on designated officials and officials with permission to perform other remunerative work. For the period under review, all SMS Members accordingly declared their financial interests through the e-disclosure system, including officials in the Office of the Chief Financial Officer, Provincial Supply Chain Management and Officials a salary levels 11 and 12 and the department obtained 100% compliance for all categories of these designated officials.

CIPC, CSD audit findings or tip-offs: CIPC, CSD checks and audit findings or tip-offs are also utilised to minimise conflict of interest and including. In this regard CIPC and CSD checks were conducted for all officials in order to check if there are no officials conducting business with Government.

Management of Gifts: A Gift Register is kept, and officials are encouraged to register gifts they receive in the course of duty.

Other Remunerative Work (ORW) Outside Employment in the Public Service: Annual reminders were sent to officials to seek permission from the Executive Authority before other remunerative work outside their employment in the Public Service was performed including advocacy on the Public Service Regulations which came into effect from 1 August 2016 and the recent amendments of November 2023 including making them aware that they are not allowed to conduct business with the state. Where a potential interest is identified, the ORW is not approved, and where it is approved and conflict of interest is later identified, such approval is withdrawn, and there were no such instances for the period under review. For the period under review, 4 officials were granted permission to perform other remunerative work outside the Public Service.

Should instances of conflict of interest be identified and merits direct that action should be taken against the affected official, same is dealt with in line with applicable prescripts and as informed by the merits of the case. For the period under review, there were no cases emanating from conflict of interest.

5. CODE OF CONDUCT

Awareness workshops on Code of Conduct was conducted to all employees including the newly appointed employees and a copy of Code of Conduct was issued to all newly appointed employees. Compliance to the Code of Conduct enhances professionalism and ensures confidence in the Public Service and the promotion of exemplary conduct. The Provincial Treasury adheres to the Code of Conduct and promotes high standard of professional ethics.

There has been breach of the Code of Conduct by employees, and it was handled in terms of the Public Service Coordinating Bargaining Council Resolution 1 of 2003 Disciplinary Code and Procedure (applicable to employees on salary levels 1 to 12). During the period under review, the Provincial Treasury received and finalized 3 misconduct and 4 grievance cases.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) as amended, imposes the responsibility on the employer to provide and maintain, as far as is reasonably practical, a healthy working environment that is safe and without risk to the health of its employees.

The Provincial Treasury monitors the OHS Action Plan on occupational health and safety hazards in all the workstations. OHS representatives were officially appointed in the various workstations with a responsibility to identify possible occupational hazards/risks that might affect operations and escalate accordingly where necessary for intervention.

OHS Committee meetings inclusive of labour stakeholders were convened quarterly to mitigate identified occupational hazards through regular workplace inspections including Regional and Satellite Offices. The state-owned office buildings occupied by Provincial Treasury are reliant on DPWRT for maintenance services to mitigate any occupational health and safety hazards. The Provincial Treasury will continue to collaborate with DPWRT to improve maintenance of offices to optimally mitigate occupational health and safety hazards.

7. PORTFOLIO COMMITTEES

Meeting dates of the Portfolio Committee

1st Quarter Performance Report 2023/24 : 22 August 2023

2nd Quarter Performance Report 2023/24 : 16 November 2023

3rd Quarter Performance Report 2023/24 : 12 March 2024

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
1st Quarter Performance Report 2023/24 meeting held on 22 August 2023		
Programme 1		
i.	Can the department provide a progress report on the engagements held with labour to resolve the disputes in terms of filling the critical vacant posts?	<ul style="list-style-type: none"> All posts that could not be filled within 12 months were re-advertised as per the PSR requirements. A meeting was held with all stakeholders to agree on the recruitment plan and recruitment processes have thus started accordingly A Province wide workshop was initiated by PT working with OTP wherein DPSA presented on legal requirements and prescripts guiding recruitment in the public service
ii.	What is the estimated date to complete the recruitment process?	<ul style="list-style-type: none"> March 2024
Programme 2		
i.	What has been done by the department to ensure that the capturing of own revenue is done as expected?	<ul style="list-style-type: none"> Capturing is done on the system thus all officials within this unit have access and relevant tools to perform this function
ii.	Noting that the month of June has already passed, Can the department provide a comprehensive report on whether the 23% own revenue was collected as projected, challenges experienced during the process and measures in place to avoid late capturing of collections?	<ul style="list-style-type: none"> As at the end of July 2023, 32% of Own revenue was collected thus confirming that the June target of 23% was met. Load shedding challenges continue to affect optimal performance of financial systems in general, these are at times exacerbated by Municipal power challenges such as load reduction, cable theft, SITA lines etc. Monitoring processes for capturing of own revenue collection on Vulindlela and BAS before monthly closures have been strengthened.
iii.	What are reasons for not spending the budget allocated towards supporting Municipalities?	<ul style="list-style-type: none"> Budgets have been spent from the previous FY and onto the 2023/24 financial year, support with bank reconciliations and addressing audit findings are ongoing projects Review of the Mandatory Financial Recovery Plans in terms of Section 147 of the MFMA for Govan Mbeki, Msukaligwa, Emalahleni and Thaba Chweu is underway with two of these already underway i.e. GMM and Msukaligwa, the other two will be finalised in the 2nd quarter

Resolution No	Resolutions	Response by Provincial Treasury
iv.	Which municipalities will be negatively affected by the non-expenditure of the budget allocated towards supporting municipalities during quarter 1?	<ul style="list-style-type: none"> No municipality will be negatively affected due to the fact that the projects started as planned.
v.	Can the department provide a breakdown on how these funds will be allocated to those municipalities and how will Provincial Treasury monitor the spending to ensure that Municipalities benefit largely and improve on their audit outcome?	<ul style="list-style-type: none"> The allocation of the funds is project based, some projects are carried out by PT directly and some funds are transferred to Municipalities depending on availability of SPs on databases. Support with bank reconciliations and addressing audit findings Lekwa and Dr JS Moroka for the amount of R3,2 Million. Support for the review of the Mandatory Financial Recovery Plans in terms of Section 147 of the MFMA for Govan Mbeki, Msukaligwa, Emalahleni and Thaba Chweu to the value of R5,5 Million. The service providers are and will be monitored through project steering committees, which are chaired by Provincial Treasury project leaders.
Programme 3		
i.	Does the department experience regular cases of cable theft? if yes, how much has been spent to date in order to replace the stolen cables?	<ul style="list-style-type: none"> Yes, however this does not affect PT only rather all Departments located at the RGC in this case. PWRT as custodians of facilities is responsible for handling process related hereto including any applicable payments.
ii.	To what extent is government intervening to resolve the issue of cable theft particularly on the side of Riverside Government complex?	<ul style="list-style-type: none"> Public Works as custodians of Government facilities is responsible for this area of work.
iii.	How will the department fast-track the procurement of the E-Submission System to avoid surrendering of funds, just like in the previous financial year?	<ul style="list-style-type: none"> The work was advertised already and procurement and bid committee processes are underway, it is anticipated that these will be finalised within the month of August.
Programme 4		
i.	What were the anticipated plans that could not be carried out that led to lower traveling costs throughout the quarter?	<ul style="list-style-type: none"> All planned targets for the 1st Quarter were achieved, the use of physical and virtual engagements contributed to the realised savings.

7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
ii.	How will the department ensure proper planning in order to avoid such a huge under expenditure on Goods and Services?	<ul style="list-style-type: none"> Savings on S&T will be utilised for other programme and projects such as bank reconciliations as tabulated in response 2(v) above.

Resolution No	Resolutions	Response by Provincial Treasury
2nd Quarter Performance Report 2023/24 meeting held on 16 November 2023		
Compensation of Employees		
i.	Considering the recent cost curtailment circular by the National Treasury and DPSA directive, which funded posts are identified as critical and will be filled in the current financial year, if approval is obtained?	<ul style="list-style-type: none"> 48 posts were advertised, and so far 29 have been filled. The remaining 19 will follow DPSA circular No 49 of 2023 process as articulated.
Goods and Services		
ii.	What are the root causes of slow spending on the budget for Municipal Interventions, E-Submission, and IDMS?	<ul style="list-style-type: none"> Municipal Interventions: There is no low spending, the item is overheating, and will be adjusted through adjustment budget process. E-Submission: The spending is in line with the Department's Procurement Plan. All processes have since been finalised and project implementation has commenced. IDMS: The bids received for IDMS were unresponsive, and unaffordable and will be reprioritised.
iii.	How does the department plan to mitigate those challenges in order to avoid surrendering more funds just like in the previous financial year 2022/23?	<ul style="list-style-type: none"> IDMS funds will be reprioritised for other provincial pressures.
Transfers and Subsidies		
i.	Were the funds transferred to Msukaligwa Municipality planned for in the 2023/24 financial year?	<ul style="list-style-type: none"> Yes, the funds have been planned and are in line with Financial Recovery Plan support for the Municipality.

Resolution No	Resolutions	Response by Provincial Treasury
ii.	How will the department even the expenditure in the subsequent quarters?	<ul style="list-style-type: none"> The process will be considered during the adjustment budget.

Payment for Capital Assets

i.	What caused the department to delay procuring the assets which resulted in the under-expenditure recorded since the first quarter?	<ul style="list-style-type: none"> New technological requirements for Uninterrupted Power Supply have since emerged; the Department has had to rework the specifications in this regard.
ii.	What measures will be put in place to prevent such delays in future?	<ul style="list-style-type: none"> Provincial Treasury will ensure constant demand management and benchmarking in line with Supply Chain Management processes.

Resolution No	Resolutions	Response by Provincial Treasury
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3rd Quarter Performance Report 2023/24 meeting held on 12 March 2024

Goods and Services

i.	Noting that the department has sited delays on procurement processes for Municipal Support and E-Submissions which resulted in the low spending for Goods and Services; Does the department have a plan in place to address these delays in order to avoid underspending by the end of the 2023/24 financial year?	<p>Yes, the department does have the plans in place and can confirm finalisation of all procurement related e-submission and that project implementation is currently underway.</p> <p>Municipal Support: Provincial Treasury can confirm that all Municipalities that were meant to be part of the programme have since received their allocations, that is Lekwa Local Municipality, Dr JS Moroka, LM, Mkhondo LM, Govan Mbeki Municipality.</p>
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Transfers and Subsidies

ii.	Can the department provide a comprehensive report on the progress made towards improving metering and data cleansing for municipalities supported in the 2023/24 financial year?	<p>Metering: Provincial Treasury can confirm that metering processes were done by Municipalities as supported, for example in</p> <p>Govan Mbeki Municipality</p> <ul style="list-style-type: none"> The municipality had a total backlog of 44 000 electricity meters. To date over 12 000 electricity meters have been installed.
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7. PORTFOLIO COMMITTEES CONTINUED

Resolution No	Resolutions	Response by Provincial Treasury
ii. continued...		<ul style="list-style-type: none"> Water meters and large power users smart meters were procured The municipality is still in process of installation of the above procured meters. <p>Data Cleansing: Provincial Treasury can confirm that all data cleansing processes were done by Municipalities as supported, for example in</p> <p>Mkhondo Local Municipality:</p> <ul style="list-style-type: none"> Billing appears to be around R25 million per month. 60 % of the Debt moves from current debt to the older ageing groups which is indicative of a lack of credit control and debt collection and possibly also a lack of managing the indigent. There is equally a limited reduction in the debt movement as it moves between the ageing groups
Payment of Capital Assets		
iii.	Can the department provide a report or list of all the reworked specifications and indicate their current stage of procurement?	<p>Provincial Treasury can confirm the revision of specifications for uninterrupted power supply to inverters in order to conform to the use of renewable energy sources, eg. Solar.</p> <p>This will make them to be cost-effectiveness, efficiency, scalability, reliability, and environmental friendliness. Inverters work seamlessly with solar power systems, making them a more versatile and a sustainable option.</p> <p>Provincial Treasury has finalised specifications but implementation has been deferred to the next financial year.</p>
Programme 3 : Assets and Liabilities		
i.	Considering that spending on Capital Assets is below 40% during the 3rd quarter, how will these delays impact the overall spending on this line item by the end of the financial year?	<p>Provincial Treasury does not anticipate further delays as orders have been issued and awaiting delivery of the following items:</p> <ul style="list-style-type: none"> WiFi to enhance
ii.	What are the reasons provided by the municipalities for not submitting financial statements as required by the Provincial Treasury?	<p>Provincial Treasury does confirm that financial statements were submitted by Municipalities for audit purposes on time, what delayed was the submission of final municipal audit report, for example: Dr Pixley ka Isaka Seme but the municipality has since received the report and tabled to council.</p>

Resolution No	Resolutions	Response by Provincial Treasury
iii.	Can the department report on the progress made towards obtaining audited financial statement for the three (3) municipalities?	Provincial Treasury can confirm that all Municipalities have since received their audit reports including the three that delayed (for example, Thaba Chweu, eMalahleni, eMakhazeni and Dr Pixley ka Isaka Seme Local Municipalities).

8. SCOPA RESOLUTIONS

Date of Sitting: 15 February 2024

Resolution No	Subject	Details	Response by Provincial Treasury	Resolved (Yes/No)
1.	Implementation of previous SCOPA resolutions	Can the Department provide a progress report on the implementation of SCOPA resolutions for the 2021/22 financial year?	<ul style="list-style-type: none"> Procurement and Contract Provincial Treasury officials attend trainings and workshops as and when procurement legislations are amended. Condonation of irregular expenditures Irregular expenditure condonation requirements are regularly discussed with CFOs during the CFOs forum meetings. <p>One on one sessions are conducted with Departments and Pubic Entities where challenges are identifies regarding their submissions for condonation.</p> <ul style="list-style-type: none"> Initiatives to support municipalities. All advisors deployed to municipalities are deployed for a period of two years and all of them qualifies in terms of the minimum competency requirement as directed by National Treasury. 	Yes

8. SCOPA RESOLUTIONS CONTINUED

Resolution No	Subject	Details	Response by Provincial Treasury		Resolved (Yes/No)
			Focus Area	Progress	
2.	Implementation of 2022/23 Audit Action Plan	Can the Department provide the progress report on the implementation of the 2022/23 Audit Action Plan?	ASSET: The expenditure for capital assets on the AFS are understated and do not agree to the general ledger	Journals to be passed for identified misallocations	
			ASSET: The Goods and Services on the AFS are overstated and do not agree to the general ledger	Journals to be passed for identified misallocations	
			Irregular expenditure – The notes to the Annual Financial Statements are not complete as the Irregular Expenditure note is not disclosed	None	
3.	Auditor General findings and questions	What measures will the Accounting Officer put in place to ensure that the department maintains the clean audit opinion in the 2023/24 financial year?	Provincial Treasury has the following internal oversight measures to ensure that the clean audit opinion is maintained: <ul style="list-style-type: none"> • Monthly MANCO Audit action plan reviews • Quarterly internal performance and financial reviews • Follow up audit by Internal Audit and monitoring of the effectiveness of internal controls. • Quarterly Risk and Ethics Management committee meeting as well as Quarterly Audit Committee meetings 		
		What challenges does the Accounting Officer envisage that might hamper the achievement of a clean audit in the 2022/23 financial year?	<ul style="list-style-type: none"> • Non-compliance to instruction note may hamper the achievement. 		

Resolution No	Subject	Details	Response by Provincial Treasury	Resolved (Yes/No)
3. continued...		What commitment does the Accounting Officer make to the Legislature in ensuring that a clean audit is achieved in the 2023/24 financial year?	<ul style="list-style-type: none"> Provincial Treasury plans to manage the status in relation to relevant regulations, amongst others Section 38-40 of PFMA to ensure effective financial management. 	

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no prior modifications to the audit reports.

10. INTERNAL CONTROL UNIT

The Provincial Treasury does not have a formalised Internal Control Unit however, the Office of the CFO has assigned the various internal control checks to the responsible managers whilst the organisational structure is being reviewed.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The Internal Audit Unit and Audit Committee derive their mandate from the Internal Audit Charter and Audit Committee Charter.

KEY ACTIVITIES AND OBJECTIVES OF THE INTERNAL AUDIT:

The Internal Audit Unit conducts its activities as per the Internal Audit Plan that is based on the risk assessment and approved by the Audit Committee.

The Internal Audit Unit exists to provide assurance and consulting activity to the Provincial Treasury to add value and improve operations to enable the Provincial Treasury to achieve its strategic goals and objectives.

SUMMARY OF AUDIT WORK DONE:

The Internal Audit Unit reports quarterly to the Audit Committee on the progress of work conducted in accordance with the approved Internal Audit Plan.

11. INTERNAL AUDIT AND AUDIT COMMITTEES CONTINUED

The following internal audit work was completed during the year under review:

- Performance Information and Financial Statement Reviews
- Regional Office Reviews
- Control Environment
- Key Controls Review
- Asset Management
- Financial and Supply Chain Management
- Follow-up Reviews

KEY ACTIVITIES AND OBJECTIVES OF THE AUDIT COMMITTEE:

The Audit Committee fulfils a vital role in corporate governance to ensure the integrity of integrated reporting and internal controls and the identification and management of risks. The Audit Committee provides oversight relating to financial management and other reporting practices, internal controls and management of risks as well as compliance with laws, regulations and ethics.

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
Ms JS Masite Chairperson	Certified Internal Auditor, (CIA) Certified Internal Control Professional(CICP) Chartered Internal Auditor, (CMIIA) Certified Fraud Examiner (CFE), Qualification in Internal Audit Leadership, (QIAL) Chartered Government Internal Auditor.(CGIA) B Com Degree	External	N/A	01/11/2019	N/A	6

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Trevor Boltman	Certified Internal Auditor Certified Government Auditing Professional Certification in Control Self-Assessment Certificate in Forensic Examination Post Graduate Diploma Internal Auditing B Tech Internal Auditing	External	N/A	01/11/2022	N/A	5
Mr Mike Khathushelo Ramukumba	Masters of Business Administration CA (SA) B Comm Honours (CTA) B Comm	External	N/A	01/11/2022	N/A	4
Dr Machiniba Sylvia Sathekge	Doctor of Business Administration Masters of Business Leadership Masters of Science specialisation in Technology Management Bachelor Science B Tech Information Technology	External	N/A	01/11/2022	N/A	5

11. INTERNAL AUDIT AND AUDIT COMMITTEES CONTINUED

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms Ntombizakithi Pearl Zwane	B Comm: Accounting Post Grad Diploma: Business Management Certificate Programme in Management Development for Municipal Finance Procurement Professional Chartered Institute of Procurement and Supply (CIPS)	External	N/A	01/11/2022	N/A	3

12. AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT COMMITTEE

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, Act 1 of 1999 and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter. We have regulated our affairs in compliance with this charter and have discharged all responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

THE EFFECTIVENESS OF INTERNAL CONTROL

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Provincial Treasury revealed certain weaknesses, which were then raised with management.

The following internal audit work was completed during the year under review:

- Performance Information and Financial Statements Reviews;
- Regional Office Review;
- Control Environment;
- Key Controls Review;
- Asset Management;

- Financial and Supply Chain Management; and
- Follow-up Reviews.

The following were areas of concern:

- Failure by the Department of Public Works, Roads and Transport to attend timeously to Occupational Health and Safety matters impacting the Provincial Treasury;
- Monitoring the clearing of long outstanding commitments for orders processed;
- Non-adherence to the timelines in the procurement plan;
- Movement of assets not timeously reflected on LOGIS and disposal of assets from the asset register; and
- Inadequate monitoring, supervision, and review of the usage of government vehicles.

From the various reports from the Internal Audit Unit, some matters were reported indicating deficiencies in the system of internal control. In order to address deficiencies noted, the Audit Committee will monitor progress made by management with implementing action plans to address those deficiencies.

IN-YEAR MANAGEMENT AND MONTHLY AND QUARTERLY REPORTS

The Provincial Treasury has been reporting monthly and quarterly as required by the PFMA.

EVALUATION OF FINANCIAL STATEMENTS

We have reviewed the Annual Financial Statements prepared by the Provincial Treasury.

AUDITOR-GENERAL SOUTH AFRICA'S REPORT

We have reviewed the Provincial Treasury's implementation plan regarding audit issues raised in the previous year and are satisfied that the matters have been adequately resolved. The Audit Committee concurs and accepts the conclusion of the Auditor-General on the Annual Financial Statements and Annual Performance Report and is of the opinion that the Audited Annual Financial Statements and Annual Performance Report be read together with the report of the Auditor-General.

INDEPENDENCE OF THE AUDIT COMMITTEE

The Audit Committee is independent of management in the execution of its duties.

INTERNAL AUDIT

The Audit Committee is satisfied that the Internal Audit function is operating effectively and that it has addressed the risks pertinent to the Provincial Treasury in its audits.

RISK MANAGEMENT

Quarterly reports by the Chairperson of the Risk and Ethics Management Committee highlighted the implementation of the combined assurance plan on risk and ethics management. Both the Audit Committee and Risk and Ethics

12. AUDIT COMMITTEE REPORT CONTINUED

Management Committee provided assurance and advised management on improvement on effectiveness of governance, risk management and internal controls.

APPRECIATION

The Audit Committee wishes to express its appreciation to the management team and to the staff of Provincial Treasury who provided immense support towards the realization of a clean administration resulting in the attainment of consecutive clean audit outcomes. Further, the Audit Committee appreciates the assistance and cooperation of management in the discharge of its responsibility.

CONCLUSION

The Audit Committee is also committed to align to the AGSA Culture Shift Framework in promoting the accountability ecosystem.



Jane Sedie Masite, CIA, CFE, CICP, QIAL

*Chairperson of the Audit Committee
Mpumalanga Provincial Treasury*

Date: 31/07/2024

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity 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?	No	Provincial Treasury does not have the criteria for issuing of licences, concessions, and any other economic activity as this does not form part of Provincial Treasury's mandate
Developing and implementing a preferential procurement policy?	Yes	The Provincial Treasury has a Supply Chain Management Policy and adheres to the Preferential Procurement Regulations of 2022 as promulgated on the 1st of January 2023.
Determining qualification criteria for the sale of state-owned enterprises?	No	The Provincial Treasury does not sell any state owned enterprises.
Developing criteria for entering into partnerships with the private sector?	No	The Provincial Treasury does not enter into any PPP (Private Public Partnerships) but only provided support to other stakeholders in the application process to the National Treasury.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Provincial Treasury does not award incentives, grants and investment schemes in support of Broad –Based Black Economic Empowerment.



**HUMAN
RESOURCE
MANAGEMENT**

PART D

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service

2. OVERVIEW OF HUMAN RESOURCES

The Provincial Treasury had 406 permanent and non-permanent staff members as at 31 March 2024. The high standard of performance in the Provincial Treasury emanates from the commitment, diligence and often-selfless efforts of its employees despite human capacity challenges. The modern people management landscape has shifted significantly in recent years and requires complex navigation between ranges of competing variables.

Apart from the fact that these variables are inter-dependent and inter-related, they are also governed by rules and regulations, which prove difficult when retention and attraction initiatives are explored. These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management/development, succession planning, employment equity and creating an enabling environment where employees can thrive.

The Provincial Treasury has capable human capital who are expected to have a positive impact in rendering quality service delivery to the Province. Corporate Services continued to monitor the implementation of people management, compliance indicators and provided management with regular updates on various accurate people management information to enable sound decision-making. These indicators include among others, staff establishment information, headcount, leave liability, status on labour related cases, employee health and wellness related cases, vacancy rates, staff mobility, records management, employment equity issues and performance management compliance within the Provincial Treasury

Human Resource Priorities for the year under review and the impact thereof

Human Resource Priorities	The impact
Attracting and recruiting the best and skilled workforce	Improved organizational performance
Retaining and developing a modern responsive and professional workforce	Reduced personnel turnover
Ensure proper implementation of exit interviews	Improved retention strategy
Provision of accurate HR information	Informed decision-making
Proper management of leave	Healthy and productive workforce. Maximum performance and reduced leave liability. Reduced absenteeism rate.
Implement the code of conduct	Disciplined employees
Ensure capacity building for all employees	Improved operational efficiency. Enhanced employee performance. Achievement of organizational targets.

2. OVERVIEW OF HUMAN RESOURCES CONTINUED

Human Resource Priorities	The impact
Proper implementation and management of Performance Management and Development System	Improved organizational performance

a) Workforce Planning and key strategies to attract and recruit skilled and capable workforce.

- The Provincial Treasury acquired personnel with requisite skills, knowledge and attributes to perform the work through the workforce planning process. Through this process, the Provincial Treasury assesses its workforce profile against the supply and demand of the organization. The main purpose of the assessment is to identify the extent of the current workforce in addressing key people management outcomes that would guarantee service continuity and value of the workforce. The workforce planning/ human resource planning is aligned to the vision and mission of the departmental strategic objectives.
- The Provincial Treasury identified and filled a number of vacant funded positions during 2023/2024 in order to improve the workforce capacity of the organization and enhance performance thereof. Alignment of job requirements with the National Treasury guidelines during the advertisement of vacant positions is one of the strategies which the department continued to apply thereby reaching prospective employees.

b) Employee Performance Management

- All employees entered into performance agreements by 31 May 2023. The operational targets and achievements were linked to the performance agreement entered into between both parties. Mid-term and annual performance assessments were conducted within the stipulated period. This was an ongoing consultative process that was properly managed to avoid any disputes that may arise from performance management process.
- The performance management process also made provision for training interventions through personal development plans. This was aimed at improving the performance of individuals where shortfalls/gaps are identified from the set targets.
- The process was developmental in nature, however, those that were identified as poor performers in terms of the legislative framework were required to be subjected to a developmental intervention. All employees at salary level 2-12 and senior management employees were assessed in accordance with the Performance Management and Development System and those who qualified for performance rewards were paid accordingly, i.e. pay progression.

c) Employee Health and Wellness Programmes

- The Employee Health and Wellness Programme (EHW) followed a holistic approach to manage employee well-being and was largely preventative in nature, offering both primary and secondary services. The Employee Health and Wellness Committee convened quarterly meetings to monitor compliance to strategic framework on health and wellness and to recommend support programmes aimed at promoting health and productivity among employees.
- The Provincial Treasury conducted a number of Employee Health and Wellness programmes which included the following;
 - Occupational Health and Safety Awareness
 - Women’s Health and Gender Equality

- Mental Health Awareness (Bullying in the Workplace)
- Pre-Retirement Planning
- Management of Personal Finances
- Physically Wellness programme
- Employee Wellness Management Programme
- HIV/AIDS and TB Management
- Commemoration of World AIDS Day through exhibition
- Eye Test Screening
- Promotion of Healthy Life Style

Gender Focal Point

- Gender Focal Point unit coordinated programmes to intensify gender mainstreaming in the department and also targeted and identified vulnerable communities under the legacy projects. The following programmes were implemented during the period under review:
 - Men's Summit
 - Gender Based Violence and Femicide
 - Gender Equality
 - Public Service Women Management Week (PSWMW)
 - Participated on legacy projects and donated household items.

d) Highlights of Achievements

- Developed and submitted a MTEF Human Resource Plan and the Human Resource Plan Implementation Progress Report in compliance with the Public Service Regulations, 2016 as amended.
- Developed and implemented the Workplace Skills Plan for 2023/24 financial year in terms of the Skills Development Act, 1998 (Act No. 97 of 1998).
- Implemented and monitored 23 Interns and Learners participating in the youth developmental programmes.
- Implemented and monitored 50 FASSET Graduate Interns participating in the youth developmental programme for the duration of 24 months. The Interns are placed in various participating Departments, Public Entities and Municipalities to gain workplace experience
- Implemented and monitored 26 Trainee Accountants in a three-year learnership programme in collaboration with SAIPA towards attaining certificates as Professional Accountants. The Trainee Accountants are placed in various participating Departments, Public Entities and Municipalities to gain workplace experience.
- Implemented service conditions and benefits to employees of the Provincial Treasury, this includes among others hosting and celebrating long service awards to all long serving employees of 10,20,30 and 40 years in the public service.
- Employee Health and Wellness programmes were implemented to provide wellness and psychotherapy support to employees where necessary. Referrals to professionals were coordinated and affected employees were supported accordingly.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 PERSONNEL RELATED EXPENDITURE

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	140 117	69 141	1 700	381	49.3	309
Sustainable Resource Management	95 878	52 364	8	8 838	54.6	919
Assets & Liabilities Management	282 012	64 708	8	0	22.9	654
Financial Governance	25 615	22 216	112	0	86.7	854
Total	543 622	208 429	1 828	9 219	38.3	513

Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	3 982	1.9	17	234
Skilled (level 3-5)	6 633	3.2	34	195
Highly skilled production (levels 6-8)	45 551	21.9	96	474
Highly skilled supervision (levels 9-12)	122 766	58.9	141	871
Senior and Top management (levels 13-16)	26 367	12.7	19	1 388
Contract (Levels 3-5)	103	0	11	9
Contract (Levels 6-8)	468	0.2	12	39
Contract Other	2 559	1.2	67	38
Total	208 429	100	406	513

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2023 and 31 March 2024

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	56 357	76.4	1 029	1.4	1 863	2.5	3 930	5.2
Sustainable Resource Management	45 400	82.1	0	0	761	1.4	1 186	2.1
Assets & Liabilities Management	53 765	76.7	8	0	1 447	2.1	3 148	4.4
Financial Governance	18 767	78.7	21	0.1	393	1.6	955	3.9
Total	174 289	78.2	1 058	0.5	4 464	2.0	9 219	4.1

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	2 793	69.3	44	1.1	227	5.6	563	13.7
Skilled (level 3-5)	4 696	69.5	112	1.7	393	5.8	819	11.9
Highly skilled production (levels 6-8)	35 601	74.5	482	1.00	1 643	3.4	3 436	7.1
Highly skilled supervision (levels 9-12)	104 683	78.8	323	0.2	1 746	1.3	4 110	3.0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Senior management (level 13-16)	23 482	82.8	0	0	455	1.6	291	1.0
11 Contract (Levels 3-5)	103	100	0	0	0	0	0	0
12 Contract (Levels 6-8)	451	94.7	17	3.6	0	0	0	0
18 Contract Other	2 480	95.7	80	3	0	0	0	0
TOTAL	174 289	78.2	1 058	0.5	4 464	2.0	9 219	4.1

3.2 EMPLOYMENT AND VACANCIES

Table 3.2.1 Employment and vacancies by programme as on 31 March 2024

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	166	125	24.7	99
Sustainable Resource Management	59	57	3.4	0
Assets & Liabilities Management	157	99	36.9	0
Financial Governance	51	26	49.0	0
Total	433	307	29.1	99

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower Skilled (Levels 1-2), Permanent	23	17	26.1	0
Skilled (Levels 3-5), Permanent	70	34	51.4	0
Highly Skilled Production (Levels 6-8), Permanent	129	96	25.6	0
Highly Skilled Supervision (Levels 9-12), Permanent	190	141	25.8	0
Senior Management (Levels >= 13), Permanent	21	19	10.5	0
Other, Permanent	0	0	0	76
Contract (Levels 3-5), Permanent	0	0	0	11
Contract (Levels 6-8), Permanent	0	0	0	12
TOTAL	433	307	29.1	99

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2024

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	94	30	68.1	0
Cleaners in offices workshops hospitals etc., permanent	17	17	0	0
Communication and information related, permanent	4	4	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Engineers and related professionals, permanent	1	1	0	0
Finance and economics related, permanent	60	47	21.7	0
Financial and related professionals, permanent	32	32	0	0
Financial clerks and credit controllers, permanent	8	8	0	0
Head of department/chief executive officer, permanent	1	1	0	0
Human resources related, permanent	18	14	22.2	53
Information technology related, permanent	33	33	0	0
Legal related, permanent	3	3	0	0
Logistical support personnel, permanent	47	47	0	0
Messengers porters and deliverers, permanent	6	6	0	0
Not available, permanent	52	9	82.7	9
Other occupations, permanent	5	5	0	0
Risk management and security services, permanent	7	7	0	0
Safety health and quality inspectors, permanent	1	1	0	0
Secretaries & other keyboard operating clerks, permanent	23	23	0	0

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Senior managers, permanent	21	19	90	0
Youth workers, permanent	0	0	0	37
Total	433	307	29.1	99

3.3 FILLING OF SMS POSTS

Table 3.3.1 SMS post information as on 31 March 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	3	3	100	0	0
Salary Level 13	17	15	88.2	2	11.8
Total	21	19	90.5	2	9.5

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	3	3	100	0	0
Salary Level 13	17	15	88.2	2	11.8
Total	21	19	90.5	2	9.5

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 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 of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	1	1	100
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	3	3	100
Salary Level 13	17	15	88.2
Total	21	19	90.5

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2023 and 31 March 2024**Reasons for vacancies not advertised within six months**

Delays were experienced in the recruitment process.

Reasons for vacancies not advertised within twelve months

Delays were experienced in the recruitment process.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2023 and 31 March 2024**Reasons for vacancies not advertised within six months**

N/A

Reasons for vacancies not filled within six months

Delays were experienced in the recruitment process.

3.4 JOB EVALUATION

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2023 and 31 March 2024

Job Evaluation by Salary band for the period 1 April 2023 and 31 March 2024	None
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Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 and 31 March 2024

Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 and 31 March 2024	None
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Employees with a disability	0
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Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024

Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024	None
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Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 and 31 March 2024

Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 and 31 March 2024	0
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Employees with a disability	0
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Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.5 EMPLOYMENT CHANGES

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	21	3	0	0
Skilled (Levels 3-5)	19	10	0	0
Highly skilled production (Levels 6-8)	92	11	1	1.1
Highly skilled supervision (Levels 9-12)	133	16	6	4.5
Senior Management Service Bands A	11	1	0	0
Senior Management Service Bands B	6	0	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	0	0	0	0
Other Permanent	30	50	5	16.7
Contract (Levels 3-5)	0	11	0	0
Contract (Levels 6-8)	5	12	6	120
TOTAL	318	114	18	5.7

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024

Critical occupation	Number of employees at beginning of period- April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related permanent	27	8	2	7.4
Cleaners in offices workshops hospitals etc. Permanent	17	3	0	0

Critical occupation	Number of employees at beginning of period- April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Communication and information related permanent	5	2	1	20.0
Engineers and related professionals permanent	1	1	0	0
Finance and economics related permanent	56	2	0	0
Financial and related professionals permanent	27	5	0	0
Financial clerks and credit controllers permanent	8	0	0	0
Head of department/chief executive officer permanent	1	0	0	0
Human resources related permanent	13	56	7	53.8
Information technology related permanent	32	5	3	9.4
Legal related permanent	3	0	0	0
Logistical support personnel permanent	44	2	0	0
Messengers porters and deliverers permanent	6	0	0	0
Other occupations permanent	6	0	1	16.7
Risk management and security services permanent	7	0	0	0
Safety health and quality inspectors permanent	1	0	0	0
Secretaries & other keyboard operating clerks permanent	16	10	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Critical occupation	Number of employees at beginning of period- April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior managers permanent	18	1	0	0
Youth workers permanent	30	19	4	13.3
TOTAL	318	114	18	5.7

Table 3.5.3 Reasons why staff left the department for the period 1 April 2023 and 31 March 2024

Termination Type	Number	% of Total Resignations
Death	0	0
Resignation	5	27.8
Expiry of contract	7	38.9
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	3	16.7
Transfer to other Public Service Departments	3	16.7
Total	18	
Total number of employees who left as a % of total employment	18	5.70

Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	27	2	7.4	27	100
Cleaners in offices	17	0	0	7	41.2

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Communication and information related	5	1	20.0	2	40.0
Computer system designers and analysts.	0	1	0	0	0
Engineers and related professionals	1	0	0	0	0
Finance and economics related	56	3	5.4	39	69.6
Financial and related professionals	27	2	7.4	20	74.1
Financial clerks and credit controllers	8	2	25.0	2	25.0
Head of department	1	0	0	0	0
Human resources related	13	0	0	4	30.8
Information technology related	32	1	3.1	9	28.1
Legal related	3	0	0	3	100
Light vehicle drivers	0	0	0	0	0
Logistical support personnel	44	3	6.8	27	61.4
Material-recording and transport clerks	0	0	0	0	0
Messengers porters and deliverers	6	0	0	2	33.3
Other occupations	6	1	16.7	6	100
Risk management and security services	7	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupation	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Safety health and quality inspectors	1	0	0	0	0
Secretaries & other keyboard operating clerks	16	1	6.3	8	50
Senior managers	18	0	0	4	22.2
Youth workers	30	0	0	0	0
Total	318	18	5.7	160	50.3

Table 3.5.5 Promotions by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Employees 1 April 2023	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	21	0	0	15	71.4
Skilled (Levels3-5)	19	1	5.3	19	100
Highly skilled production (Levels 6-8)	92	3	3.3	56	60.9
Highly skilled supervision (Levels 9-12)	133	13	9.8	60	45.1
Senior Management (Level 13-16)	18	1	5.6	10	55.6
Other, Permanent	30	0	0	0	0
Contract (Levels 6-8)	5	0	0	0	0
TOTAL	318	18	5.7	160	50.3

3.6 EQUITY

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	8	0	1	1	7	0	0	2	19
Professionals	74	2	0	4	131	0	0	0	211
Technicians and associate professionals	38	0	0	0	60	0	1	0	99
Clerks	6	0	0	0	16	0	0	0	22
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	1	0	0	0	0	0	0	0	1
Elementary occupations	26	0	0	0	27	0	0	0	53
Total	153	2	1	5	242	0	1	2	406
Employees with disabilities	5	0	0	0	1	0	0	0	6

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	8	0	1	1	6	0	0	2	18

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	69	1	0	4	67	0	0	0	141
Skilled technical and academically qualified workers, junior management	37	1	0	0	57	0	1	0	96
Semi-skilled and discretionary decision making	8	0	0	0	26	0	0	0	34
Unskilled and defined decision making	6	0	0	0	11	0	0	0	17
Not Available, Permanent	19	0	0	0	57	0	0	0	76
Contract (Skilled Technical)	6	0	0	0	6	0	0	0	12
Contract (Semi-Skilled)	0	0	0	0	11	0	0	0	11
TOTAL	153	2	1	5	242	0	1	2	406

Table 3.6.3 Recruitment for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	3	0	0	0	3	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	0	0	0	6	0	0	0	10

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semi-skilled and discretionary decision making	7	0	0	0	14	0	0	0	21
Unskilled and defined decision making	1	0	0	0	2	0	0	0	3
Not Available, Permanent	13	0	0	0	37	0	0	0	50
Contract (Skilled technical)	6	0	0	0	6	0	0	0	12
Contract (Semi-skilled)	0	0	0	0	11	0	0	0	11
TOTAL	35	0	0	0	79	0	0	0	114
Employees with disabilities	1	0	0	0	0	0	0	0	1

Table 3.6.4 Promotions for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	6	0	0	0	4	0	0	1	11
Professionally qualified and experienced specialists and mid-management	28	0	0	1	44	0	0	0	73
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	19	0	0	0	39	0	1	0	59
Semi-skilled and discretionary decision making	5	0	0	0	15	0	0	0	20

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision making	5	0	0	0	10	0	0	0	15
Total	63	0	0	1	112	0	1	1	178
Employees with disabilities	2	0	0	0	1	0	0	0	3

Table 3.6.5 Terminations for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	0	0	2	1	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	6	0	0	0	8
Semi-skilled and discretionary decision making	1	0	0	0	5	0	0	0	6
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	4	0	0	2	12	0	0	0	18
Employees with Disabilities	0	0	0	1	0	0	0	0	1

Table 3.6.6 Disciplinary action for the period 1 April 2023 to 31 March 2024

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Suspended without pay	0	0	0	0	0	0	0	0	0
Not guilty	3	0	0	0	0	0	0	0	3
Total	3	0	0	0	0	0	0	0	3

Table 3.6.7 Skills development for the period 1 April 2023 to 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	07	0	01	01	07	0	0	02	18
Professionals	42	0	0	0	53	0	0	0	95
Technicians and associate professionals	18	0	0	0	40	0	0	0	58
Clerks	0	0	0	0	0	0	0	0	0
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	04	0	0	0	05	0	0	0	09
Total	71	0	1	1	105	0	0	2	180
Employees with disabilities	0	0	0	0	0	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2023

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	3	3	3	100
Salary Level 13	17	14	14	100
Total	21	18	18	100

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2024

Reasons
None

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2024

Reasons
None

3.8 PERFORMANCE REWARDS

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2023 to 31 March 2024

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	153	0	0	0

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
Female	0	242	0	0	0
Asian					
Male	0	1	0	0	0
Female	0	1	0	0	0
Coloured					
Male	0	2	0	0	0
Female	0	0	0	0	0
White					
Male	0	5	0	0	0
Female	0	2	0	0	0
Total	0	406	0	0	0

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	17	0	0	0	0
Skilled (level 3-5)	0	34	0	0	0	0
Highly skilled production (level 6-8)	0	96	0	0	0	0
Highly skilled supervision (level 9-12)	0	141	0	0	0	0
Other	0	76	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Contract (Levels 3-5)	0	11	0	0	0	0
Contract (Levels 6-8)	0	12	0	0	0	0
TOTAL	0	387	0	0	0	0

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 to 31 March 2024

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks and Credit Controllers	0	8	0	0	0
Messengers Porters And Deliverers	0	6	0	0	0
Risk Management and Security Services	0	7	0	0	0
Safety Health and Quality Inspectors	0	1	0	0	0
Finance and Economics Related	0	60	0	0	0
Logistical Support Personnel	0	47	0	0	0
Other Occupations	0	1	0	0	0
Legal Related	0	3	0	0	0
Financial And Related Professionals	0	32	0	0	0
Not Available	0	9	0	0	0
Administrative Related	0	30	0	0	0
Communication And Information Related	0	4	0	0	0

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Secretaries & Other Keyboard Operating Clerks	0	23	0	0	0
Cleaners In Offices Workshops Hospitals Etc.	0	17	0	0	0
Human Resources Related	0	61	0	0	0
Head Of Department/Chief Executive Officer	0	1	0	0	0
Youth Workers	0	37	0	0	0
Senior Managers	0	25	0	0	0
Engineers And Related Professionals	0	1	0	0	0
Information Technology Related	0	33	0	0	0
Total	0	406	0	0	0

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	12	0	0	0	0
Band B	0	6	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	0	0	0	0	0
Total	0	19	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.9 FOREIGN WORKERS

Table 3.9.1 Foreign workers by salary band for the period 1 April 2023 and 31 March 2024

Foreign workers by salary band for the period 1 April 2023 and 31 March 2024	None
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Table 3.9.2 Foreign workers by major occupation for the period 1 April 2023 and 31 March 2024

Foreign workers by major occupation for the period 1 April 2023 and 31 March 2024	None
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3.10 LEAVE UTILISATION

Table 3.10.1 Sick leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	71	80.3	12	7.1	6	46
Skilled (levels 3-5)	93	74.2	14	8.2	7	95
Highly skilled production (levels 6-8)	427	81.5	62	36.5	7	781
Highly skilled supervision (levels 9 -12)	424	90.1	65	38.2	7	1 461
Top and Senior management (levels 13-16)	64	90.6	8	4.7	8	322
Contract (Levels 6-8)	3	66.7	2	1.2	2	1
Contract Other	27	33.3	7	4.1	4	8
Total	1 109	83.4	170	100	7	2 715

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	18	100	1	100	18	66
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	18	100	1	100	18	66

Table 3.10.3 Annual Leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	507	24	21
Skilled Levels 3-5)	522	24	22
Highly skilled production (Levels 6-8)	2400	96	15
Highly skilled supervision(Levels 9-12)	3 220	133	24
Senior management (Levels 13-16)	466	18	26
Contract (Levels 6-8)	61	4	15
Contract Other	456	32	14
Total	7 632	331	23

Table 3.10.4 Capped leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	60

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Highly skilled production (Levels 6-8)	0	0	0	47
Highly skilled supervision (Levels 9-12)	0	0	0	51
Senior management (Levels 13-16)	0	0	0	58
Total	0	0	0	52

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2023 and 31 March 2024

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2023/24 due to non-utilisation of leave for the previous cycle	367	4	92
Capped leave payouts on termination of service for 2023/24	309	1	309
Current leave payout on termination of service for 2023/24	0	0	0
Total	676	5	169

3.11 HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	N/A

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		Ms C Nkonyane Senior Manager: Corporate Services
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.	✓		Only two officials are responsible for Employee Health and Wellness, after the resignation of the Assistant Manager EHW. Budget: R1 813 345
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	✓		<ul style="list-style-type: none"> • OHS Awareness • Employee Wellness Management • Mental Health Awareness • HIV/AIDS & TB Management Awareness • Physical Wellness Program • World AIDS Day Exhibitions • Referrals of employees to professionals where necessary. • Pre-Retirement Planning • Management of Personal Finances • Women Health and Gender Equality

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Question	Yes	No	Details, if yes
<p>4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	✓		<p>The Provincial Treasury has established an OHS Committee and members were officially appointed as follows:</p> <ul style="list-style-type: none"> • Ms C Nkonyane- Snr Manager Corporate Services and Chairperson of the Committee. <p>Members:</p> <ul style="list-style-type: none"> • Mr E Maunye -- Security Management • Ms P Myanga—OHS Rep Security Management • Mr BJ Hlatshwayo—OHS Rep Gert Sibande Regional Office • Mr FM Mathebula—OHS Rep Ermelo Satellite Office • Ms EY Mnisi—OHS Rep Head Office (EHW) • Ms S Ndala –OHS Rep Head Office (Programme 3) • Mr A Zulu—OHS Rep Transversal Services- Head Office • Mr MW Gama—OHS Rep Ehlanzeni Region (Programme 4) • Mr MB Dube—OHS Rep Head Office (Programme 1) • Mr S Msimango—OHS Rep Head Office (Programme 3) • Mr J Sithole—OHS Rep Building 9 • Mr R Ngomane—OHS Rep (Programme 4) • Mr S Sibitane—OHS Rep Mbombela Square • Ms M Mhlongo—OHS Rep Mbombela Square • Ms Z Masango Magagule—Nkangala Regional Office • Ms M Ntamane—OHS Labour Rep (Nehawu) • Ms NG Gabela—OHS Rep Communications Head Office (Programme 1) • Mr MJ Ntimane—OHS Rep Ehlanzeni Regional Office • Mr C Maponyane—OHS Rep Labour Rep (PSA) • Ms SG Zitha—OHS Rep Head Office (Programme 3) • Ms S Mphahlele—OHS Rep Head Office (Programme 2) • Ms LT Nethenonda—OHS Rep Nkangala Regional Office • Mr MP Mathebula—OHS Rep Ehlanzeni Regional Office • Mr T Mabena—OHS Rep Nkangala Regional Office • Ms NF Khoza—OHS Rep Risk Management
<p>5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	✓		<p>The Provincial Treasury implement the approved HIV/AIDS &TB Management policy, conducted HIV& AIDS and TB Management awareness, and hosted the World AIDS day exhibition for all staff.</p>

Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		The Provincial Treasury in its approved HIV/AIDS policy strongly condemns the discrimination of HIV positive employees and regard it as a punishable offence with disciplinary measures in place to be taken should it be established. Additionally, the EHW coordinates closed support groups sessions for HIV positive employees.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	✓		The Provincial Treasury coordinated the awareness sessions on VCT for all staff.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		✓	N/A

3.12 LABOUR RELATIONS

Table 3.12.1 Collective agreements for the period 1 April 2023 and 31 March 2024

Subject matter	Date
None	N/A
Total number of Collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 and 31 March 2024

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Outcomes of disciplinary hearings	Number	% of total
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	3	100
Case withdrawn	0	0
Total	3	100

Total number of Disciplinary hearings finalised	3
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024

Type of misconduct	Number	% of total
Alleged Gross negligence: Potential conflict of interest	1	33.33
Alleged Gross negligence/Gross Dereliction of duties	1	33.33
Alleged Workplace Bullying	1	33.33
Total	3	100

Table 3.12.4 Grievances logged for the period 1 April 2023 and 31 March 2024

Grievances	Number	% of Total
Number of grievances resolved	4	100
Number of grievances not resolved	0	0
Total number of grievances lodged	4	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2023 and 31 March 2024

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	1	100

Table 3.12.6 Strike actions for the period 1 April 2023 and 31 March 2024

Strike actions for the period 1 April 2023 and 31 March 2024	None
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Table 3.12.7 Precautionary suspensions for the period 1 April 2023 and 31 March 2024

Precautionary suspensions for the period 1 April 2023 and 31 March 2024	None
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3.13 SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	01	0	01
	Male	9	0	01	0	01
Professionals	Female	33	0	12	0	12
	Male	25	0	13	0	13
Technicians and associate professionals	Female	56	0	27	0	27
	Male	63	0	21	0	21
Clerks	Female	19	0	0	0	0
	Male	9	0	0	0	0

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	24	0	0	12	12
	Male	10	0	0	03	03
Sub Total	Female	185	0	40	12	52
	Male	133	0	35	03	38
Total		318	0	75	15	90

Table 3.13.2 Training provided for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	9	0	9
	Male	9	0	9	0	9
Professionals	Female	33	0	53	0	53
	Male	25	0	42	0	42

PART D: HUMAN RESOURCE MANAGEMENT

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Technicians and associate professionals	Female	56	0	40	0	40
	Male	63	0	18	0	18
Clerks	Female	19	0	0	0	0
	Male	9	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	24	0	05	0	05
	Male	10	0	04	0	04
Sub Total	Female	185	0	0	0	0
	Male	133	0	0	0	0
Total		318	0	180	0	180

3. HUMAN RESOURCES OVERSIGHT STATISTICS CONTINUED

3.14 INJURY ON DUTY

This section highlights the efforts of the department with regard to skills development.

Table 3.14.1 Injury on duty for the period 1 April 2023 and 31 March 2024

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	1	100

3.15 UTILISATION OF CONSULTANTS

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 and 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A			

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A			

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
N/A			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A			

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A			

3.16 SEVERANCE PACKAGES

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2023 and 31 March 2024

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
N/A				



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PART E

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1. IRREGULAR EXPENDITURE

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	0	807
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	427
Less: Irregular expenditure condoned	-	(1,234)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable ¹	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	0	0

¹Transfer to receivables

Irregular expenditure for **2022/2023** related to advertisement and training expenditure without following supply chain processes

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	-	427
Total	0	427

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES CONTINUED

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

Description ²	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	0	0

²Group similar items

Irregular expenditure for **2022/2023** related to advertisement and training expenditure without following supply chain processes

c) Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	-	1,234
Total	0	1,234

Irregular expenditure for **2022/2023** related to advertisement and training expenditure without following supply chain processes

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	No. of Invoices	2023/2024
		R'000
Valid invoices received	2 486	815,463
Invoices paid within 30 days or agreed period	2 486	815,463
Invoices paid after 30 days or agreed period		0
Invoices older than 30 days or agreed period (unpaid and without dispute)		0
Invoices older than 30 days or agreed period (unpaid and in dispute)		0

None



**FINANCIAL
INFORMATION**

PART F

CONTENTS

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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Report of the auditor-general to the Mpumalanga Provincial Legislature on vote no. 3: Mpumalanga Provincial Treasury

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Mpumalanga Provincial Treasury set out on pages 122 to 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 Mpumalanga Provincial Treasury as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the 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.

Responsibilities of the accounting officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the 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 auditor-general for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.

9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor’s report. This description, which is located at page xx forms part of our auditor’s report.

Report on the audit of the annual performance report

10. 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.
11. 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 – sustainable resource management	32 - 37	The programme exists to promote optimal and effective provincial and municipal fiscal policy in line with applicable financial management prescripts
Programme 3 – assets and liabilities management	38 - 43	The programme is responsible for monitoring and support of assets, liabilities, supply chain management, as well as provisioning of transversal systems and information technology services to departments, public entities and municipalities in the Mpumalanga province
Programme 4 – financial governance	44 - 48	This programme serves to facilitate, monitor, support and provide professional advice to ensure good governance in the province

12. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department’s planning and delivery on its mandate and objectives.

1. REPORT OF THE AUDITOR-GENERAL CONTINUED

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.
14. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected programmes sustainable resource management, asset and liabilities management and financial governance.

Report on compliance with legislation

16. 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.
17. 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.
18. 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.
19. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

20. 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.
21. 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.
22. 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.
23. If, based on the work I have performed, I conclude that there is a material misstatement in this other information; I am required to report that fact.
24. I have nothing to report in this regard.

Internal control deficiencies

25. 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.
26. I did not identify any significant deficiencies in internal control.

Auditor-General

Auditor-General

Mbombela

31 July 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

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

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
- 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.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b);38(1)(c);38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b) (ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury regulation 17.1.1 Treasury regulation 18.2 Treasury regulation 19.8.
Division of Revenue Act 5 of 2022	Dora 11(6)(a) Dora 12(5) Dora 16(1) Dora 16(3) Dora 16(3)(a)(i) Dora 16(3)(a)(ii)(bb)
Public Service Regulations	Public service regulation 13(c);18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)

COMPLIANCE WITH LEGISLATION – SELECTED LEGISLATIVE REQUIREMENTS CONTINUED

Legislation	Sections or regulations
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
Sita ACT	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
Sita regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction No. 09 of 2022/23	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1

Legislation	Sections or regulations
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM Instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
NT Instruction Note 4 of 2015/16	Paragraph 3.4
NT Instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 2020/21	Paragraph 1
Erratum NTI 5 of 2020/21	Paragraph 2
Practice Note 7 of 2009/10	Paragraph 4.1.2
Practice Note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT Instruction Note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per programme									
Programme									
Programme 1-Administration	142 077	-	(630)	141 447	140 117	1 330	99,06 %	131 524	131 413
Programme 2- Sustainable Resource Management	89 251	-	6 839	96 090	95 878	212	99,78 %	70 374	70 369
Programme 3- Assets and Liabilities	293 759	-	(6 209)	287 550	282 012	5 538	98,07 %	228 598	228 579
Programme 4- Financial Governance	25 625	-	-	25 625	25 615	10	99,96 %	49 522	49 436
Programme subtotal	550 712	-	-	550 712	543 622	7 090	98,71 %	480 018	479 797
Programme sub total	550 712	-	-	550 712	543 622	7 090	98,71 %	480 018	479 797
Total	550 712	-	-	550 712	543 622	7 090	98,71 %	480 018	479 797
Reconciliation with statement of financial performance									
Add:									
Departmental revenue				496 699				178 357	
Actual amounts per statement of financial performance (total revenue)				1 047 411				658 375	
Actual expenditure					543 622				479 797
Add:									
Actual amounts per statement of financial performance (total expenditure)					543 622				479 797

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	183 190	139	(1 365)	181 964	179 873	2 091	98,85 %	172 224	172 224
Social contributions	29 648	(181)	(553)	28 914	28 556	358	98,76 %	26 396	26 396
	212 838	(42)	(1 918)	210 878	208 429	2 449	98,84 %	198 620	198 620
Goods and services									
Administrative fees	1 079	(91)	(72)	916	917	(1)	100,11 %	995	808
Advertising	1 559	(216)	(39)	1 304	1 304	-	100,00 %	995	1 362
Minor assets	140	171	-	311	311	-	100,00 %	652	677
Audit costs: External	6 077	283	-	6 360	6 360	-	100,00 %	6 100	6 636
Catering: Departmental activities	1 262	(62)	(341)	859	858	1	99,88 %	1 005	968
Communication	8 404	(660)	(99)	7 645	7 646	(1)	100,01 %	5 034	5 367
Computer services	202 682	(13 213)	(2 823)	186 646	186 589	57	99,97 %	130 817	131 196
Consultants: Business and advisory services	13 849	(383)	(4 247)	9 219	9 219	-	100,00 %	25 259	25 146
Legal services	10	(10)	-	-	-	-	- %	-	-
Contractors	9 779	11 068	-	20 847	20 846	1	100,00 %	2 060	2 049
Fleet services	3 187	(725)	-	2 462	2 462	-	100,00 %	2 992	2 874
Consumable supplies	1 738	2 579	-	4 317	4 317	-	100,00 %	1 972	1 914
Consumable: Stationery, printing and office supplies	2 691	737	-	3 428	3 428	-	100,00 %	1 466	1 192
Operating leases	7 839	290	-	8 129	8 129	-	100,00 %	7 707	7 875
Property payments	4 486	2 617	-	7 103	7 103	-	100,00 %	4 883	4 824
Transport provided:									
Departmental activity	46	5	(3)	48	48	-	100,00 %	105	20
Travel and subsistence	18 751	(777)	(568)	17 406	17 405	1	99,99 %	17 995	17 580
Training and development	3 719	(850)	(1 040)	1 829	1 829	-	100,00 %	1 766	1 468
Operating payments	877	183	(101)	959	959	-	100,00 %	2 199	2 259
Venues and facilities	2 981	(904)	(51)	2 026	2 026	-	100,00 %	2 096	1 925
	291 156	42	(9 384)	281 814	281 756	58	99,98 %	216 098	216 140

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)									
Compensation of employees	212 838	(42)	(1 918)	210 878	208 429	2 449	98,84 %	198 620	198 620
Goods and services	291 156	42	(9 384)	281 814	281 756	58	99,98 %	216 098	216 140
Total current payments	503 994	-	(11 302)	492 692	490 185	2 507	99,49 %	414 718	414 760
Transfers and subsidies									
Provinces and municipalities									
Provinces	48	-	(2)	46	40	6	86,96 %	25	26
Provincial Revenue Funds									
Municipalities									
Municipal bank accounts	20 020	-	11 235	31 255	31 255	-	100,00 %	15 008	15 000
Provinces	48	-	(2)	46	40	6	86,96 %	25	26
Municipalities	20 020	-	11 235	31 255	31 255	-	100,00 %	15 008	15 000
Provinces and municipalities subtotal	20 068	-	11 233	31 301	31 295	6	99,98 %	15 033	15 026
Departmental agencies and accounts									
Departmental agencies (non-business entities)	709	-	2	711	711	-	100,00 %	672	672
Households									
Social benefits	611	-	65	676	676	-	100,00 %	1 544	1 544
Provinces and municipalities	20 068	-	11 233	31 301	31 295	6	99,98 %	15 033	15 026
Departmental agencies and accounts	709	-	2	711	711	-	100,00 %	672	672
Households	611	-	65	676	676	-	100,00 %	1 544	1 544
Total transfers and subsidies	21 388	-	11 300	32 688	32 682	6	99,98 %	17 249	17 242

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification (continued)									
Payments for capital assets									
Machinery and equipment									
Transport equipment	6 992	(3 936)	-	3 056	3 056	-	100,00 %	3 992	3 992
Other machinery and equipment	18 338	31	-	18 369	13 792	4 577	75,08 %	25 581	25 326
	25 330	(3 905)	-	21 425	16 848	4 577	78,64 %	29 573	29 318
Machinery and equipment	25 330	(3 905)	-	21 425	16 848	4 577	78,64 %	29 573	29 318
Intangible assets	-	3 905	-	3 905	3 905	-	100,00 %	18 403	18 403
Total payments for capital assets	25 330	-	-	25 330	20 753	4 577	81,93 %	47 976	47 721
Payments for financial assets	-	-	2	2	2	-	100,00 %	75	74
Total current payments	503 994	-	(11 302)	492 692	490 185	2 507	99,49 %	414 718	414 760
Total transfers and subsidies	21 388	-	11 300	32 688	32 682	6	99,98 %	17 249	17 242
Total payments for capital assets	25 330	-	-	25 330	20 753	4 577	81,93 %	47 976	47 721
Total payments for financial assets	-	-	2	2	2	-	100,00 %	75	74
Total	550 712	-	-	550 712	543 622	7 090	98,71 %	480 018	479 797

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

		2023/2024					2022/2023			
Figures in Rand thousand		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. PROGRAMME I-ADMINISTRATION										
	Sub programme									
	Management services	59 947	(2 414)	(631)	56 902	56 107	795	98,60 %	51 176	51 168
	Financial Management	76 428	2 635	1	79 064	78 607	457	99,42 %	74 575	74 473
	Internal Audit	5 702	(221)	-	5 481	5 403	78	98,58 %	5 773	5 772
	Subtotal	142 077	-	(630)	141 447	140 117	1 330	99,06 %	131 524	131 413
Economic classification										
	Current payments Compensation of employees Salaries and wages	59 907	181	-	60 088	59 209	879	98,54 %	57 370	57 370
	Social contributions	10 285	(181)	-	10 104	9 932	172	98,30 %	9 366	9 366
	Subtotal	70 192	-	-	70 192	69 141	1 051	98,50 %	66 736	66 736
Goods and services										
	Administrative fees	586	(19)	-	567	568	(1)	100,18 %	570	469
	Advertising	1 520	(216)	-	1 304	1 304	-	100,00 %	995	1 362
	Minor assets	140	171	-	311	311	-	100,00 %	652	456
	Audit costs: External	6 077	283	-	6 360	6 360	-	100,00 %	6 100	6 636
	Catering: Departmental activities	517	(56)	-	461	461	-	100,00 %	526	552
	Communication	6 497	(484)	-	6 013	6 013	-	100,00 %	3 254	3 682
	Computer services	26	(1)	-	25	25	-	100,00 %	25	24
	Consultants: Business and advisory services	507	(126)	-	381	381	-	100,00 %	381	276
	Legal services	10	(10)	-	-	-	-	-	-	-
	Contractors	7 211	(1 596)	-	5 615	5 615	-	100,00 %	1 691	1 680
	Fleet services	3 187	(725)	-	2 462	2 462	-	100,00 %	2 992	2 874
	Consumable supplies	1 738	794	-	2 532	2 532	-	100,00 %	1 928	1 889
	Consumable: Stationery, printing and office supplies	2 691	737	-	3 428	3 428	-	100,00 %	1 466	1 192
	Operating leases	7 839	290	-	8 129	8 129	-	100,00 %	7 707	7 875
	Property payments	4 486	2 617	-	7 103	7 103	-	100,00 %	4 883	4 824
	Transport provided: Departmental activity	40	5	-	45	45	-	100,00 %	47	20
	Travel and subsistence	6 837	(439)	-	6 398	6 398	-	100,00 %	5 917	5 769

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Training and development	2 959	(626)	(632)	1 701	1 700	1	99,94 %	1 250	1 073
Operating payments	502	198	-	700	700	-	100,00 %	882	942
Venues and facilities	2 230	(797)	-	1 433	1 433	-	100,00 %	1 098	919
	55 600	-	(632)	54 968	54 968	-	100,00 %	42 364	42 514
Compensation of employees	70 192	-	-	70 192	69 141	1 051	98,50 %	66 736	66 736
Goods and services	55 600	-	(632)	54 968	54 968	-	100,00 %	42 364	42 514
Total current payments	125 792	-	(632)	125 160	124 109	1 051	99,16 %	109 100	109 250
Transfers and subsidies									
Provinces and municipalities	48	-	(2)	46	40	6	86,96 %	25	26
Departmental agencies and accounts	709	-	2	711	711	-	100,00 %	672	672
Households									
Social benefits	528	-	-	528	528	-	100,00 %	512	505
Provinces and municipalities	48	-	(2)	46	40	6	86,96 %	25	26
Departmental agencies and accounts	709	-	2	711	711	-	100,00 %	672	672
Households	528	-	-	528	528	-	100,00 %	512	505
Total transfers and subsidies	1 285	-	-	1 285	1 279	6	99,53 %	1 209	1 203
Payments for capital assets									
Machinery and equipment	15 000	-	-	15 000	14 727	273	98,18 %	21 210	20 955
Machinery and equipment	15 000	-	-	15 000	14 727	273	98,18 %	21 210	20 955
Payments for financial assets	-	-	2	2	2	-	100,00 %	5	5
Total current payments	125 792	-	(632)	125 160	124 109	1 051	99,16 %	109 100	109 250
Total transfers and subsidies	1 285	-	-	1 285	1 279	6	99,53 %	1 209	1 203
Total payments for capital assets	15 000	-	-	15 000	14 727	273	98,18 %	21 210	20 955
Total payments for financial assets	-	-	2	2	2	-	100,00 %	5	5
Total	142 077	-	(630)	141 447	140 117	1 330	99,06 %	131 524	131 413

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.1 Management services									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	35 646	56	-	35 702	35 005	697	98,05 %	34 175	34 175
Social contributions	5 867	(56)	-	5 811	5 712	99	98,30 %	5 307	5 307
	41 513	-	-	41 513	40 717	796	98,08 %	39 482	39 482
Goods and services									
Administrative fees	429	19	-	448	449	(1)	100,22 %	395	327
Advertising	1 520	(216)	-	1 304	1 304	-	100,00 %	995	1 362
Catering: Departmental activities	469	(44)	-	425	425	-	100,00 %	398	453
Communication	463	(7)	-	456	456	-	100,00 %	443	427
Consultants: Business and advisory services	195	(93)	-	102	102	-	100,00 %	111	38
Legal services	10	(10)	-	-	-	-	- %	-	-
Contractors	3 874	(593)	-	3 281	3 281	-	100,00 %	1 634	1 623
Consumable supplies	247	-	-	247	247	-	100,00 %	383	427
Consumable: Stationery, printing and office supplies	146	(80)	-	66	66	-	100,00 %	48	47
Property payments	-	-	-	-	-	-	- %	284	284
Transport provided: Departmental activity	40	5	-	45	45	-	100,00 %	47	20
Travel and subsistence	5 224	(276)	-	4 948	4 948	-	100,00 %	3 958	3 817
Training and development	2 650	(431)	(632)	1 587	1 586	1	99,94 %	1 000	979
Operating payments	166	182	-	348	348	-	100,00 %	162	156
Venues and facilities	2 163	(870)	-	1 293	1 293	-	100,00 %	918	815
	17 596	(2 414)	(632)	14 550	14 550	-	100,00 %	10 776	10 775
Compensation of employees	41 513	-	-	41 513	40 717	796	98,08 %	39 482	39 482
Goods and services	17 596	(2 414)	(632)	14 550	14 550	-	100,00 %	10 776	10 775
Total current payments	59 109	(2 414)	(632)	56 063	55 267	796	98,58 %	50 258	50 257

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.1 Management services (continued)									
Transfers and subsidies									
Departmental agencies and accounts									
Departmental agencies (non-business entities)	709	-	-	709	709	-	100,00 %	668	668
Households									
Social benefits	129	-	-	129	130	(1)	100,78 %	245	238
Departmental agencies and accounts	709	-	-	709	709	-	100,00 %	668	668
Households	129	-	-	129	130	(1)	100,78 %	245	238
Total transfers and subsidies	838	-	-	838	839	(1)	100,12 %	913	906
Payments for financial assets	-	-	1	1	1	-	100,00 %	5	5
Total current payments	59 109	(2 414)	(632)	56 063	55 267	796	98,58 %	50 258	50 257
Total transfers and subsidies	838	-	-	838	839	(1)	100,12 %	913	906
Total payments for financial assets	-	-	1	1	1	-	100,00 %	5	5
Total	59 947	(2 414)	(631)	56 902	56 107	795	98,60 %	51 176	51 168

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.2 Financial Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	20 074	125	-	20 199	20 049	150	99,26 %	18 926	18 926
Social contributions	3 750	(125)	-	3 625	3 598	27	99,26 %	3 393	3 393
	23 824	-	-	23 824	23 647	177	99,26 %	22 319	22 319
Goods and services									
Administrative fees	143	(32)	-	111	111	-	100,00 %	167	135
Minor assets	140	171	-	311	311	-	100,00 %	652	456
Audit costs: External	6 077	283	-	6 360	6 360	-	100,00 %	6 100	6 636
Catering: Departmental activities	36	-	-	36	36	-	100,00 %	58	33
Communication	5 965	(466)	-	5 499	5 499	-	100,00 %	2 811	3 255
Consultants: Business and advisory services	83	(15)	-	68	68	-	100,00 %	39	39
Contractors	3 337	(1 003)	-	2 334	2 334	-	100,00 %	57	57
Fleet services	3 187	(725)	-	2 462	2 462	-	100,00 %	2 992	2 874
Consumable supplies	1 491	794	-	2 285	2 285	-	100,00 %	1 545	1 462
Consumable: Stationery, printing and office supplies	2 535	827	-	3 362	3 362	-	100,00 %	1 418	1 145
Operating leases	7 839	290	-	8 129	8 129	-	100,00 %	7 707	7 875
Property payments	4 486	2 617	-	7 103	7 103	-	100,00 %	4 599	4 540
Travel and subsistence	1 284	(30)	-	1 254	1 254	-	100,00 %	1 767	1 691
Training and development	194	(160)	-	34	34	-	100,00 %	140	15
Operating payments	300	4	-	304	304	-	100,00 %	636	703
Venues and facilities	60	80	-	140	140	-	100,00 %	180	104
	37 157	2 635	-	39 792	39 792	-	100,00 %	30 868	31 020
Compensation of employees	23 824	-	-	23 824	23 647	177	99,26 %	22 319	22 319
Goods and services	37 157	2 635	-	39 792	39 792	-	100,00 %	30 868	31 020
Total current payments	60 981	2 635	-	63 616	63 439	177	99,72 %	53 187	53 339

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.2 Financial Management (continued)									
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	48	-	(2)	46	40	6	86,96 %	25	26
Provinces	48	-	(2)	46	40	6	86,96 %	25	26
Departmental agencies and accounts									
Departmental agencies (non-business entities)	-	-	2	2	2	-	100,00 %	4	4
Households									
Social benefits	399	-	-	399	398	1	99,75 %	149	149
Provinces and municipalities	48	-	(2)	46	40	6	86,96 %	25	26
Departmental agencies and accounts	-	-	2	2	2	-	100,00 %	4	4
Households	399	-	-	399	398	1	99,75 %	149	149
Total transfers and subsidies	447	-	-	447	440	7	98,43 %	178	179
Payments for capital assets									
Machinery and equipment	6 992	(3 936)	-	3 056	3 056	-	100,00 %	3 992	3 992
Transport equipment	8 008	3 936	-	11 944	11 671	273	97,71 %	17 218	16 963
Other machinery and equipment	15 000	-	-	15 000	14 727	273	98,18 %	21 210	20 955
Machinery and equipment	15 000	-	-	15 000	14 727	273	98,18 %	21 210	20 955
Payments for financial assets	-	-	1	1	1	-	100,00 %	-	-
Total current payments	60 981	2 635	-	63 616	63 439	177	99,72 %	53 187	53 339
Total transfers and subsidies	447	-	-	447	440	7	98,43 %	178	179
Total payments for capital assets	15 000	-	-	15 000	14 727	273	98,18 %	21 210	20 955
Total payments for financial assets	-	-	1	1	1	-	100,00 %	-	-
Total	76 428	2 635	1	79 064	78 607	457	99,42 %	74 575	74 473

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Figures in Rand thousand									
1.3 Internal Audit									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	4 187	-	-	4 187	4 155	32	99,24 %	4 269	4 269
Social contributions	668	-	-	668	622	46	93,11 %	666	666
	4 855	-	-	4 855	4 777	78	98,39 %	4 935	4 935
Goods and services									
Administrative fees	14	(6)	-	8	8	-	100,00 %	8	7
Catering: Departmental activities	12	(12)	-	-	-	-	- %	70	66
Communication	69	(11)	-	58	58	-	100,00 %	-	-
Computer services	26	(1)	-	25	25	-	100,00 %	25	24
Consultants: Business and advisory services	229	(18)	-	211	211	-	100,00 %	231	199
Consumable: Stationery, printing and office supplies	10	(10)	-	-	-	-	- %	-	-
Travel and subsistence	329	(133)	-	196	196	-	100,00 %	192	261
Training and development	115	(35)	-	80	80	-	100,00 %	110	79
Operating payments	36	12	-	48	48	-	100,00 %	84	83
Venues and facilities	7	(7)	-	-	-	-	- %	-	-
	847	(221)	-	626	626	-	100,00 %	720	719
Compensation of employees	4 855	-	-	4 855	4 777	78	98,39 %	4 935	4 935
Goods and services	847	(221)	-	626	626	-	100,00 %	720	719
Total current payments	5 702	(221)	-	5 481	5 403	78	98,58 %	5 655	5 654

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 Internal Audit continued									
Transfers and subsidies									
Households									
Social benefits	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Total current payments	5 702	(221)	-	5 481	5 403	78	98,65%	5 655	5 654
Total transfers and subsidies	-	-	-	-	-	-	-	118	118
Total	5 702	(221)	-	5 481	5 403	78	98,65	5 773	5 772

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.PROGRAMME 2- SUSTAINABLE RESOURCE MANAGEMENT									
Sub programme									
Programme Support	2 073	-	(42)	2 031	2 010	21	98,97 %	1 851	1 848
Provincial Admin Fiscal Discipline	13 262	-	(111)	13 151	13 151	-	100,00 %	12 764	12 764
Budget and Expenditure	14 455	-	(453)	14 002	14 002	-	100,00 %	13 470	13 469
Municipal Finance	52 108	-	7 754	59 862	59 671	191	99,68 %	34 859	34 859
Infrastructure Coordination	7 353	-	(309)	7 044	7 044	-	100,00 %	7 430	7 429
Subtotal	89 251	-	6 839	96 090	95 878	212	99,78 %	70 374	70 369
Economic classification									
Current payments Compensation of employees	46 558	-	(150)	46 408	46 192	216	99,53 %	43 947	43 947
Salaries and wages	6 329	-	(152)	6 177	6 172	5	99,92 %	5 683	5 683
Subtotal	52 887	-	(302)	52 585	52 364	221	99,58 %	49 630	49 630
Goods and services									
Administrative fees	129	9	(43)	95	95	-	100,00 %	104	65
Catering; Departmental activities	195	-	(100)	95	95	-	100,00 %	258	187
Communication	638	16	(17)	637	637	-	100,00 %	691	664
Consultants; Business and advisory services	11 297	-	(3 247)	8 050	8 059	(9)	100,11 %	395	390
Travel and subsistence	3 415	(1)	(346)	3 068	3 068	-	100,00 %	3 312	3 516
Training and development	249	(36)	(205)	8	8	-	100,00 %	10	10
Operating payments	280	10	(99)	191	191	-	100,00 %	666	478
Venues and facilities	141	2	(37)	106	106	-	100,00 %	304	425
Subtotal	16 344	-	(4 094)	12 250	12 259	(9)	100,07 %	5 740	5 735
Compensation of employees	52 887	-	(302)	52 585	52 364	221	99,58 %	49 630	49 630
Goods and services	16 344	-	(4 094)	12 250	12 259	(9)	100,07 %	5 740	5 735
Total current payments	69 231	-	(4 396)	64 835	64 623	212	99,67 %	55 370	55 365

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transfers and subsidies									
Provinces and municipalities	20 020	-	11 235	31 255	31 255	-	100,00 %	15 008	15 000
Households	-	-	-	-	-	-	- %	(4)	4
Social benefits	20 020	-	11 235	31 255	31 255	-	100,00 %	15 008	15 000
Provinces and municipalities	-	-	-	-	-	-	- %	(4)	4
Households	-	-	-	-	-	-	- %	(4)	4
Total transfers and subsidies	20 020	-	11 235	31 255	31 255	-	100,00 %	15 004	15 004
Total current payments	69 231	-	(4 396)	64 835	64 623	212	99,67 %	55 370	55 365
Total transfers and subsidies	20 020	-	11 235	31 255	31 255	-	100,00 %	15 004	15 004
Total	89 251	-	6 839	96 090	95 878	212	99,78 %	70 374	70 369
2.1 Programme Support									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 570	-	-	1 570	1 555	15	99,04 %	1 451	1 451
Social contributions	172	-	-	172	166	6	96,51 %	144	144
Total	1 742	-	-	1 742	1 721	21	98,79 %	1 595	1 595
Goods and services									
Administrative fees	19	(2)	(7)	10	10	-	100,00 %	6	4
Catering: Departmental activities	10	-	(10)	-	-	-	- %	50	30
Communication	25	2	-	27	27	-	100,00 %	26	24
Travel and subsistence	223	-	(25)	198	198	-	100,00 %	164	186
Venues and facilities	54	-	-	54	54	-	100,00 %	10	9
Total	331	-	(42)	289	289	-	100,00 %	256	253

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees	1 742	-	-	1 742	1 721	21	98,79 %	1 595	1 595
Goods and services	331	-	(42)	289	289	-	100,00 %	256	253
Total current payments	2 073	-	(42)	2 031	2 010	21	98,97 %	1 851	1 848
Total current payments	2 073	-	(42)	2 031	2 010	21	98,97 %	1 851	1 848
Total	2 073	-	(42)	2 031	2 010	21	98,97 %	1 851	1 848

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.2 Provincial Admin Fiscal Discipline									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	10 701	-	45	10 746	10 745	1	99,99 %	10 333	10 333
Social contributions	1 588	-	7	1 595	1 596	(1)	100,06 %	1 442	1 442
	12 289	-	52	12 341	12 341	-	100,00 %	11 775	11 775
Goods and services									
Administrative fees	21	-	(11)	10	10	-	100,00 %	29	11
Catering: Departmental activities	69	-	(51)	18	18	-	100,00 %	33	33
Communication	162	-	(17)	145	145	-	100,00 %	152	144
Travel and subsistence	594	26	-	620	620	-	100,00 %	439	375
Training and development	90	(36)	(54)	-	-	-	- %	-	-
Operating payments	-	10	-	10	10	-	100,00 %	49	49
Venues and facilities	37	-	(30)	7	7	-	100,00 %	287	377
	973	-	(163)	810	810	-	100,00 %	989	989
Compensation of employees	12 289	-	52	12 341	12 341	-	100,00 %	11 775	11 775
Goods and services	973	-	(163)	810	810	-	100,00 %	989	989
Total current payments	13 262	-	(111)	13 151	13 151	-	100,00 %	12 764	12 764
Total current payments	13 262	-	(111)	13 151	13 151	-	100,00 %	12 764	12 764
Total	13 262	-	(111)	13 151	13 151	-	100,00 %	12 764	12 764

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.3 Budget and Expenditure									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	11 927	-	(76)	11 851	11 851	-	100,00 %	11 175	11 175
Social contributions	1 386	-	(44)	1 342	1 342	-	100,00 %	1 252	1 252
	13 313		-	(120)	13 193	13 193-	100,00 %	12 427	12 427
Goods and services									
Administrative fees	40	-	(19)	21	21	-	100,00 %	14	8
Catering: Departmental activities	18	-	(16)	2	2	-	100,00 %	68	45
Communication	157	1	-	158	158	-	100,00 %	179	171
Travel and subsistence	543	-	(114)	429	429	-	100,00 %	456	680
Training and development	89	-	(89)	-	-	-	- %	-	-
Operating payments	265	-	(95)	170	170	-	100,00 %	326	138
Venues and facilities	30	(1)	-	29	29	-	100,00 %	-	-
	1 142	-	(333)	809	809	-	100,00 %	1 043	1 042
Compensation of employees	13 313	-	(120)	13 193	13 193	-	100,00 %	12 427	12 427
Goods and services	1 142	-	(333)	809	809	-	100,00 %	1 043	1 042
Total current payments	14 455	-	(453)	14 002	14 002	-	100,00 %	13 470	13 469
Total current payments	14 455	-	(453)	14 002	14 002	-	100,00 %	13 470	13 469
Total	14 455	-	(453)	14 002	14 002	-	100,00 %	13 470	13 469

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.4 Municipal Finance									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	16 748	-	(78)	16 670	16 470	200	98,80 %	15 194	15 194
Social contributions	2 376	-	(85)	2 291	2 291	-	100,00 %	2 048	2 048
	19 124	-	(163)	18 961	18 761	200	98,95 %	17 242	17 242
Goods and services									
Administrative fees	28	-	(6)	22	22	-	100,00 %	30	22
Catering: Departmental activities	90	-	(15)	75	75	-	100,00 %	107	79
Communication	230	7	-	237	237	-	100,00 %	257	247
Consultants: Business and advisory services	11 297	-	(3 247)	8 050	8 059	(9)	100,11 %	395	390
Travel and subsistence	1 319	(10)	(50)	1 259	1 259	-	100,00 %	1 526	1 577
Operating payments	-	-	-	-	-	-	- %	291	291
Venues and facilities	-	3	-	3	3	-	100,00 %	7	7
	12 964	-	(3 318)	9 646	9 655	(9)	100,09 %	2 613	2 613
Compensation of employees	19 124	-	(163)	18 961	18 761	200	98,95 %	17 242	17 242
Goods and services	12 964	-	(3 318)	9 646	9 655	(9)	100,09 %	2 613	2 613
Total current payments	32 088	-	(3 481)	28 607	28 416	191	99,33 %	19 855	19 855
Transfers and subsidies									
Provinces and municipalities									
Municipalities									
Municipal bank accounts	20 020	-	11 235	31 255	31 255	-	100,00 %	15 008	15 000
Municipalities	20 020	-	11 235	31 255	31 255	-	100,00 %	15 008	15 000
Households									
Social benefits	-	-	-	-	-	-	- %	(4)	4
Provinces and municipalities	20 020	-	11 235	31 255	31 255	-	100,00 %	15 008	15 000

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.4 Municipal Finance continued									
Households	-	-	-	-	-	-	- %	(4)	4
Total transfers and subsidies	20 020	-	11 235	31 255	31 255	-	100,00 %	15 004	15 004
Total current payments	32 088	-	(3 481)	28 607	28 416	191	99,33 %	19 855	19 855
Total transfers and subsidies	20 020	-	11 235	31 255	31 255	-	100,00 %	15 004	15 004
Total	52 108	-	7 754	59 862	59 671	191	99,68 %	34 859	34 859
2.5 Infrastructure Coordination									
EEconomic classification									
Current payments									
Compensation of employees									
Salaries and wages	5 612	-	(41)	5 571	5 571	-	100,00 %	5 794	5 794
Social contributions	807	-	(30)	777	777	-	100,00 %	797	797
	6 419	-	(71)	6 348	6 348	-	100,00 %	6 591	6 591
Goods and services									
Administrative fees	21	11	-	32	32	-	100,00 %	25	20
Catering: Departmental activities	8	-	(8)	-	-	-	- %	-	-
Communication	64	6	-	70	70	-	100,00 %	77	78
Travel and subsistence	736	(17)	(157)	562	562	-	100,00 %	727	698
Training and development	70	-	(62)	8	8	-	100,00 %	10	10
Operating payments	15	-	(4)	11	11	-	100,00 %	-	-
Venues and facilities	20	-	(7)	13	13	-	100,00 %	-	32
	934	-	(238)	696	696	-	100,00 %	839	838
Compensation of employees	6 419	-	(71)	6 348	6 348	-	100,00 %	6 591	6 591
Goods and services	934	-	(238)	696	696	-	100,00 %	839	838
Total current payments	7 353	-	(309)	7 044	7 044	-	100,00 %	7 430	7 429
Total current payments	7 353	-	(309)	7 044	7 044	-	100,00 %	7 430	7 429
Total	7 353	-	(309)	7 044	7 044	-	100,00 %	7 430	7 429

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.PROGRAMME 3- ASSETS AND LIABILITIES									
Sub programme									
3.1 Programme Support	1 833	-	(22)	1 811	1 811	-	100,00 %	1 796	1 795
3.2 Provincial Supply Chain Management	25 255	-	(2 077)	23 178	23 178	-	100,00 %	21 164	21 162
3.3 Public Sector Liabilities	4 858	-	(170)	4 688	4 688	-	100,00 %	4 397	4 396
3.4 Physical Assets Management	6 989	-	25	7 014	7 014	-	100,00 %	6 760	6 757
3.5 Interlinked Financial Systems	137 351	(6 350)	(3 105)	127 896	127 047	849	99,34 %	84 282	84 280
3.6 Information Technology	117 473	6 350	(860)	122 963	118 274	4 689	96,19 %	110 199	110 189
Subtotal	293 759	-	(6 209)	287 550	282 012	5 538	98,07 %	228 598	228 579
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	57 501	-	(1 215)	56 286	55 291	995	98,23 %	52 324	52 324
Social contributions	10 000	-	(401)	9 599	9 417	182	98,10 %	8 542	8 542
	67 501	-	(1 616)	65 885	64 708	1 177	98,21 %	60 866	60 866
Goods and services									
Administrative fees	217	-	(29)	188	188	-	100,00 %	221	194
Advertising	39	-	(39)	-	-	-	- %	-	-
Minor assets	-	-	-	-	-	-	- %	-	221
Catering: Departmental activities	529	3	(241)	291	291	-	100,00 %	250	266
Communication	928	(95)	(82)	751	751	-	100,00 %	757	698
Computer services	202 656	(13 212)	(2 823)	186 621	186 564	57	99,97 %	130 792	131 172
Consultants: Business and advisory services	2 000	(1 000)	(1 000)	-	-	-	- %	-	-
Contractors	2 568	12 664	-	15 232	15 231	1	99,99 %	369	369
Consumable supplies	-	1 785	-	1 785	1 785	-	100,00 %	44	25
Transport provided: Departmental activity	6	-	(3)	3	3	-	100,00 %	58	-

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Travel and subsistence	6 164	(111)	(222)	5 831	5 831	-	100,00 %	6 382	5 925
Training and development	244	(33)	(203)	8	9	(1)	112,50 %	363	258
Operating payments	22	34	(2)	54	54	-	100,00 %	499	695
Venues and facilities	472	(35)	(14)	423	423	-	100,00 %	406	301
Compensation of employees	215 845	-	(4 658)	211 187	211 130	57	99,97 %	140 141	140 124
Goods and services	67 501	-	(1 616)	65 885	64 708	1 177	98,21 %	60 866	60 866
	215 845	-	(4 658)	211 187	211 130	57	99,97 %	140 141	140 124
Total current payments	283 346	-	(6 274)	277 072	275 838	1 234	99,55 %	201 007	200 990
Transfers and subsidies									
Households									
Social benefits	83	-	65	148	148	-	100,00 %	755	754
Households	83	-	65	148	148	-	100,00 %	755	754
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	10 330	(3 905)	-	6 425	2 121	4 304	33,01 %	8 363	8 363
Machinery and equipment	10 330	(3 905)	-	6 425	2 121	4 304	33,01 %	8 363	8 363
Intangible assets	-	3 905	-	3 905	3 905	-	100,00 %	18 403	18 403
Total payments for capital assets	10 330	-	-	10 330	6 026	4 304	58,33 %	26 766	26 766
Payments for financial assets	-	-	-	-	-	-	- %	70	69
Total current payments	283 346	-	(6 274)	277 072	275 838	1 234	99,55 %	201 007	200 990
Total transfers and subsidies	83	-	65	148	148	-	100,00 %	755	754
Total payments for capital assets	10 330	-	-	10 330	6 026	4 304	58,33 %	26 766	26 766
Total payments for financial assets	-	-	-	-	-	-	- %	70	69
Total	293 759	-	(6 209)	287 550	282 012	5 538	98,07 %	228 598	228 579

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.1 Programme Support									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 526	-	18	1 544	1 544	-	100,00 %	1 475	1 475
Social contributions	155	-	3	158	158	-	100,00 %	147	147
	1 681	-	21	1 702	1 702	-	100,00 %	1 622	1 622
Goods and services									
Administrative fees	16	-	(8)	8	8	-	100,00 %	3	4
Communication	28	2	-	30	30	-	100,00 %	31	28
Travel and subsistence	16	(2)	(2)	12	12	-	100,00 %	68	54
Training and development	12	-	(12)	-	-	-	- %	16	16
Venues and facilities	80	-	(21)	59	59	-	100,00 %	56	71
	152	-	(43)	109	109	-	100,00 %	174	173
Compensation of employees	1 681	-	21	1 702	1 702	-	100,00 %	1 622	1 622
Goods and services	152	-	(43)	109	109	-	100,00 %	174	173
Total current payments	1 833	-	(22)	1 811	1 811	-	100,00 %	1 796	1 795
Total current payments	1 833	-	(22)	1 811	1 811	-	100,00 %	1 796	1 795
Total	1 833	-	(22)	1 811	1 811	-	100,00 %	1 796	1 795

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.2 Provincial Supply Chain Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	18 031	-	(494)	17 537	17 537	-	100,00 %	15 844	15 844
Social contributions	3 147	-	(118)	3 029	3 029	-	100,00 %	2 617	2 617
	21 178	-	(612)	20 566	20 566	-	100,00 %	18 461	18 461
Goods and services									
Administrative fees	54	6	-	60	60	-	100,00 %	58	54
Advertising	39	-	(39)	-	-	-	- %	-	-
Catering: Departmental activities	465	-	(195)	270	270	-	100,00 %	214	214
Communication	229	-	(20)	209	209	-	100,00 %	195	185
Consultants: Business and advisory services	1 000	-	(1 000)	-	-	-	- %	-	-
Contractors	68	(6)	-	62	62	-	100,00 %	-	-
Transport provided: Departmental activity	6	-	(3)	3	3	-	100,00 %	58	-
Travel and subsistence	1 889	-	(169)	1 720	1 720	-	100,00 %	1 750	1 685
Training and development	22	-	(22)	-	-	-	- %	1	1
Operating payments	10	-	(2)	8	8	-	100,00 %	22	217
Venues and facilities	295	-	(15)	280	280	-	100,00 %	228	168
	4 077	-	(1 465)	2 612	2 612	-	100,00 %	2 526	2 524
Compensation of employees	21 178	-	(612)	20 566	20 566	-	100,00 %	18 461	18 461
Goods and services	4 077	-	(1 465)	2 612	2 612	-	100,00 %	2 526	2 524
Total current payments	25 255	-	(2 077)	23 178	23 178	-	100,00 %	20 987	20 985

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.2 Provincial Supply Chain Management continued									
Transfers and subsidies									
Households									
Social benefits	-	-	-	-	-	-	%	177	177
Households	25 255	-	(2 077)	23 178	23 178	-	100,00 %	20 987	20 985
Total current payments	25 255	-	(2 077)	23 178	23 178	-	100,00 %	20 987	20 985
Total transfers and subsidies	-	-	-	-	-	-	%	177	177
Total	25 255	-	(2 077)	23 178	23 178	-	100,00 %	21 164	21 162
3.3 Public Sector Liabilities									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	3 811	-	(65)	3 746	3 746	-	100,00 %	3 474	3 474
Social contributions	515	-	(23)	492	492	-	100,00 %	441	441
Total	4 326	-	(88)	4 238	4 238	-	100,00 %	3 915	3 915
Goods and services									
Administrative fees	6	(3)	(1)	2	2	-	100,00 %	15	8
Catering; Departmental activities	-	3	-	3	3	-	100,00 %	-	-
Communication	57	-	(32)	25	25	-	100,00 %	26	25
Travel and subsistence	427	-	(7)	420	420	-	100,00 %	433	440
Training and development	42	-	(42)	-	-	-	- %	8	8
Total	532	-	(82)	450	450	-	100,00 %	482	481
Compensation of employees	4 326	-	(88)	4 238	4 238	-	100,00 %	3 915	3 915
Goods and services	532	-	(82)	450	450	-	100,00 %	482	481
Total current payments	4 858	-	(170)	4 688	4 688	-	100,00 %	4 397	4 396
Total current payments	4 858	-	(170)	4 688	4 688	-	100,00 %	4 397	4 396
Total	4 858	-	(170)	4 688	4 688	-	100,00 %	4 397	4 396

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.4 Physical Assets Management									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	5 229	-	18	5 247	5 247	-	100,00 %	5 075	5 075
Social contributions	694	-	3	697	697	-	100,00 %	658	658
	5 923	-	21	5 944	5 944	-	100,00 %	5 733	5 733
Goods and services									
Administrative fees	37	-	(11)	26	26	-	100,00 %	50	40
Catering; Departmental activities	30	-	(30)	-	-	-	- %	-	-
Communication	90	-	2	92	92	-	100,00 %	107	100
Travel and subsistence	864	-	41	905	905	-	100,00 %	819	844
Training and development	20	-	(20)	-	-	-	- %	-	-
Venues and facilities	25	-	22	47	47	-	100,00 %	51	40
	1 066	-	4	1 070	1 070	-	100,00 %	1 027	1 024
Compensation of employees	5 923	-	21	5 944	5 944	-	100,00 %	5 733	5 733
Goods and services	1 066	-	4	1 070	1 070	-	100,00 %	1 027	1 024
Total current payments	6 989	-	25	7 014	7 014	-	100,00 %	6 760	6 757
Total current payments	6 989	-	25	7 014	7 014	-	100,00 %	6 760	6 757
Total	6 989	-	25	7 014	7 014	-	100,00 %	6 760	6 757

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.5 Interlinked Financial Systems									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	9 528	-	8	9 536	8 776	760	92,03 %	8 490	8 490
Social contributions	1 691	-	(106)	1 585	1 496	89	94,38 %	1 427	1 427
	11 219	-	(98)	11 121	10 272	849	92,37 %	9 917	9 917
Goods and services									
Administrative fees	48	-	(9)	39	39	-	100,00 %	46	37
Catering: Departmental activities	34	-	(16)	18	18	-	100,00 %	32	26
Communication	136	-	(32)	104	104	-	100,00 %	130	117
Computer services	124 429	(6 355)	(2 823)	115 251	115 251	-	100,00 %	72 104	72 350
Travel and subsistence	1 338	-	(85)	1 253	1 253	-	100,00 %	1 554	1 416
Training and development	115	-	(107)	8	8	-	100,00 %	110	38
Operating payments	-	-	-	-	-	-	- %	10	10
Venues and facilities	32	5	-	37	37	-	100,00 %	31	22
	126 132	(6 350)	(3 072)	116 710	116 710	-	100,00 %	74 017	74 016
Compensation of employees	11 219	-	(98)	11 121	10 272	849	92,37 %	9 917	9 917
Goods and services	126 132	(6 350)	(3 072)	116 710	116 710	-	100,00 %	74 017	74 016
Total current payments	137 351	(6 350)	(3 170)	127 831	126 982	849	99,34 %	83 934	83 933
Transfers and subsidies									
Households									
Social benefits	-	-	65	65	65	-	100,00 %	348	347
Households	-	-	65	65	65	-	100,00 %	348	347
Total current payments	137 351	(6 350)	(3 170)	127 831	126 982	849	99,34 %	83 934	83 933
Total transfers and subsidies	-	-	65	65	65	-	100,00 %	348	347
Total	137 351	(6 350)	(3 105)	127 896	127 047	849	99,34 %	84 282	84 280

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.6 Information Technology									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	19 376	-	(700)	18 676	18 441	235	98,74 %	17 966	17 966
Social contributions	3 798	-	(160)	3 638	3 545	93	97,44 %	3 252	3 252
	23 174	-	(860)	22 314	21 986	328	98,53 %	21 218	21 218
Goods and services									
Administrative fees	56	(3)	-	53	53	-	100,00 %	49	51
Minor assets	-	-	-	-	-	-	- %	-	221
Catering: Departmental activities	-	-	-	-	-	-	- %	4	26
Communication	388	(97)	-	291	291	-	100,00 %	268	243
Computer services	78 227	(6 857)	-	71 370	71 313	57	99,92 %	58 688	58 822
Consultants: Business and services advisory	1 000	(1 000)	-	-	-	-	- %	-	-
Contractors	2 500	12 670	-	15 170	15 169	1	99,99 %	369	369
Consumable supplies	-	1 785	-	1 785	1 785	-	100,00 %	44	25
Travel and subsistence	1 630	(109)	-	1 521	1 521	-	100,00 %	1 758	1 486
Training and development	33	(33)	-	-	1	(1)	- %	228	195
Operating payments	12	34	-	46	46	-	100,00 %	467	468
Venues and facilities	40	(40)	-	-	-	-	- %	40	-
	83 886	6 350	-	90 236	90 179	57	99,94 %	61 915	61 906
Compensation of employees	23 174	-	(860)	22 314	21 986	328	98,53 %	21 218	21 218
Goods and services	83 886	6 350	-	90 236	90 179	57	99,94 %	61 915	61 906
Total current payments	107 060	6 350	(860)	112 550	112 165	385	99,66 %	83 133	83 124

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3.6 Information Technology continued									
Transfers and subsidies									
Households									
Social benefits	83	-	-	83	83	-	100,00 %	230	230
Payments for capital assets									
Machinery and equipment	10 330	(3 905)	-	6 425	2 121	4 304	33,01 %	8 363	8 363
Intangible assets	-	3 905	-	3 905	3 905	-	100,00 %	18 403	18 403
Total payments for capital assets	10 330	-	-	10 330	6 026	4 304	58,33 %	26 766	26 766
Payments for financial assets	-	-	-	-	-	-	- %	70	69
Total current payments	107 060	6 350	(860)	112 550	112 165	385	99,66 %	83 133	83 124
Total transfers and subsidies	83	-	-	83	83	-	100,00 %	230	230T
Total payments for capital assets	10 330	-	-	10 330	6 026	4 304	58,33 %	26 766	26 766
Total payments for financial assets	-	-	-	-	-	-	%	70	69
Total	117 473	6 350	(860)	122 963	118 274	4 689	96,19 %	110 199	110 189

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4. PROGRAMME 4- FINANCIAL GOVERNANCE									
Sub programme									
Programme Support	4.1	2 280	745	-	3 025	3 015	99,67 %	26 635	26 626
Accounting Services	4.2	5 997	(125)	-	5 872	5 872	100,00 %	5 751	5 718
Norms and Standards	4.3	10 318	(487)	-	9 831	9 831	100,00 %	9 595	9 588
Risk Management	4.4	3 583	(96)	-	3 487	3 487	100,00 %	3 401	3 387
Provincial Internal Audit	4.5	3 447	(37)	-	3 410	3 410	100,00 %	4 140	4 117
Subtotal		25 625	-	-	25 625	25 615	99,96 %	49 522	49 436
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages		19 224	(42)	-	19 182	19 182	100,00 %	18 583	18 583
Social contributions		3 034	-	-	3 034	3 034	100,00 %	2 805	2 805
		22 258	(42)	-	22 216	22 216	100,00 %	21 388	21 388
Goods and services		147	(81)	-	66	66	100,00 %	100	80
Administrative fees		21	(9)	-	12	11	91,67 %	41	29
Catering: Departmental activities		341	(97)	-	244	245	100,41 %	262	257
Communication		45	743	-	788	779	98,86 %	24 483	24 480
Consultants: Business and advisory services		2 335	(226)	-	2 109	2 108	99,95 %	2 384	2 370
Travel and subsistence		267	(155)	-	112	112	100,00 %	143	127
Training and development		73	(59)	-	14	14	100,00 %	152	144
Operating payments		138	(74)	-	64	64	100,00 %	288	280
Venues and facilities		3 367	42	-	3 409	3 399	99,71 %	27 853	27 767
Compensation of employees		22 258	(42)	-	22 216	22 216	100,00 %	21 388	21 388
Goods and services		3 367	42	-	3 409	3 399	99,71 %	27 853	27 767
Total current payments		25 625	-	-	25 625	25 615	99,96 %	49 241	49 155

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transfers and subsidies									
Households									
Social benefits	-	-	-	-	-	-	- %	281	281
Households	-	-	-	-	-	-	- %	281	281
Total current payments	25 625	-	-	25 625	25 615	10	99,96 %	49 241	49 155
Total transfers and subsidies	-	-	-	-	-	-	- %	281	281
Total	25 625	-	-	25 625	25 615	10	99,96 %	49 522	49 436
4.1 Programme Support									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	1 947	-	-	1 947	1 947	-	100,00 %	1 879	1 879
Social contributions	250	-	-	250	250	-	100,00 %	238	238
Total	2 197	-	-	2 197	2 197	-	100,00 %	2 117	2 117
Goods and services									
Administrative fees	1	(1)	-	-	-	-	- %	4	1
Communication	22	(2)	-	20	20	-	100,00 %	22	19
Consultants: Business and advisory services	-	788	-	788	779	9	98,86 %	24 483	24 480
Travel and subsistence	39	(25)	-	14	13	1	92,86 %	9	9
Training and development	21	(15)	-	6	6	-	100,00 %	-	-
Total	83	745	-	828	818	10	98,79 %	24 518	24 509
Compensation of employees	2 197	-	-	2 197	2 197	-	100,00 %	2 117	2 117
Goods and services	83	745	-	828	818	10	98,79 %	24 518	24 509
Total current payments	2 280	745	-	3 025	3 015	10	99,67 %	26 635	26 626
Total current payments	2 280	745	-	3 025	3 015	10	99,67 %	26 635	26 626
Total	2 280	745	-	3 025	3 015	10	99,67 %	26 635	26 626

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.2 Accounting Services									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	4 663	(27)	-	4 636	4 636	-	100,00 %	4 337	4 337
Social contributions	657	(2)	-	655	655	-	100,00 %	589	589
	5 320	(29)	-	5 291	5 291	-	100,00 %	4 926	4 926
Goods and services									
Administrative fees	28	(14)	-	14	14	-	100,00 %	20	15
Catering: Departmental activities	-	-	-	-	-	-	- %	21	16
Communication	76	(7)	-	69	69	-	100,00 %	67	70
Travel and subsistence	467	(47)	-	420	420	-	100,00 %	532	531
Training and development	-	-	-	-	-	-	- %	15	4
Operating payments	42	(28)	-	14	14	-	100,00 %	102	96
Venues and facilities	64	-	-	64	64	-	100,00 %	68	60
	677	(96)	-	581	581	-	100,00 %	825	792
Compensation of employees	5 320	(29)	-	5 291	5 291	-	100,00 %	4 926	4 926
Goods and services	677	(96)	-	581	581	-	100,00 %	825	792
Total current payments	5 997	(125)	-	5 872	5 872	-	100,00 %	5 751	5 718
Total current payments	5 997	(125)	-	5 872	5 872	-	100,00 %	5 751	5 718
Total	5 997	(125)	-	5 872	5 872	-	100,00 %	5 751	5 718

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024					2022/2023			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.3 Norms and Standards									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	7 741	(53)	-	7 688	7 688	-	100,00 %	7 112	7 112
Social contributions	1 403	-	-	1 403	1 403	-	100,00 %	1 251	1 251
	9 144	(53)	-	9 091	9 091	-	100,00 %	8 363	8 363
Goods and services									
Administrative fees	70	(60)	-	10	10	-	100,00 %	15	11
Communication	163	(74)	-	89	90	(1)	101,12 %	96	96
Travel and subsistence	821	(180)	-	641	640	1	99,84 %	814	811
Training and development	120	(120)	-	-	-	-	- %	26	26
	1 174	(434)	-	740	740	-	100,00 %	951	944
Compensation of employees	9 144	(53)	-	9 091	9 091	-	100,00 %	8 363	8 363
Goods and services	1 174	(434)	-	740	740	-	100,00 %	951	944
Total current payments	10 318	(487)	-	9 831	9 831	-	100,00 %	9 314	9 307
Transfers and subsidies									
Households									
Social benefits	-	-	-	-	-	-	- %	281	281
Households	-	-	-	-	-	-	- %	281	281
Total current payments	10 318	(487)	-	9 831	9 831	-	100,00 %	9 314	9 307
Total transfers and subsidies	-	-	-	-	-	-	- %	281	281
Total	10 318	(487)	-	9 831	9 831	-	100,00 %	9 595	9 588

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.4 Risk Management									
Economic classification									
Current payments									
Salaries and wages	2 372	1	-	2 373	2 373	-	100,00 %	2 312	2 312
Social contributions	358	1	-	359	359	-	100,00 %	321	321
	2 730	2	-	2 732	2 732	-	100,00 %	2 633	2 633
Goods and services									
Administrative fees	34	(6)	-	28	28	-	100,00 %	27	22
Catering: Departmental activities	21	(9)	-	12	11	1	91,67 %	-	-
Communication	44	(7)	-	37	37	-	100,00 %	35	34
Consultants: Business and advisory services	14	(14)	-	-	-	-	- %	-	-
Travel and subsistence	586	13	-	599	600	(1)	100,17 %	618	613
Training and development	109	(30)	-	79	79	-	100,00 %	70	67
Operating payments	13	(13)	-	-	-	-	- %	8	8
Venues and facilities	32	(32)	-	-	-	-	- %	10	10
	853	(98)	-	755	755	-	100,00 %	768	754
Compensation of employees	2 730	2	-	2 732	2 732	-	100,00 %	2 633	2 633
Goods and services	853	(98)	-	755	755	-	100,00 %	768	754
Total current payments	3 583	(96)	-	3 487	3 487	-	100,00 %	3 401	3 387
Total current payments	3 583	(96)	-	3 487	3 487	-	100,00 %	3 401	3 387
Total	3 583	(96)	-	3 487	3 487	-	100,00 %	3 401	3 387

APPROPRIATION STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	2023/2024						2022/2023		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
4.5 Provincial Internal Audit									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2 501	37	-	2 538	2 538	-	100,00 %	2 943	2 943
Social contributions	366	1	-	367	367	-	100,00 %	406	406
	2 867	38	-	2 905	2 905	-	100,00 %	3 349	3 349
Goods and services									
Administrative fees	14	-	-	14	14	-	100,00 %	34	31
Catering: Departmental activities	-	-	-	-	-	-	- %	20	13
Communication	36	(7)	-	29	29	-	100,00 %	42	38
Consultants: Business and advisory services	31	(31)	-	-	-	-	- %	-	-
Travel and subsistence	422	13	-	435	435	-	100,00 %	411	406
Training and development	17	10	-	27	27	-	100,00 %	32	30
Operating payments	18	(18)	-	-	-	-	- %	42	40
Venues and facilities	42	(42)	-	-	-	-	- %	210	210
	580	(75)	-	505	505	-	100,00 %	791	768
Compensation of employees	2 867	38	-	2 905	2 905	-	100,00 %	3 349	3 349
Goods and services	580	(75)	-	505	505	-	100,00 %	791	768
Total current payments	3 447	(37)	-	3 410	3 410	-	100,00 %	4 140	4 117
Total current payments	3 447	(37)	-	3 410	3 410	-	100,00 %	4 140	4 117
Total	3 447	(37)	-	3 410	3 410	-	100,00 %	4 140	4 117

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, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

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

3. DETAIL ON PAYMENTS FOR FINANCIAL ASSETS

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

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

4.1 Per programme

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Programme 1-Administration	141 447	140 117	1 330	0,9 %
Programme 2- Sustainable Resource Management	96 090	95 878	212	0,2 %
Programme 3- Assets and Liabilities	287 550	282 012	5 538	1,9 %

The under spending (Variances) in Compensation of employees is mainly due to recruitment processes that took longer than anticipated and Payments for Capital Assets (Domestic equipments) that were not delivered by the year end. The under spending (Variances) in payments for Capital Assets is due to delay in delivery of IT Assets (Back-up Storage and Inverters).

Programme 4- Financial Governance	25 625	25 615	10	- %
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The Variances in Compensation of employees is for late appointment of employees due to recruitment processes that took longer than anticipated

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	210 878	208 429	2 449	1 %
Goods and services	281 814	281 756	58	- %
Transfers and subsidies				
Provinces and municipalities	31 301	31 295	6	- %
Departmental agencies and accounts	711	711	-	- %
Households	676	676	-	- %
Payments for capital assets				
Machinery and equipment	21 425	16 848	4 577	21 %
Intangible assets	3 905	3 905	-	- %
Payments for financial assets				
	2	2	-	- %

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Revenue			
Annual appropriation	1	550 712	480 018
Departmental revenue	2	496 699	178 357
Total revenue		1 047 411	658 375
Expenditure			
Current expenditure		490 185	414 760
Transfers and subsidies		32 682	17 242
Expenditure for capital assets		20 753	47 721
Payments for financial assets		2	74
Current expenditure			
Compensation of employees	3	208 429	198 620
Goods and services	4	281 756	216 140
Total current expenditure		490 185	414 760
Transfers and subsidies			
Transfers and subsidies	6	32 682	17 242
Expenditure for capital assets			
Tangible assets	7	16 848	29 318
Intangible assets	7	3 905	18 403
Total expenditure for capital assets		20 753	47 721
Payments for financial assets	5	2	74
Total current expenditure		490 185	414 760
Total transfers and subsidies		32 682	17 242
Total expenditure for capital assets		20 753	47 721
Total payments for financial assets		2	74
Total revenue fund expenditure		-	-
Total expenditure		543 622	479 797
Total revenue		1 047 411	658 375
Total expenditure		(543 622)	(479 797)
Surplus for the year		503 789	178 578
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		7 090	221
		503 789	178 578
		(496 699)	(178 357)
		7 090	221
Voted funds		7 090	221
Departmental revenue and NRF Receipts	12	496 699	178 357
Surplus for the year		503 789	178 578

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Assets			
Current Assets			
Cash and cash equivalents	8	7 316	600
Receivables	9	681	631
		7 997	1 231
Non-Current Assets			
Receivables	9	56	-
Non-Current Assets		56	-
Current Assets		7 997	1 231
Total Assets		8 053	1 231
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	10	7 090	221
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	212	376
Payables	13	57	16
		7 359	613
Non-Current Liabilities		-	-
Current Liabilities		7 359	613
Total Liabilities		7 359	613
Assets		8 053	1 231
Liabilities		(7 359)	(613)
		694	618
Represented by:			
Recoverable revenue		694	618

STATEMENT OF CHANGE IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Recoverable revenue			
Opening balance		618	750
Transfers:			
Irrecoverable amounts written off	5.1	(2)	(74)
Debts recovered (incl in dept receipts)		(12)	(58)
Debts raised		90	-
Closing balance		694	618

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	550 712	480 018
Departmental revenue received	2	1 375	824
Interest received	2.2	506 736	188 513
		1 058 823	669 355
Net (increase)/ decrease in working capital		(65)	177
Surrendered to Revenue Fund		(508 558)	(194 755)
Current payments		(490 185)	(414 760)
Payments for financial assets		(2)	(74)
Transfers and subsidies paid		(32 682)	(17 242)
Total receipts		1 058 823	669 355
Total payments		(1 031 492)	(626 654)
Net cash flow available from operating activities	14	27 331	42 701
Cash flows from investing activities			
Payments for capital assets	7	(20 753)	(47 721)
Proceeds from sale of capital assets	2.3	62	-
Net cash flows from investing activities		(20 691)	(47 721)
Cash flows from financing activities			
Increase/ (decrease) in net assets		76	(132)
Net increase/ (decrease) in cash and cash equivalents		6 716	(5 152)
Cash and cash equivalents at beginning of year		600	5 752
Cash and cash equivalents at the end of the year	15	7 316	600

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual 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 annual 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 annual financial statements and to comply with the statutory requirements of the , and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. **Basis of preparation**

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

2. **Going concern**

The annual 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 '000).

5. **Foreign currency translation**

Cash flows arising from foreign currency transactions are translated into South African Rand 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 annual financial statements. Where necessary figures included in the prior period annual 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 annual financial statements.

6.2 **Current year comparison with budget**

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

7. **Revenue**

7.1 **Appropriated funds**

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

Appropriated funds are recognised in the statement of financial performance on the date the appropriation

ACCOUNTING POLICIES CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

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 annual 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 annual 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.

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 annual financial statements on the date of transfer and are measured at cost or fair value.

ACCOUNTING POLICIES CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

8.3 Accruals and payables not recognised

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

8.4 Leases

8.4.1 *Operating leases*

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

The operating lease commitments are recorded in the notes to the annual 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 annual 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 annual 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.

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.

ACCOUNTING POLICIES CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

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.

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

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

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

16.2 **Movable capital assets**

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

ACCOUNTING POLICIES CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

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 -.

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

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at -. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

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

16.4 Project costs: Work-in-progress

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

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

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

17. Provisions and contingents

17.1 Provisions

Provisions are recorded in the notes to the annual 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 annual 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.

ACCOUNTING POLICIES CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

17.3 Contingent assets

Contingent assets are recorded in the notes to the annual 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

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

18. Unauthorised expenditure

Unauthorised expenditure is 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 annual 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 expenditure incurred in the current year.

19. Fruitless and wasteful expenditure

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

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

- irregular expenditure that was under assessment in the previous financial year;

ACCOUNTING POLICIES CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

- 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 estimates are applied prospectively in accordance with MCS requirements.

21. *Changes in accounting estimates and errors (continued)*

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 annual 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 annual financial statements.

23. *Principal-Agent arrangements*

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the annual financial statements where appropriate.

24. *Departures from the MCS requirements*

25. *Capitalisation reserve*

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

26. *Recoverable revenue*

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

27. *Related party transactions*

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

The number of individuals and the full compensation of key management personnel is recorded in the notes to the annual 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.

ACCOUNTING POLICIES CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

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 annual financial statements.

30. *Employee benefits*

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

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

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

31. *Transfers of functions*

Transfers 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.

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand Note(s) **2023/2024** **2022/2023**

1. Annual appropriation

1.1 Annual appropriation

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

Figures in Rand thousand	2023/2024		2022/2023	
	Final budget	Actual funds received	Final budget	Appropriation received
Programmes				
Programme 1-Administration	141 447	141 447	131 524	131 524
Programme 2- Sustainable Resource Management	96 090	96 090	70 374	70 374
Programme 3- Assets and Liabilities	287 550	287 550	228 598	228 598
Programme 4- Financial Governance	25 625	25 625	49 522	49 522
Total	550 712	550 712	480 018	480 018

2. Departmental revenue

Sales of goods and services other than capital assets	2.1		1 375	824
Interest, dividends and rent on land	2.2		506 736	188 513
Sales of capital assets	2.3		62	-
Total revenue collected			508 173	189 337
Less: Own revenue included in appropriation	12		11 474	10 980
Departmental revenue collected			496 699	178 357

The Departmental Revenue collected includes interest from the Paymaster General Account, Investment interest from Revenue Fund and the Inter-Governmental Cash Coordination (IGCC) account that the department received. The Departmental Revenue includes the own revenue included in the main appropriation amounting to R11 474 million.

2.1 Sales of goods and services other than capital assets

Sales by market establishment		11	11
Administrative fees		119	111
Other sales		1 245	702
Sales of goods and services produced by the department		1 375	824

Other Sales refers to the sale of tender documents.

2.2 Interest, dividends and rent on land

Interest		506 736	188 513
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The Interest is from the Paymaster General Account, Investment interest from Revenue Fund and the Inter-Governmental Cash Coordination (IGCC) account that the department received.

2.3 Sales of capital assets

Tangible assets

Machinery and equipment		62	-
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The Sale of Capital Assets is mainly revenue collected from the Auction of the Obsolete assets.

2.4 Transactions in financial assets and liabilities

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
3. Compensation of employees			
3.1 Salaries and wages			
Basic salary		149 477	139 551
Service based		211	181
Compensative/circumstantial		274	931
Other non-pensionable allowances		29 911	31 563
Total		179 873	172 226
Other Non-Pensionable allowances includes Overtime, Service Bonus, Capital Remunerations, Salaries of Interns and Learnership who are on contract basis.			
3.2 Social contributions			
Employer contributions			
Pension		19 038	17 830
Medical		9 219	8 531
Bargaining council		35	33
Insurance		264	-
Total		28 556	26 394
Total compensation of employees		208 429	198 620
Average number of employees		406	320
The total number of employees is 406 that includes 99 Interns and learnership			
4. Goods and services			
Administrative fees		917	808
Advertising		1 304	1 362
Minor assets	4.1	311	677
Catering		858	968
Communication		7 646	5 367
Computer services	4.2	186 589	131 196
Consultants: Business and advisory services		9 219	25 146
Contractors		20 846	2 049
Audit cost - external	4.3	6 360	6 636
Fleet services		2 462	2 874
Consumables	4.4	7 745	3 106
Operating leases		8 129	7 875
Property payments	4.5	7 103	4 824
Transport provided as part of the departmental activities		48	20
Travel and subsistence	4.6	17 405	17 580
Venues and facilities		2 026	1 925
Training and development		1 829	1 468
Other operating expenditure	4.7	959	2 259
Total		281 756	216 140

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
<p>The increase in administrative fees is due to an increase in travel agency fees and bank charges incurred during the year. Advertising decreases since the department has implemented online advertising for internal matters. The minor assets decreased during the financial year as the assets procured decreased. Catering also decreased due to number of contact meeting reduced through having virtual meetings instead of contact meetings. Communication has also increased due to increase in personnel having increased allowances. Computer Services increased as the department has introduced the E- Submission system that is still in developmental phase ready for piloting. Agency and Support the department only assisted Municipalities with the Quality Assurance Review and Financial Recovery Plan reviews , hence the decline in spending.</p> <p>Contractors increased as the department had to ensure a good working condition for the departmental officials , installations of Air conditioners and office maintenance. Audit Costs decreased as a result to the improvement in the control environment.</p> <p>Fleet Services decreased due to under utilisation of the GG Vehicles and the maintenance of the vehicles. Consumables increased during the year since the department had to replenish the stores and procures cleaning materials, Stationery and Toiletries for the financial year. Property Payments increased due to services increase in various Municipalities and backlog of Public Works ,Roads and Transport payments. Travel and Subsistence decreased due to engagements the department had to provide to its clients (Municipalities,Departments and Public Entities). Under Venues and Facilities the department had to conduct workshops, awareness campaigns and stakeholder engagements ,hence the increase in the Venues and Facilities for conference packages. Training and Development increased during the financial due to the high volument of trainings provided for the deparmental officials. Other Operating Expenditure includes Courier services and Professional bodies.</p>			
4.1 Minor assets			
Tangible assets			
Machinery and equipment		311	677
4.2 Computer services			
SITA computer services		58 344	54 571
External computer service providers		128 245	76 625
Total	4	186 589	131 196
<p>The External Computer Services includes the payments for Business Process Automation Sytems (E-Leave, Annual Financial Statements and Tracking Invoices) and the payments made to Microsoft for the operaing systems.</p>			
4.3 Audit cost - external			
Regularity audits		6 360	6 636
4.4 Consumables			
Uniform and clothing		305	571
Household supplies		2 105	1 302
Building material and supplies		-	11
Communication accessories		2	-
IT consumables		1 790	30
Other consumables		115	-
Consumable supplies		4 317	1 914
Stationery, printing and office supplies		3 428	1 192
Total	4	7 745	3 106

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
4. Goods and services (continued)			
4.5 Property payments			
Municipal services		7 103	4 506
Other		-	318
Total	4	7 103	4 824
Other refers to cleaning and fumigation services			
4.6 Travel and subsistence			
Local		17 405	17 550
Foreign		-	30
Total	4	17 405	17 580
4.7 Other operating expenditure			
Professional bodies, membership and subscription fees		316	255
Resettlement costs		92	37
Other		551	1 967
Total	4	959	2 259
Other relates to Courier Services, Printing and Publications.			
4.8 Remuneration of members of a commission or committee (Included in Consultant: Business and advisory services)			
5. Payments for financial assets			
Debts written off	5.1	2	74
The payments for financial assets is mainly for staff debts written off during the financial year.			
5.1 Debts written off			
Nature of debts written off			
Other debt written off			
Salaries: Tax Debt		2	74
5.2 Details of theft			
The payment for financial assets is mainly related to staff debts written off during the financial year.			
6. Transfers and subsidies			
Provinces and municipalities		31 255	15 000
Departmental agencies and accounts	Annexure 1B	751	698
Households	Annexure 1C	676	1 544
Total		32 682	17 242

The Transfers and Subsidies increased due to the transfers made to Support Municipalities during the financial year and the increase in the payments of Leave Gratuities for the ex-employees.

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023			
6.1 Gifts, donations and sponsorships made in kind (not included in the main note)						
Donations		231	194			
The above donations/Gifts are items given to retiring officials and families that the Mpumalanga Provincial Government is offering housing as part of legacy projects						
7. Expenditure for capital assets						
Tangible assets						
Machinery and equipment	25	16 848	29 318			
Intangible assets						
Software	26	3 905	18 403			
Total		20 753	47 721			
The Payments for Capital Assets decreased due to procurement of Computer Hardware and Systems (Laptops and Computers) which is less than the previous financial year as the bulk of computer equipments were meant for Revenue enhancement. Software and Licences also decreased in the Current financial year as most of the softwares and licences were renewed for morethan 12 months.						
7.1 Analysis of funds utilised to acquire capital assets - 2023/2024						
Machinery and equipment		16 848	16 848			
Intangible assets						
Software		3 905	3 905			
Total		20 753	20 753			
7.2 Analysis of funds utilised to acquire capital assets - 2022/2023						
Tangible assets						
Machinery and equipment		29 318	29 318			
Intangible assets						
Software		18 403	18 403			
Total		47 721	47 721			
8. Cash and cash equivalents						
Consolidated paymaster general account		7 316	600			
Under Cash and Cash equivalents is Voted funds to be surrendered and Revenue Accruals due to Provincial Revenue Fund						
9. Receivables						
Figures in Rand thousand		2023/2024			2022/2023	
	Note	Current	Non-current	Total	Current	total
Staff debt	9.2	15	56	71	74	74
Other receivables	9.3	666	-	666	557	557
Total		681	56	737	631	631
Other Receivables relates to Ex-Employees that are indebted to Provincial Treasury.						

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
9. Receivables continued			
9.1 Claims recoverable			
9.2 Staff debt			
Recovery for loss/Damage to assets		68	69
Salary Over payment		-	5
Leave Without Pay		3	-
Total	9	71	74
9.3 Other receivables			
Ex-employees: Tax Debts		-	1
Amount to be recovered from Irregular Expenditure		530	530
Ex-employees: Salary Overpayment		102	15
Recovery for loss/Damage to assets		9	11
Pension Recoverable		25	-
Total	9	666	557
Other Receivables relates to Ex-Employees that are debted to Provincial Treasury.			
10. Voted funds to be surrendered to the Revenue Fund			
Opening balance		221	3 152
Transferred from statement of financial performance (as restated)		7 090	221
Paid during the year		(221)	(3 152)
Closing balance		7 090	221
11. Statutory Appropriation to be surrendered to the Revenue Fund			
12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		376	2 642
Transferred from statement of financial performance (as restated)		496 699	178 357
Own revenue included in appropriation	2	11 474	10 980
Paid during the year		(508 337)	(191 603)
Closing balance		212	376
13. Payables - current			
Other payables	13.1	57	16
13.1 Other payables			
Income Tax Payable		57	16

Other refers to Income Tax for employees

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
14. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		503 789	178 578
Add back non cash/ cash movements not deemed operating activities			
(Increase)/ decrease in receivables		(106)	201
Increase/ (decrease) in payables – current		41	(24)
Proceeds from sale of capital assets		(62)	-
Expenditure on capital assets		20 753	47 721
Surrenders to Revenue Fund		(508 558)	(194 755)
Own revenue included in appropriation		11 474	10 980
Net cash flow generated by operating activities		27 331	42 701
15. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated paymaster general account		7 316	600

Under Cash and Cash equivalents is the funds to be surrendered and Revenue Accrual due to Provincial Revenue Fund.

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

17. Capital commitments

Machinery and equipment	17 055	2 184
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The Capital Commitments for the year is mainly for UPS, Servers and other IT equipments that were not delivered by the year end.

18. Accruals and payables not recognised

18.1 Accruals

Figures in Rand thousand	2023/2024		2022/2023
	Final budget	Actual funds received	Final budget
Goods and services	6 836	6 836	1 096
Other	84	84	713
Total	6 920	6 920	1 809
Listed by programme level			
Administration		947	1 487
Sustainable Resources Management		238	73
Asset and Liabilities Management		5 665	189
Financial Governance		70	60
Total		6 920	1 809

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Other Accruals relates to Salary related (S&T Claims) for the financial year under review.			
18.2 Payables not recognised			
Figures in Rand thousand			2022/2023
			Total
Listed by economic classification			
Goods and services			143
Listed by programme level			
Administration		-	143
Included in the above totals are the following:			
Confirmed balances with other departments	Annexure 5	71	98
Confirmed balances with other government entities	Annexure 5	3 619	-
Total		3 690	98
The confirmed balances are for the Department of Health relating to Salaries for official transferred to Provincial Treasury last financial year and SITA for Transversal systems and Data Lines.			
19. Employee benefits			
Leave entitlement		12 186	12 188
Service bonus (Thirteenth cheque)		6 169	5 601
Capped leave		5 976	5 560
Other		229	211
Total		24 560	23 560
Other is a Provision of Long Service award of officials that will complete 20, 30 and 40 years of service in the coming twelve months. Currently at this stage the department is not able to reliably measure the long term portion of the long service awards as the amounts are determined by DPSA each financial Year. Included in the leave entitlement is a negative Leave balance amounting to R172 870,26.			
20. Lease commitments			
20.1 Operating leases			
2023/2024			
Figures in Rand thousand			
	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	7 636	1 123	8 759
Later than 1 year and not later than 5 years	31 963	1 498	33 461
Later than five years	2 743	-	2 743
Total lease commitments	42 342	2 621	44 963
2023/2024			
Figures in Rand thousand			
	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	6 744	1 203	7 947
Later than 1 year and not later than 5 years	28 726	726	29 452
Later than five years	10 794	-	10 794

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Total lease commitments		46 264	1 929 48 193
The aforementioned rental shall escalate at a rate of seven (07) and (06) percent per annum on the first anniversary of the lease and in accordance with the period of occupation and every anniversary thereafter until termination of the agreement or continued occupation of the premises.			
21. Accrued departmental revenue			
Transactions in financial assets and liabilities		757	744
21.1 Analysis of accrued departmental revenue			
Opening balance		744	744
Add: Amounts recognised		13	-
Total		757	744
22. Unauthorised, Irregular and Fruitless and wasteful expenditure			
Irregular expenditure		-	427
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.			
23. Related party transactions			
The Department is related to the Mpumalanga Department of Economic Development and Tourism as the 2 departments are within the same MEC's portfolio.			
In Kind goods and services provided/received.			
During the financial year 2023/2024, Provincial Treasury occupied Nokuthula Simelane Building, upper and lower grounds in the Riverside Government Complex, a service provided by the Department of Public Works, Roads and Transport free of charge. During the financial year the Provincial Treasury provided Information Technology services free of charge (Information Technology support, Network and Governance) to the following departments: Office of the Premier, Co-Operative Governance and Traditional Affairs, Culture, Sport and Recreation, Human Settlements, Agriculture, Rural Development, Land and Environmental Affairs, Economic Development and Tourism, Education, Community Safety, Security and Liaison, Public Works, Roads and Transport, Health and Social Development. During the Financial year, Provincial Treasury received security services from the Department of Community Safety, Security and Liaison.			
There is no related party transaction within the MEC's portfolio however all departments are related and the above is disclosed as an additional information inline with TR 21.2.4.			
24. Key management personnel			
Level 15-16		2 059	1 992
Level 14 Including CFO		5 990	5 774
Other Lower than level 14		7 858	7 690
Total		15 907	15 456

The expenditure for the Member of the Executive Council is not included since the MEC is for both the Department of Economic Development and Tourism and the Provincial Treasury. The MEC will be accounted for the DEDT.

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand Note(s) 2023/2024 2022/2023

25. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2024

Figures in Rand thousand	2023/2024		2022/2023	
	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	13 735	3 056	98	16 693
Computer equipment	100 018	8 455	19 224	89 249
Furniture and office equipment	5 825	2 976	211	8 590
Other machinery and equipment	4 722	2 496	2 926	4 292
	124 300	16 983	22 459	118 824

The R135 000 included in addition for Computer Equipment relates to replacement of computers that were stolen at middelburg office the total value can not be added as cash.

25.1 Movement for 2022/2023

Movement in movable tangible capital assets per asset register for the year ended 31 March 2023

Figures in Rand thousand	2023/2024		2022/2023	
	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	9 743	3 992	-	13 735
Computer equipment	84 174	24 440	8 596	100 018
Furniture and office equipment	5 555	418	148	5 825
Other machinery and equipment	4 326	468	72	4 722
	103 798	29 318	8 816	124 300

25.1.1 Prior period error

25.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at 31 March 2024

	Machinery and equipment	Total
Opening balance	6 714	6 714
Additions	311	311
Disposals	1 105	1 105
Total minor capital assets	5 920	5 920
	Machinery and equipment	Total
Number of minor assets at cost	2 873	2 873

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
Movement in minor capital assets per the asset register for the year ended as at 31 March 2023			
		Other Machinery and equipment	Total
Opening balance		6 773	6 773
Additions		677	677
Disposals		736	736
Total minor capital assets		6 714	6 714
		Other Machinery and equipment	Total
Number of minor assets at cost		3 262	3 262

25.2.1 Prior period error

25.3 Movable tangible capital assets written off

25.4 Movable tangible capital assets: Capital work-in-progress

26. Intangible capital assets

Movement in intangible capital assets per asset register for the year ended 31 March 2024

	Opening balance	Additions	Disposals	Closing balance
Software	18 491	3 905	13	22 383

26.1 Movement for 2022/2023

Movement in intangible capital assets per asset register for the year ended 31 March 2023

	Opening balance	Additions	Disposals	Closing balance
Software	2 880	18 403	2 792	18 491

26.2 Intangible capital assets: Capital work-in-progress

Capital work-in-process for the year ended as at 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2024

Figures in Rand thousand	Note(s)	2023/2024	2022/2023
27. Immovable tangible capital assets			
Movement in immovable tangible capital assets per asset register for the year ended 31 March 2024			
Figures in Rand thousand		Opening balance	Closing balance
Buildings and other fixed structures			
Other fixed structures		24	24
27.1 Movement for 2022/2023			
Movement in immovable tangible capital assets per asset register for the year ended 31 March 2023			
Figures in Rand thousand		Opening balance	Closing balance
Buildings and other fixed structures			
Other fixed structures		24	24
27.2 Capital Work-in-progress			
Capital Work-in-progress as at 31 March 2024			
27.3 Immovable assets written off			
27.4 Immovable assets (additional information)			
a) Unsurveyed land			
b) Properties deemed vested			
c) Facilities on unsurveyed land			
d) Facilities on right to use land			
28. Natural disaster or relief expenditure			
Goods services		-	143
During the financial year under review the department did not incur any expenditures relating to COVID 19 Response.			

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2024

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

Name of municipality	Grant allocation		Transfer		2022/2023
	DoRA and other transfers	Total available	Actual transfer	DoRA and other transfers	Actual transfer
Msukaligwa Local Municipality	10 000	10 000	10 000	8 000	8 000
Govan Mbeki Local Municipality	10 020	10 020	10 020	-	-
Dr. Pixley Ka Isaka Seme Local Municipality	3 500	3 500	3 500	-	-
Mkhondo Local Municipality	7 735	7 735	7 735	7 000	7 000
Total	31 255	31 255	31 255	15 000	15 000

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2024

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency/ Account	Transfer allocation			Transfer		2022/2023	
	Adjusted budget	total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer	
South African Broadcasting Corporation	2	2	2	100 %	4	4	
Government Vehicle Licences: DCSSL	46	46	40	87 %	25	26	
Skills Development Levy: FASSET	709	709	709	100 %	668	668	
Total	757	757	751		697	698	

FASSET: Financial and Accounting Service Sector Education and Training,
DCSSL: Department of Community Safety, Security and Liason.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2024

ANNEXURE 1G STATEMENT OF TRANSFERS TO HOUSEHOLDS

Figures in Rand thousand	Transfer allocation			Transfer		2022/2023	
	Adjusted budget	Total available	Actual transfer	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Households							
Transfers							
Leave Gratuity	676	676	676	676	100 %	1 544	1 544

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2024

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Figures in Rand thousand	2023/2024	2022/2023
Nature of gifts, donations and sponsorships made		
Made in kind		
Donations		
Legacy Projects	212	106
Retired Officials	19	88
Total donations	231	194

The above donations/Gifts are items given to retiring officials and families that the Mpumalanga Provincial Government is offering housing as part of legacy projects.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2024

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2024

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

Figures in Rand thousand	Confirmed balance outstanding		Total	
	2023/2024	2022/2023	2023/2024	2022/2023
Government entity				
Current				
Department of Public Works, Roads and Transport	-	98	-	98
Department of Health	71	-	71	-
Subtotal	71	98	71	98
Other government entity				
Current				
SITA	3 619	-	3 619	-
Total Inter-government payables	3 690	98	3 690	98

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS - UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2024

ANNEXURE 11

NATURAL DISASTER OR RELIEF EXPENDITURE

Per quarter and in total

Figures in Rand thousand	Total 2022/2023
Goods services	
Consumables	143

During the 2023/24 financial year, Provincial Treasury did not incur any COVID expenditure.

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