

Annual

REPORT

2020 / 2021



PROVINCIAL TREASURY MPUMALANGA PROVINCE

VOTE 3



provincial treasury

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



PROVINCIAL TREASURY
MPUMALANGA PROVINCE
VOTE NO. 3

**ANNUAL REPORT
2020/21 FINANCIAL YEAR**

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Part A

GENERAL INFORMATION

1. DEPARTMENT'S GENERAL INFORMATION



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MPTreasury



Mpumalanga Treasury

2. LIST OF ABBREVIATIONS/ACRONYMS

AIDS	Acquired Immunodeficiency Syndrome
AGSA	Auditor General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DTI	Department of Trade and Industries
ERM	Enterprise Risk Management
EU	European Union
EXCO	Executive Council
GIAMA	Government Immovable Asset Management Act
HIV	Human Immune Virus
HPT	Head: Provincial Treasury
HR	Human Resource
ICT	Information Communication Technology
IT	Information Technology
IYM	In-Year Monitoring
LED	Local Economic Development
LOGIS	Logistical Information System
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MPL	Member of Provincial Legislature
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NT	National Treasury
OHS	Occupational Health and Safety

OTP	Office of the Premier
PPPFA	Preferential Procurement Policy Framework Act
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PERSAL	Personnel Salary System
PFMA	Public Finance Management Act
PILIR	Policy on incapacity and ill health retirement
PMDS	Performance Management and Development System
PMTCT	Prevention of mother to child transmission
PPIA	Protection of Personal Information Act
PPP	Public Private Partnership
PSA	Public Service Act
PSA	Public Service Association
PSCBC	Public Service Commission's Bargaining Council
REMC	Risk and Ethics Management Committee
SCM	Supply Chain Management
SCOPA	Select Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SHEQ	Safety, Healthy and Environment Quality
SITA	State Information Technology Agency
SMME	Small, Medium and Micro Enterprises
SMS	Senior Management Services
TR	Treasury Regulations
TVET	Technical vocational education and training

3. FOREWORD BY THE MEC



We are pleased to present the 2020/21 Annual Report of Vote 3: Provincial Treasury to the Provincial Legislature and the people of Mpumalanga.

The report is tabled in the backdrop of the challenging socio-economic landscape characterized by society's fight to address the debilitating impact of covid-19 on the economy and the livelihood of communities.

It represents the extraordinary efforts of the department in navigating the uncharted operating discourse imposed by this global health pandemic while ensuring that the principal mandate vested on us by the Constitution of the Republic of South Africa remains intact.

In this context, we tabled four Appropriations Bills to the Provincial Legislature to provide resources for the annual programme of government and also to assist the Province to respond to two disasters (Coronavirus (COVID-19) and natural disaster) during the year under review.

Despite the inherent challenges and the impact of the coronavirus, the Provincial Treasury continued to focus on ensuring that fiscal policy responds to the hardships confronting citizens.

We also maintained financial policy support to all public institutions and continued to provide policy advice and guidance in such areas as public procurement, management of state assets, public accounting, amongst others.

As we transition to the third year of the 2019 electoral mandate, we will continue to provide strategic support to all public sector institutions to respond to the health pandemic and rebuild the Provincial economy ravaged by covid-19. Our focus areas will include:

- Supporting departments, public entities and municipalities to maintain sound resources management;
- Support Provincial Departments in maximizing collection and generating own revenue through training workshops, convening of revenue forums, and monitoring of cash offices;
- Commencing the planning for the second phase of the business automation project to ensure long term efficiency benefits for the Province, and
- Supporting the work of governance structures across the Province to effectively perform their oversight and assurance role in the interest of the people of Mpumalanga. To further improve on financial governance and avoid unnecessary litigations, the Provincial Treasury will introduce probity audits for high value and high-risk bids throughout the Provincial Administration.

Our municipal support and oversight will be enhanced through targeted activities that aim to improve Municipalities' capacity to improve budgeting and reporting on finance-related matters.

I want to convey my appreciation to the Head Official, management and all officials who made it possible for us to fulfil the mandatory programmes for the year under review.

Our sincere gratitude to all governance structures that ensured the integrity of programme information and decision processes in the Provincial Treasury, thus giving assurance to the people of the integrity of this report that we present as part of our accountability mechanism.

We remain committed to the objective of building a department capable of fulfilling its founding principles of transparency, access and responsiveness in the execution of our public duty.

Let's Grow Mpumalanga together.


P.V. Mkhathswa

MR PV MKHATSHWA (MPL)
MEC for Finance, Economic Development and Tourism
Date 30 August 2021

4. REPORT OF THE ACCOUNTING OFFICER



Overview of the operations of the Provincial Treasury

The Provincial Treasury focused, in the previous period, on the fiscal impact of development through improved efficiency in government spending and maintaining an appropriate balance between investment and consumption expenditure. Scaling up of capacity and strategic support to Departments, Public Entities and Municipalities on financial management and good governance were also key focus areas during the year under review.

The Provincial Treasury has also provided support to Departments, Public Entities and Municipalities on implementation of various finance legislation, including the Supply Chain Management Policy Framework. We have further provided training on supply chain management and the operations of bid committees for Departments, Public Entities and Municipalities to enhance decision-making in the awarding of tenders.

In the quest to improve efficiencies, the Provincial Treasury commenced with the implementation of phase one of the business automation with focus on electronic leave management (eLeave), invoice payment and tracking and systems for the preparation of financial statements during the year under review.

Overview of the results and challenges for the Provincial Treasury, briefly commenting on significant events and projects for the year.

The negative impact of Covid-19 is reflected in serious fiscal and budget challenges for the Provincial Government during the year under review. Huge amounts were spend on health programmes and financial relief schemes. Re-prioritization of funds was therefore important to ensure that service delivery is not influenced negatively.

The submission of financial statements for Departments and Public Entities was moved to July 2020 due to the impact of the COVID-19 lockdown. During the 2019/20 financial year, two Departments and one Public Entity received unqualified audit opinions without any findings; eight Departments and two Public Entities received unqualified audit opinions with findings while two Departments and one Public Entity received qualified audit opinions. Due to the COVID-19 impact and the lockdown measures, the audit for 2019/20 year for municipalities was still in process at the end of the financial year and it was finalised at the end of April 2021.

The local government sector continues to experience challenges, resulting in increased impatience and intolerance for poor service delivery. It has been observed that poor planning, inability to translate strategic objectives to clear operational targets and overall weak execution of plans, unfunded budgets, inability to collect revenue and ignorance or transgression of policies and legislation further prevents proper service delivery.

Overview of the financial results of the Provincial Treasury:

Departmental receipts

Departmental receipts	2019/20			2020/21		
	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	2 800	1 819	981	2 800	991	1 809
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	116 736	92 381	24 355	123 311	97 240	26 071
Sale of capital assets	-	36	(36)	-	19	(19)
Financial transactions in assets and liabilities	13	124	(111)	13	63	(50)
Total	119 549	94 360	25 189	126 124	98 313	27 811

The Provincial Treasury collected R98 313 000, which is 77.9 per cent of the planned target of R126 124 000. The under collection is attributed to the nationwide lockdown due to the COVID-19 pandemic.

Programme Expenditure

Programme Name	2019/20			2020/21		
	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	103 157	103 071	86	89 153	88 936	217
Sustainable Resource Management	47 654	47 647	7	46 475	46 472	3
Assets and Liabilities	173 176	172 652	524	213 268	213 237	31
Financial Governance	30 905	30 892	13	26 474	26 473	1
Total	354 892	354 262	630	375 370	375 118	252

The Provincial Treasury has spent R375 118 000, which is 99.9 per cent of the allocated budget of R375 370 000. The total amount of R252 000 underspending was mainly on goods and services.

Virements/rollovers

- The Provincial Treasury utilised savings appropriated under three main divisions within the vote to defray excess expenditure under another main division within the same vote.
- The reasons for the virement were to defray excess expenditure for the main division under goods and services.

Programme 1: Administration

The Programme's budget was reduced by R6 564 000 which was mainly on the allocation for goods and services.

Programme 2: Sustainable Resource Management

The Programme's budget was reduced by R428 000, which was mainly on the allocation for goods and services.

Programme 3: Assets and Liabilities Management

The Programme's budget was increased by R7 310 000, which was mainly on the allocation for goods and services.

Programme 4: Financial Governance

The Programme's budget was reduced by R318 000, which was mainly on the allocation for goods and services.

Roll-Overs

The Provincial Treasury did not apply for roll-overs for the financial year under review.

Unauthorised, Irregular, Fruitless, and Wasteful Expenditures

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, efficient and effective management and operations systems and procurement systems that deliver value for money. The Provincial Treasury will continue to support Provincial Departments in maximizing collection and generating own revenue through training workshops, convening of revenue forums, and monitoring of cash offices.

The focus by 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, working closely with other Departments, Public Entities and municipalities, will contribute to efforts aimed to improve 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.

New or proposed key activities

The Provincial Treasury introduced the Business Processes Automation project for the Mpumalanga Provincial Government, commencing with e-Leave (Human Resources Management), Invoice Tracking (Supply Chain Management) and the Automated Financial Statements (Financial Reporting). The budget for the above systems is currently within the Assets and Liabilities Management Programme.

Supply Chain Management

The Provincial Treasury has an approved Supply Chain Management Policy, 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 Amendment, 2013* (Act 46 of 2013) in awarding bids during the year under review.

The Provincial Treasury continues monitoring compliance with the Local Content Regulations through the 2011 Preferential Procurement Policy Framework Act (PPPFA) as amended. The Local Content Regulations empower the Department of Trade and Industries (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 2020/21 financial year.

Approval and sign off

Gugu Mashiteng

MS GUGU MASHITENG

Accounting Officer

Date: 31 May 2021

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 Annual Report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, 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 2021.

Yours faithfully,

Gugu Mashiteng

Ms GUGU MASHITENG

Accounting Officer

Date: 31 May 2021

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



LEGISLATION

Division of Revenue Act, 2020 (Act No. 4 of 2020) (DORA)

The Act provides for the equitable division of revenue raised nationally among the National, Provincial and Local Spheres of government for the financial year in question, the responsibilities of all three spheres pursuant to such division and allocations; and to provide for matters connected therewith.

Government Immovable Asset Management Act, 2007 (Act No. 19 of 2009) (GIAMA)

This Act provides 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 co-ordination 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.

Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)

The Act is aimed at securing sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government; and to provide for matters connected therewith.

Preferential Procurement Policy Framework Act, 2000, (Act No.5 of 2000) (PPPFA)

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.

Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) (PAIA)

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.

Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA)

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.

Protection of Personal Information Act, 2013 (Act No. 4 of 2013)

The Act promotes the protection of personal information processed by public and private bodies; it also introduces certain conditions so as to establish minimum requirements for the processing of personal information. It also provides for the rights of persons regarding unsolicited electronic communications and automated decision making. It also regulates the flow of personal information across the borders of the Republic; and also provides for matters connected therewith.

Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA)

This Act regulates financial management in the National and Provincial spheres of government to ensure that all revenue, expenditure, assets and liabilities of those spheres are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in the Treasury and to provide for matters connected therewith.

Public Service Administration Act, 2014 (Act No. 11 of 2014)

The Act aims to promote the principles governing the public administration referred to in section 195(1) of the Constitution; to provide for the transfer and secondment of employees in the public administration; to regulate conducting business with the State; to provide for capacity development and training; to provide for the establishment of the National School of Government; to provide for the use of information and communication technologies in the public administration.

Public Service Act, 1994 (Act No. 103 of 1994) as amended (PSA)

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.

Public Service Regulations, 2016

The Public Service Regulations were issued by the Department of Public Service and Administration in terms of and in compliance with section 41 of the Public Service Act, No. 103 of 1994 to prescribe any matter that requires or is permitted to be prescribed by the Act.



REGULATIONS

Treasury Regulations, 2005

The Treasury Regulations were issued by the National Treasury in terms of Section 76 of the Public Finance Management Act, No. 1 of 1999.

List of legislation tabled in the Mpumalanga Provincial Legislature during the 2020/21 financial year:

Mpumalanga Appropriation Act, 2020 (Act No. 2 of 2020)

The Act provides for the appropriation of money from the Provincial Revenue Fund for the requirements of the Province for the 2020/21 financial year; to prescribe conditions for the spending of funds withdrawn for the 2020/21 financial year before the commencement of the Mpumalanga Appropriation Act for the 2020/21 financial year; and to provide for matters incidental thereto.

Mpumalanga Adjustments Appropriation Act, 2020 (Act No. 3 of 2020)

The Act effects adjustments to the appropriation of money from the Provincial Revenue Fund for the requirements of the Province in respect of the 2020/21 financial year; and to provide for matters incidental thereto.

Mpumalanga Second Adjustments Appropriation Act, 2020 (Act No. 4 of 2020)

The Act effects second adjustments to the appropriation of money from the Provincial Revenue fund for the requirements of the Province in respect of the 2020/21 financial year ending 31 March 2021; and to provide for matters incidental thereto.

Mpumalanga Third Adjustments Appropriation Act, 2021 (Act No. 1 of 2021)

The Act effects third adjustments to the appropriation of money from the Provincial Revenue fund for the requirements of the Province in respect of the 2020/21 financial year ending 31 March 2021; and to provide for matters incidental thereto.

Policy mandate:



MEDIUM TERM STRATEGIC FRAMEWORK

The Medium Term Strategic Framework (MTSF) is a Government's strategic plan for the 2020 - 2024 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the National Development Plan. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for departmental plan.



RELEVANT COURT RULINGS

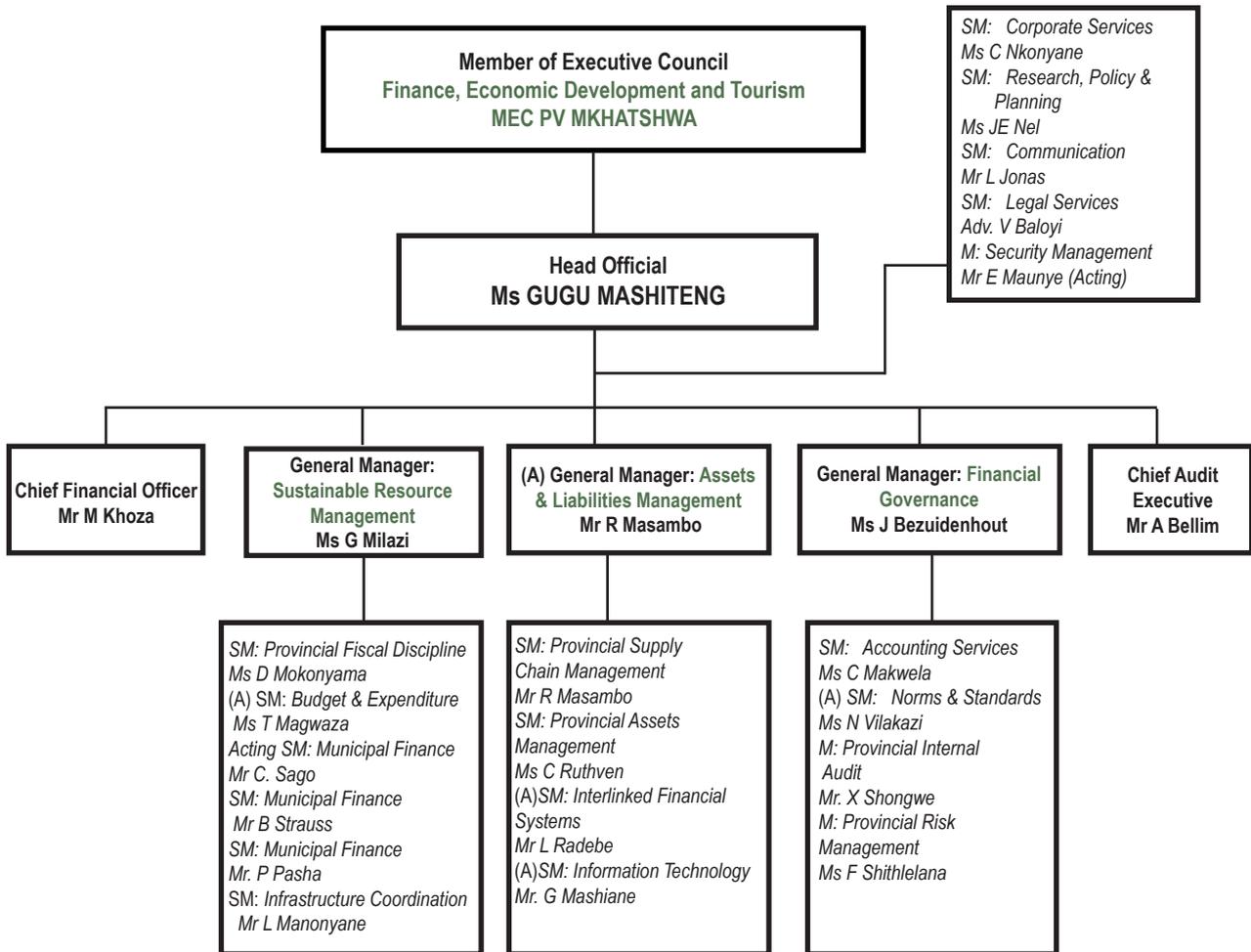
Nyathi v Mec Health, Gauteng and Department of Justice

There were no court rulings relevant to the Provincial Treasury's mandate for the year under review. However, the ruling in *Nyathi v Mec Health, Gauteng and Department of Justice* remain relevant. In this case the provisions of section 3 of the State Liability Act, 1957 (Act No. 20 of 1957) was found to be inconsistent with the Constitution.

The impugned portion of the said section prohibited the execution attachment or like process against a state defendant or respondent or against any property of the state for the satisfaction of judgement debts. The High Court found that the blanket ban on execution, attachment and like processes constituted an unjustifiable limitation on the rights to equality and access to courts. It found too, that sections 165(5) and 195(1) (f) of the Constitution has been infringed. The Court therefore declared that section 3 of the State Liability Act was unconstitutional. Consequently, the matter was referred to the Constitutional Court for confirmation of the order and Madala J, writing for the majority, found that the section unjustifiability limited the right to equal protection of the law contained in section 9(1) of the Constitution and was inconsistent with the constitutional protection of dignity and the right of access to courts.

The Court held too that section 3 also violated the principal of judicial authority, and the principle that the public administration be accountable. The Court, therefore, upheld the declaration of constitutional invalidity. This means henceforth that, the State is consequently and accordingly liable for debt executed against the State.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC for Finance, Economic Development and Tourism in terms of the Provincial Treasury's responsibilities.



Part B

PERFORMANCE INFORMATION

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 95 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1. Service Delivery Environment

The COVID-19 pandemic had a major impact on the achievement of targets, especially in the 1st Quarter of the 2020/21 financial year. The nationwide lockdown affected the availability of stakeholders and also limited the movement of the Provincial Treasury officials to perform actual monitoring in the field to determine implementation of recommendations by clients. The Annual Performance Plan for the 2020/21 financial year had to be amended taking these challenges into account. The Plan for the 2021/22 financial year assumes that all operations will proceed within an environment not impacted by the pandemic and lockdown periods.

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".

In the year under review, the Provincial Treasury operated with a staff establishment of 312 posts, which comprise of 278 permanent employees and 34 non-permanent employees (33 Interns/Learners and 01 employee on contract). However, the Department experienced staff turnover during the period under review due to voluntary resignations, retirement, death, interdepartmental transfers and internal promotions. An approval was obtained from the Executive Council to advertise and fill forty-four (44) critical and vacant posts which will significantly enhance capacity for service delivery.

The Provincial Treasury achieved all its targets despite the impact of COVID-19. Challenges were however experienced in revenue collection at the start of the strict lockdown and stoppages on infrastructure projects at the height of COVID-19. Availability of Municipal officials during COVID-19 to do the work required were a challenge. An additional budget adjustment in July 2020 was passed to respond to the impact and demand of COVID-19 to the fiscus. Efforts were intensified to increase revenue collection when the regulations were relaxed in levels 3 and 4, resulting to an over collection at the end of the year. The infrastructure unit continued with the site visits and managed to review and give feedback on user Asset Management plans.

The Provincial Treasury has entered into partnerships with the South African Institute of Professional Accountants with the aim to professionalise the finance managers within government. The plan is to involve other professional bodies in relation to risk management, auditing, supply chain management and others.

2.2. Service Delivery Improvement Plan

The Provincial Treasury has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Monitor and support all Departments, Municipalities and Public Entities adhering to compliance on payment of suppliers within 30 days after receipt of an invoice	Provincial Departments, Municipalities and Public Entities	100% compliance	100% compliance	Monitored 30-day payment of suppliers after receipt of valid invoices
Support and monitor all departments, municipalities and public entities adhering to supply chain frameworks on submission of procurement plans and adherence to schedules	Provincial Departments, Municipalities and Public Entities	100% compliance by Departments (12 Votes, 4 Public Entities and 20 Municipalities)	100% compliance by Departments (12 Votes, 4 Public Entities and 20 Municipalities)	100% submission of procurement plans by Departments, Public Entities and Municipalities

Service delivery information tool

Current /actual information tool	Desired information tools	Actual achievements
Availability of a Complaints system.	Availability of a Complaints system.	Availability of a Complaints system through submissions in writing and website.
Presentations, Guidelines, policies and procedures and Provincial Treasury circulars.	Presentations, Guidelines, policies and procedures and Provincial Treasury circulars available and utilised.	Make available guidelines, policies and circulars to institutions including publishing such on the Intranet.

Complaints' mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Complaints are addressed through telephone, fax and electronic mail.	Addressing of all complaints received through telephone, fax and electronic email.	No complaints were received.

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 278 permanent employees and 34 non-permanent employees (which comprise of 33 Interns/Learners and 1 employee on contract).

The current organisational structure was revised, internal consultation processes were concluded it was thereafter submitted to the Office of the Premier for onward approval by the Executive Council. The organisational structure of the Provincial Treasury 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 core mandate of the Provincial Treasury is to provide financial and governance support towards effective implementation of the Public Finance Management Act (PFMA) and Municipal Finance Management Act (MFMA).

An approval was obtained from the Executive Council to advertise and fill forty-four (44) critical and vacant posts which will significantly enhance capacity. During the year under review, fourteen (14) officials were appointed to act in higher positions to enhance consistent operations within various units and were paid acting allowance. A recruitment plan has been developed to fill all the vacant posts over the Medium Term Expenditure Framework (period), depending on the availability of compensation of employees' budget.

The Provincial Treasury started the year working at a reduced staff complement due to the national lockdown restrictions, however, with the easing of the restrictions, a hybrid model was implemented in order to ensure continued delivery of government service. The Provincial Treasury further put in place response plans to manage the impact of COVID-19 in the workplace including the procurement of the required Personal Protective Equipment for all its employees.

In an effort to ensure that annual performance plans and general operations are not halted, the Provincial Treasury migrated to a virtual platform (Microsoft Teams) to conduct meetings, workshops and sharing of documents as part of mitigating strategy to curb the spread of COVID-19.

In addition to the above, the Provincial Treasury coordinated four (4) Skills Development Programmes which were facilitated on virtual platform, namely: Public Sector Risk Management, Hazard Identification and Risk Assessment, Intermediate Microsoft Word and Intermediate Microsoft Excel. The coordination of skills development programmes was slightly hampered by the impact of COVID-19 in that most training providers were not ready to deliver training programmes on virtual platform.

2.4. Key policy developments and legislative changes

There was no significant policy development except for the promulgation of Regulations issued in terms of the Disaster Management Act, 2002 (Act No. 57 of 2002, which necessitated the Provincial Treasury like any other employer to review its policy on Safety, Health, Environment, Risk and Quality (SHERQ) and to incorporate measures to manage and mitigate the spread of COVID-19 in the workplace.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Provincial Treasury supports and monitors the usage of resources allocated to Provincial Departments, Municipalities and Public Entities. The Provincial Treasury's programmes are aligned to the national priorities, specifically Priority 1 "A Capable, Ethical and Developmental State" with focus on the outcome "Improved Governance and Accountability". The Provincial Treasury is making progress on its Strategic target to ensure the achievement of financial viable government institutions.

The audit processes were delayed due to the COVID-19 lockdown and only the PFMA audits were finalised during the year. The MFMA audits were finalised in April 2021. There was a six percent infrastructure investment for the period under review in the Province, and the Provincial government managed to collect three percent of its revenue target for the period.

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:

- a) Office of the MEC
- b) Management Services: Office of the HPT
- c) Financial Management: Office of the CFO
- d) 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

For the year under review the Provincial Treasury's Administration Programme through the Offices of the Executive Authority and Accounting Officer provided strategic direction to ensure that the Provincial Treasury effectively and efficiently carries out its mandate. The planned outputs and output indicators targets were achieved even though there was a National Lockdown due to COVID-19.

There was also improvement on the implementation of the Risk Management Strategy and improved compliance to the Risk Management Framework which ensured that identified risks were steadily brought to be within acceptable and reasonable risk tolerance levels. The Provincial Treasury prides itself with an independent, effective and proactive internal audit function which ensures that all emerging issues are identified and addressed accordingly. Through the Office of the Chief Financial Officer, the Provincial Treasury maintained sound financial management. The Planning Unit continued to monitor institutional performance to ensure that spending is in accordance with planned activities.

Table 4.1.1 APP 2020/21 tabled June 2020

The actual achievement recorded is for the targets as planned in the APP for the 1st Quarter 2020/21

No changes were made to the planned indicators for Programme 1

Programme 1 : Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table 4.1.2 APP 2020/21 re- tabled August 2020.

Programme 1 : Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Office of the MEC								
Improved financial performance and governance in PFMA and MFMA institutions	Provide policy and political directive in order to achieve provincial objectives	Number of Annual Reports tabled	1 Report	1 Report	1 Report	1 Report	N/A	N/A
		Number of Appropriation Bills tabled	2 Bills	3 Bills	2 Bills	4 Bills	2 Bills	Two additional budget adjustment bills were tabled due to Covid-19 budget reductions and additional funds received from National Treasury
		Number of Policy and Budget Statements tabled	1 Statement	1 Statement	1 Statement	1 Statement	N/A	N/A

Programme 1 : Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Management Services : Office of the Head Provincial Treasury								
Improved financial performance and governance in PFMA and MFMA institutions	Unqualified audit opinion without matters of emphasis	Number of Annual Reports Produced	1 Report	1 Report	1 Report	1 Report	N/A	N/A
		Number of Annual Performance Plans Produced	1 Plan	Not achieved	1 Plan	3 Plans	2 Plans	Due to the impact of the Covid 19 lockdown and the Budget reductions more APPs were tabled
		Number of Approved Risk Registers	1 Register	1 Reports	1 Register	1 Register	N/A	N/A
Financial Management Office of the Chief Financial Officer								
Improved financial performance and governance in PFMA and MFMA institutions	Sound financial management in Provincial Treasury	Number of Budget documents produced in compliance with relevant prescripts	2 Documents	2 Documents	2 Documents	4 Documents	2 Documents	Two additional budget adjustments were tabled due to Covid-19 budget reductions and additional funds received from National Treasury
		Percentage of suppliers paid within 30 days of receipt of valid invoices	100%	98.9%	100%	100%	N/A	N/A

Programme 1 : Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	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 Approved Audit Plan	1 Approved Audit Plan	1 Internal Audit Plan	1 Internal Audit Plan	N/A	N/A

Strategy to overcome areas of under performance

All planned targets were achieved.

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

Not Applicable for the Programme.

Reporting on the Institutional Response to the COVID-19 Pandemic

As part of implementing COVID-19 response strategy, the Occupational Health and Safety Committee has been actively monitoring compliance to COVID-19 protocols, amongst others by conducting regular workplace inspections which resulted in an action plan developed to mitigate the spread of COVID-19 in the workplace through its consistent weekly meetings. Sufficient personal protective equipment was made available to all employees of the Provincial Treasury in compliance with the provisions of Regulation 5 issued in terms of section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). In view of the COVID-19 pandemic the Provincial Treasury reviewed its policy on Safety, Health, Environment, Risk and Quality (SHERQ) to incorporate measures to manage and mitigate the spread of the virus in the workplace. Further, the risk assessment was updated to give effect to the minimum measures as required by relevant prescripts. The ultimate defence in containing the spread of COVID-19 is the adherence to social distancing as a result the Provincial Treasury has been operating on hybrid model of remote working and physically coming to the office monitored through rotational schedules developed by all units.

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Linking performance with budgets

The Programme has spent R88 936 000 which is 99.8 percent of the total budget allocated.

- Sub-programme expenditure**

Sub-Programme Name	2019/20			2020/21		
	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	45 343	45 269	74	39 902	39 895	7
Financial Management	52 424	52 413	11	44 474	44 265	209
Internal Audit	5 390	5 389	1	4 777	4 776	1
Total	103 157	103 071	86	89 153	88 936	217

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:

- a) Provincial Administration Fiscal Discipline
- b) Budget and Expenditure Management
- c) Municipal Finance
- d) Infrastructure Co-ordination

List of institutional outcomes

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

Outcomes, outputs, output indicators, targets and actual achievements

Due to the impact of COVID-19 and its demand on the fiscus, a special Adjustment Budget was tabled in July 2020. The Province also received ministerial approval to table its budget on 16 March 2021. This is because of provincial planning processes that took longer than anticipated. Sufficient time needs to be allocated to the budget process so that due diligence can be exercised on the submissions from Departments and corrections are done in time before the printing of the budget books.

The Municipal Finance Unit continued to provide support to 19 municipalities. In the year under review, the Executive Council took a decision to intervene in distress municipalities. The unit was able to monitor the implementation of financial recovery plans in municipalities where the plans were finalised. Municipalities adopted the plans by the councils.

The Infrastructure Co-ordination Unit has provided support and coordination to the six infrastructure departments despite limited capacity. The plan is for municipalities to benefit from the expertise and experience of the unit. Infrastructure Coordination will boost capacity in its unit in the next financial year by establishing a database of professionals in form of civil engineers, and others in the built environment. The unit will enhance its work of monitoring and coordination of infrastructure projects in the Province.

The Fiscal Discipline and Administration Unit provided support to 12 votes on revenue collection. Special attention was given to the Department of Community Safety, Security and Liaison. The department was funded for the takeover of the vehicle licensing function at certain municipalities. This was done to maximise the revenue collection therefore the province managed to exceed the allocated revenue budget for the year under review

Table 4.2.1 APP 2020/21 tabled June 2020

The actual achievement recorded is for the targets as planned in the APP for the 1st Quarter 2020/21

Programme 2 : Sustainable Resource Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	* Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Provincial Administration Fiscal Discipline									
Improved financial performance and governance in PFMA and MFMA institutions	Sustainable revenue collection	Percentage of own revenue collection in the Province	New indicator	New indicator	1%	0.039% (Achieved 39,7% of the quarterly target. Actual collected R158 630 million of the planned R399 142 million for the period)	0.061% (under achieved by 60,3% of the budget. R240,512 million was under collected during the period, excluding the % target)	Due to COVID-19 there was a total shutdown that affected the own revenue collection.	Due to the impact of COVID-19 the own revenue target was revised downward from R1,619 Billion to R1,491 Billion

The COVID-19 pandemic had a major impact on the achievement of targets, especially in the 1st Quarter of the 2020/21 financial year. The lockdown affected the availability of stakeholders and also limited the movement of the Provincial Treasury officials to perform actual monitoring in the field to determine implementation of recommendations by clients.

Table 4.2.2 APP 2020/21 re- tabled August 2020

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Provincial Administration Fiscal Discipline								
Improved financial performance and governance in PFMA and MFMA institutions	Sustainable revenue collection	Percentage of own revenue collection in the Province	New indicator	New indicator	0.5%	0.57% achieved (114% actual own revenue collection	0.07% over collection	Backlog in terms of the licensing of Motor Vehicle Licensing was recovered and increase in the volume of vehicles generating more revenue because of traffic fines.
		Unqualified audit opinion on revenue fund financial statements	1 Set	1 Set	1 Set	1 Set	N/A	N/A

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Budget and Expenditure								
Improved financial performance and governance in PFMA and MFMA institutions	Allocation of Provincial budget	Number of Estimates of Provincial Revenue Expenditure documents Prepared	2 Documents	2 Documents	2 Documents	4 Documents	2 Documents	Two additional budget adjustments were tabled due to Covid-19 budget reductions and additional funds received from National Treasury
		Number of Appropriation Bills Prepared	2 Bills	3 Bills	2 Bills	4 Bills	2 Bills	Two additional budget adjustments were tabled due to Covid-19 budget reductions and additional funds received from National Treasury
Municipal Finance								
Improved financial performance and governance in PFMA and MFMA institutions	Financial viable municipalities	Number of draft Municipal Budgets analysed	Analysed 19 draft budgets and provide feedback	Analysed 19 draft budgets and provide feedback	19 Draft Budgets	19 Draft Budgets	N/A	N/A
		Number of municipalities engaged on Mid-year Budget performance assessments	19 Municipalities	19 Municipalities	19 Municipalities	19 Municipalities	N/A	N/A

Programme 2 : Sustainable Resource Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Infrastructure Coordination								
Improved financial performance and governance in PFMA and MFMA institutions	Coordinate delivery of infrastructure in the Province	Analysis of Infrastructure Reporting Model	12 Reports	12 Reports	12 Reports	12 Reports	N/A	N/A
		Analysis of user Asset Management plans	6 Plans	6 Plans	6 Plans	6 Plans	N/A	N/A

Strategy to overcome areas of under performance

All planned targets were achieved.

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

Not Applicable for this Programme.

Linking performance with budgets

The Programme has spent R46 472 000 which is 100.0 percent of its total budget allocated.

Sub-programme expenditure

Sub-Programme Name	2019/20			2020/21		
	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	1 748	1 746	2	1 562	1 561	1
Provincial Administration Fiscal Discipline	10 940	10 939	1	10 005	10 005	-
Budget and Expenditure Management	11 307	11 305	2	9 361	9 361	-
Municipal Finance	18 957	18 956	1	20 864	20 863	1
Infrastructure Co-ordination	4 702	4 701	1	4 683	4 682	1
Total	47 654	47 647	7	46 475	46 472	3

4.3. Programme 3: Assets and Liabilities Management

The Programme is responsible for the monitoring of and support on Assets, Liabilities, Supply Chain Management, Transversal Systems as well as provisioning of 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
- c) Information Technology

List of institutional outcomes

Improved financial performance and governance in PFMA and MFMA institutions.

Outcomes, outputs, output indicators, targets and actual achievements

The Provincial Treasury has participated in the process to review the supply chain framework conducted by the National Treasury. The proposed new SCM framework was also presented to our meetings for Chief Financial Officers.

Furthermore, the Programme continues to support departments in the implementation of the electronic leave management system. Workshops were presented on e-leave system at head office and regional offices. Similarly support on the implementation of the invoice tracking system is currently being conducted. It is envisaged that once fully implemented that the Provincial Treasury will be in a position to present credible reports on invoices paid and those that have not been paid.

As part of improving on efficiencies in response to the COVID-19 pandemic, the Provincial Treasury has introduced the use of Microsoft teams as a platform for convening meetings, workshops and training sessions within the Provincial Government.

Table 4.3.1 APP 2020/21 tabled June 2020

The actual achievement recorded is for the targets as planned in the APP for the 1st Quarter 2020/21

Programme 3 : Assets and Liabilities Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	* Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Public Sector Liabilities									
Improved financial performance and governance in PFMA and MFMA institutions	Adherence to liability management prescripts	Number of PFMA and MFMA institutions monitored on liabilities management	12 Votes, 7 Municipalities and 4 Public Entities	12 Votes, 9 Municipalities and 3 Public Entities	12 Votes, 9 Municipalities and 4 Public Entities	Not achieved	9 Municipalities and 2 Public Entities	Due to Covid 19 lockdown the planned activities could not be performed	In the re-tabled APP the target was moved to the 2 nd quarter

The COVID-19 pandemic had a major impact on the achievement of targets, especially in the 1st Quarter of the 2020/21 financial year. The lock down affected the availability of stakeholders and also limited the movement of the Provincial Treasury officials to perform actual monitoring in the field to determine implementation of recommendations by clients.

Table 4.3.2 APP2020/21 re- tabled August 2020

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Provincial Supply Chain Management								
Improved financial performance and governance in PFMA and MFMA institutions	Adherence to Supply Chain Management Framework	Percentage of institutions monitored on Procurement plans	12 Votes 20 Municipalities and 4 Public Entities	12 Votes 15 Municipalities and 4 Public Entities	100%	100%	N/A	N/A
		Percentage of institutions monitored on 30 days payment to contracted service providers	12 Votes 20 Municipalities and 4 Public Entities	12 Votes 20 Municipalities and 4 Public Entities	100%	100%	N/A	N/A
		Percentage of institutions monitored on contract management	3 Votes and 14 Municipalities	5 Votes and 12 municipalities	100%	100%	N/A	N/A
Public Sector Liabilities								
Improved financial performance and governance in PFMA and MFMA institutions	Adherence to liability management prescripts	Number of PFMA and MFMA institutions monitored on liabilities management	12 Votes, 7 Municipalities and 4 Public Entities	12 Votes, 9 Municipalities and 3 Public Entities	12 Votes, 9 Municipalities and 4 Public Entities	12 Votes, 11 Municipalities and 4 Public Entities	2 More Municipality were monitored	There was a need to monitor Bushbuckridge and Dipaleseng Local Municipality on Liability registers due to its challenges with the management of finances

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Physical Assets Management								
Improved financial performance and governance in PFMA and MFMA institutions	Adherence to asset and inventory management prescripts	Number of PFMA and MFMA institutions monitored on assets management framework	12 Votes 4 Public Entities 12 Municipalities	6 Votes 2 Public Entities 7 Municipalities	6 Votes 2 Public Entities 6 Municipalities	6 Votes 2 Public Entities 7 Municipalities	1 More Municipality was monitored	There was a request from Bushbuckridge Local Municipality for support on Asset and Inventory management.
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 Votes	12 Votes	N/A	N/A

Programme 3 : Assets and Liabilities Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Information Technology								
Improved financial performance and governance in PFMA and MFMA institutions	Business continuity on information communication technology services	Percentage of ICT services provided to Votes	94.3%	97.23%	97%	98.45%	1.45%	Stability in the IT environment wherein the mitigation of risks were more effective
		Number of PFMA and MFMA institutions monitored on IT Governance	9 Votes and 9 Municipalities	6 Votes and 12 Municipalities	6 Votes and 9 Municipalities	6 Votes and 9 Municipalities	N/A	N/A

Strategy to overcome areas of under performance

- All planned targets were achieved.

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

Not Applicable for this Programme.

Linking performance with budgets

The Programme has spent R213 237 000 which is 100.0 percent of its total budget allocated.

Sub-programme expenditure

Sub-Programme Name	2019/20			2020/21		
	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	323	322	1	255	255	-
Provincial Supply Chain Management	18 602	18 601	1	17 951	17 951	-
Public Sector Liabilities	5 659	5 658	1	5 314	5 314	-
Physical Assets Management	5 168	5 166	2	4 659	4 658	1
Interlinked Financial Systems	27 946	27 945	1	88 243	88 243	-
Information Technology	115 478	114 960	518	96 846	96 816	30
Total	173 176	172 652	524	213 268	213 237	31

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:

- Accounting Services
- Norms and Standards
- Provincial Risk Management
- 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

The Programme was necessitated to table a revised APP following the challenges experienced as a result of Covid 19 and the exemption by the Minister for Municipalities in terms of reporting. Following adjustment of the APP, the programme was in a position to achieve most of its planned targets during the year, and in some cases, there were overachievements due to an increase in the number of invitations received from stakeholders.

Accounting Services managed to perform all their activities in terms of the re-tabled APP. Norms and Standards over achieved with DoE responded positively by providing the data which enabled the assessment on financial management and underachieved with analysis of audit action plans due to National Treasury extended the AFS submission date and the audits which were still in progress.

The overachievements recorded in Provincial Risk Management was due to the high number of requests and invitation received from stakeholders. The Internal Audit over achievement was also as a result of increased requests from stakeholders to attend Audit Committee meetings.

Table 4.4.1 APP 2020/21 tabled June 2020

The actual achievement recorded is for the targets as planned in the APP for the 1st Quarter 2020/21

Programme 4 : Financial Governance									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	* Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Accounting Services									
Improved financial performance and governance in PFMA and MFMA institutions	Submission of AFS in terms of Legislation	Number of public institutions supported on accounting standards and financial statements	12 Votes and 2 Public Entities	12 Votes and 4 Public Entities	12 Votes 4 Public Entities 19 Municipalities	19 Municipalities	11 Municipalities (over achievement)	The planned targets for the other quarters were moved to the 1 st Quarter as a Circular was issued to all 19 Municipalities regarding submission of AFS	In the re-tabled APP the target changed to 19 Municipalities for the 1 st quarter
			New Indicator	New Indicator	12 Votes 2 Public Entities 7 Municipalities	Not achieved	12 Votes 2 Public Entities (under achievement)	Due to COVID-19 lockdown information could not be obtained	In the re-tabled APP the target was moved to the 2 nd and 3 rd quarters as National Treasury extended the submission date for Annual Financial Statements

Programme 4 : Financial Governance									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Norms and Standards									
Improved financial performance and governance in PFMA and MFMA institutions	Public institutions complying to legislation and prescripts	Number of public institutions monitored on compliance to financial management legislation	8 Votes	8 Votes	8 Votes	Not achieved	2 Votes (under achievement)	Due to COVID-19 lockdown information could not be obtained	In the re-tabled APP the target was reduced to 4 Votes which was planned for 3 rd and 4 th Quarter.
		Number of public institutions supported with information management prescripts	New indicator	New indicator	6 Municipalities	Not achieved	2 municipalities (under achievement)	Due to COVID-19 lockdown information could not be obtained	In the re-tabled APP the target was moved to the 2 nd and 3 rd Quarter
		Number of public sector institutions with analyzed audit action plans	12 Votes 4 Public Entities 20 Municipalities	12 Votes 4 Public Entities 18 Municipalities	12 Votes 4 Public Entities 19 Municipalities	Not applicable for period under review	N/A	N/A	In the re-tabled APP the targets were moved to the 3 rd and 4 th Quarters and the municipalities and the municipalities reduced to 9 and Public Entities to 2
Provincial Risk Management									
Improved financial performance and governance in PFMA and MFMA institutions	Effective risk management processes	Number of public institutions with sustainable risk management processes	5 Votes 2 Public Entities 8 Municipalities	11 Votes 4 Public Entities 15 Municipalities	6 Votes 2 Public Entities 8 Municipalities	2 Votes 3 Municipalities.	1 Public Entity (under achievement)	Due to COVID-19 lockdown the planned activities could not be performed	In the re-tabled APP the targets were reduced to 5 Votes, 1 Public Entities and 6 Municipalities as we anticipated to not reach all due to availability of staff

Programme 4 : Financial Governance									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
		Number of public institutions with Risk Maturity levels	New indicator	New indicator	1 Vote 1 Municipality	Not applicable for period under review	N/A	N/A	In the re-tabled APP the targets was moved to the outer year of the MTSF and removed from the APP for 2020/21
Provincial Internal Audit									
Improved financial performance and governance in PFMA and MFMA institution	Effective internal audit processes	Number of evaluations performed on effectiveness of Audit Committees of public institutions	14 Evaluations	31 Evaluations for votes and 16 for Public Entities	36 Evaluations	5 evaluations were done	4 Evaluations (under achievement)	Due to Covid 19 lockdown the planned activities could not be performed	In the re-tabled APP the target was reduced to 23 evaluations
		Number of follow-up reviews performed on the implementation of Quality Assurance Improvement Plans	1 Follow-up review	2 Follow-up reviews	2 Follow-up reviews	Not applicable for period under review	N/A	N/A	In the re-tabled APP the target was reduced to 1 follow-up review

The COVID-19 pandemic had a major impact on the achievement of targets, especially in the 1st Quarter of the 2020/21 financial year. The lock down affected the availability of stakeholders and also limited the movement of the Provincial Treasury officials to perform actual monitoring in the field to determine implementation of recommendations by clients.

Table 4.4.2 APP 2020/21 re- tabled August 2020

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Accounting Services								
Improved financial performance and governance in PFMA and MFMA institutions	Submission of AFS in terms of Legislation	Number of public institutions supported on accounting standards and financial statements	12 Votes and 2 Public Entities	12 Votes and 4 Public Entities	12 Votes 4 Public Entities 19 Municipalities	12 Votes 4 Public Entities 19 Municipalities	N/A	N/A
			New indicator	New indicator	12 Votes 2 Public Entities 7 Municipalities	12 Votes 2 Public Entities 9 Municipalities	2 Municipalities	Steve Tshwete LM and Nkangala DM also requested review of their Annual Financial Statements
		Number of public institutions' financial statements analysed	New indicator	New indicator	12 Votes 2 Public Entities 7 Municipalities	12 Votes 2 Public Entities 9 Municipalities	2 Municipalities	

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Norms and Standards								
Improved financial performance and governance in PFMA and MFMA institutions	Public institutions complying to legislation and prescripts	Number of public institutions monitored on compliance to financial management legislation	8 Votes	8 Votes	4 Votes	5 Votes	1 Vote	1 Vote responded by providing information that was requested during the 1 st Quarter and was included in the analysis performed
		Number of public institutions supported with information management prescripts	New indicator	New indicator	6 Municipalities	6 Municipalities	N/A	N/A
		Number of public sector institutions with analyzed audit action plans	12 Votes 4 Public Entities 20 Municipalities	12 Votes 4 Public Entities 18 Municipalities	12 Votes 2 Public Entities 9 Municipalities	12 Votes 3 Public Entities	9 municipalities (under achievement) 1 Public Entity (over achievement)	National Treasury extended the AFS submission date and the audits for Municipalities were still in progress by the end of March 2021. The audit action plan for MRTT was also analysed additionally in order to assist the Entity to improve their audit outcome

Programme 4 : Financial Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Provincial Risk Management								
Improved financial performance and governance in PFMA and MFMA institutions	Effective risk management processes	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
		Number of public institutions with sustainable risk management processes	5 Votes 2 Public Entities 8 Municipalities	11 Votes 4 Public Entities 15 Municipalities	5 Votes 1 Public Entity 6 Municipalities	12 Votes 3 Public Entities 12 Municipalities	7 Votes, 2 Public Entities and 6 Municipalities (over achievement)	The overachievements recorded is due to the high number of requests and invitations received from stakeholders.

Programme 4 : Financial Governance									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	
Provincial Internal Audit									
Improved financial performance and governance in PFMA and MFMA institution	Effective internal audit processes	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% of internal audit plans that were received, analysed	100% of internal audit plans that were received, analysed	N/A	N/A	
		Number of evaluations performed on effectiveness of Audit Committees of public institutions	14 Evaluations	31 Evaluations for Votes and 16 evaluations for Public Entities	23 Evaluations	63 Evaluations:	40 Evaluations (over achievement)	The overachievements recorded is due to the high number of requests and invitations received from stakeholders.	
		Number of readiness assessments performed on Quality Assurance Reviews	1 Readiness assessment	1 Readiness assessment	1 Readiness assessment	1 Readiness assessment	1 Readiness assessment	N/A	N/A
		Number of follow-up reviews performed on the implementation of Quality Assurance Improvement Plans	1 Follow-up review	2 Follow-up reviews	1 Follow-up review	1 Follow-up review	1 Follow-up review	N/A	N/A

Strategy to overcome areas of under performance

Sub-programme: Norms and Standards

a) Number of public sector institutions with analysed audit action plans

- The underachievement is due to the fact that National Treasury extended the AFS submission date for municipalities and the audits were still in progress by the end of March 2021 and plans will be analysed during the next financial year.

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

Not applicable for this Programme.

Linking performance with budgets

The Programme has spent R26 473 000 which is 100.0 percent of the total budget allocated.

Sub-programme expenditure

Sub-Programme Name	2019/20			2020/2021		
	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	2 630	2 629	1	2 037	2 037	-
Accounting Services	6 248	6 247	1	4 933	4 933	-
Norms and Standards	14 419	14 416	3	13 632	13 632	-
Provincial Risk Management	3 476	3 472	4	2 631	2 630	1
Provincial Internal Audit	4 132	4 128	4	3 241	3 241	-
Total	30 905	30 892	13	26 474	26 473	1

5. TRANSFER PAYMENTS

5.1. Transfer payments to the 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 R5 000 000 to four municipalities to assist them to be SCOA compliant and that was in compliance with section 38(1)(j) of the PFMA

The table below reflects the transfer payments made for the period 1 April 2020 to 31 March 2021

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 Municipality	Municipality	mSCOA	Yes	2 600	See note below	See note below
Govan Mbeki Municipality	Municipality	mSCOA	Yes	500	See note below	See note below
Emalahleni Municipality	Municipality	mSCOA	Yes	1 000	See note below	See note below
Thaba Chweu Municipality	Municipality	mSCOA	Yes	900	See note below	See note below

Provincial Treasury made a transfer to the above Municipalities at the end of the financial year, therefore the funds were not yet spent at the end of March as the payments were done during March 2021. Provincial Treasury will continue to monitor the Municipalities accordingly.

6. CONDITIONAL GRANTS

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

7. DONOR FUNDS

7.1. Donor funds received.

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

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

- The Provincial Treasury managed to implement the procurement plan for assets.
- The Provincial Treasury spent 392.8 percent of the total budget of R865 000. The over spending was as a result of the expenditure that was initially classified under goods and services but later corrected to payments for capital assets.
- During the year under review, moveable tangible assets amounting to R228 000 were disposed.
- The status of the Provincial Treasury's assets can be classified as fair to good condition

Infrastructure projects	2019/2020			2020/2021		
	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	27 919	27 307	612	865	3 398	(2 533)
Existing infrastructure assets	-	-	-	-	-	-
- Upgrades and additions	-	-	-	-	-	-
- Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
- Maintenance and repairs	-	-	-	-	-	-
Infrastructure transfer	-	-	-	-	-	-
- Current	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
Total	27 919	27 307	612	865	3 398	(2 533)



Part C
GOVERNANCE



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 tax-payer. 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.

The Provincial Treasury has a platform for reporting Emerging risks to ensure that risks which were not covered during the Risk Assessment process are considered and monitored on a quarterly basis.

A Risk and Ethics Management Committee that advises management on the overall system of risk management has been established which comprises of an independent chairperson and selected members of Senior Management within the Provincial Treasury. The REMC executes its functions in line with its Terms of Reference. An external Chairperson was appointed to comply with the Public Sector Risk Management Framework and Provincial Risk Management Framework and to add value to risk management in the Provincial Treasury. The inclusion of the programme managers in the RMC has resulted in a more participative risk management process. As part of effective enterprise-wide risk management, the department has established fraud and corruption risk management measures.

The RMC chairperson updates the audit committee on a quarterly basis discussing risk identification reviews and mitigating plans, and the maturity of risk management in the department. The Audit Committee advises the Provincial Treasury on risk management and independently monitors the effectiveness of the system of risk management at Audit Committee meetings. The Provincial Treasury conducts quarterly risk evaluation sessions to monitor the management of risks. All Programmes are required to include the action plans to address high risk areas in the annual performance plan.

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 laisses with the Provincial Treasury on the investigation. Progress on the cases of irregularities identified and remedial measures implemented are reported to the Audit Committee regularly.

4. MINIMISING CONFLICT OF INTEREST

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

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. For the period under review, the department obtained a 100% compliance level for all categories of designated officials. CIPC and CSD checks were conducted for all officials in order to check if there are no officials conducting business with Government.

Remunerative Work Outside their Employment in the Public Service: Annual reminders were sent to officials to seek permission from the Executive Authority before any 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. 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 and Officials a salary levels 11 and 12. For the period under review, 4 officials were granted permission to perform work outside the Public Service.

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 Ethics Management. As a result of the latter, the Risk Management function has now been merged with the Ethics Management function and therefore aligns to the DPSA generic structure and also ensuring compliance

5. CODE OF CONDUCT

The Code of Conduct acts as a guide to employees as to what is expected of them from an ethical point of view, in their individual conduct, relationship with others and the State as the employer. Compliance with 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.

If there is an alleged breach of the Code of Conduct for employees, it is handled in terms of the Public Service Co-ordination Bargaining Council Resolution 1 of 2003 Disciplinary Code and Procedure (applicable to employees on salary levels 1 to 12) and the SMS Handbook (applicable to employees on salary levels 13 to 16).

During the period under review, there was only one case of misconduct and two grievances, and all these cases were dealt with and concluded.

An awareness workshop was held on Code of Conduct in the Public Service including Code of Conduct on Management of the Spread of COVID-19 in an effort to heed the call to flatten the curve on the spread of COVID-19 in the workplace.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act, 1993 (Act 85 of 1993) as amended imposes the responsibility on the employer to provide and maintain, as far as reasonably practical, a healthy working environment that is safe and without risk to the health of its employees. In response to the outbreak of COVID-19 pandemic and the subsequent national lockdown restrictions the Occupational Health and Safety Committee was assigned an additional responsibility to monitor and mitigate the spreads of COVID-19 in the workplace. The Committee convened weekly meetings to identify and mitigate possible risks through conducting regular workplace inspections, as a result of these proactive efforts the Provincial

Treasury did not experience any major COVID-19 risk in all its offices.

It became critical to empower officials on the COVID-19 protocols as well as the behaviour of the virus in order to mitigate the spread in the workplace, as a result quarterly awareness sessions were held for all staff facilitated by professionals from the Department of Health.

7. PORTFOLIO COMMITTEES

Meetings dates of the Portfolio Committee

- Vote 3: Budget 2020/21: 9 June 2020
- 1st Quarter Performance report 2020/21: 18 September 2020
- 2nd Quarter Performance report 2020/21: 26 November 2020
- 3rd Quarter Performance report 2020/21: Received questions with no resolutions
- Re-tabled APP 2020/21: 13 October 2020

Resolution No	Resolutions	Response by Provincial Treasury
Vote 3: Budget 2020/21		
	The Provincial Treasury must report to the Committee when the automation of the business processes project will be finalised and subsequently implemented. The report must also reflect the budget for the project and the amount spent to date.	<p>The Phase 1 of the Project (E-leave, Invoice Tracking and Automation of financial statements) is implemented to all the 12 Departments and it is now in the utilisation stage where Departments are urged to utilise the systems.</p> <ul style="list-style-type: none"> • The second phase will be based on delivering government services between government and citizen like renewing motor vehicle licences online, online licence renewal, online schools registration, electronic recruitment, etc. • The budget for the project is R146 702 534 and the current expenditure is R56 992 961
1st Quarter Performance report 2020/21		
	The Provincial Treasury having revised its Annual Performance Plan to align it to the adjusted Budget allocation, must ensure that the revised targets are achieved during the 2020/21 financial year.	<ul style="list-style-type: none"> • The Provincial Treasury has revised its Annual Performance Plan in line with the adjusted Budget allocations. • Under achieved target has been moved to later quarters of the year to ensure achievement thereof.
	Noting that most economical activities are already taking place, the Provincial Treasury must brief the Committee whether there is a recovery plan in place on the revenue collection	<ul style="list-style-type: none"> • Yes there is a recovery plan in place. • Relevant Departments have been asked to revise their projects or put in place measures to review such as more visibility during the peak seasons, more robust vehicle inspection services; following up on outstanding debt etc.

Resolution No	Resolutions	Response by Provincial Treasury
2nd Quarter Performance report 2020/21		
	<p>The Provincial Treasury must pay special attention to the public institutions as mentioned in Finding 1 above and ensure that they are capacitated to implement remedial action plans.</p>	<p>The following Departments will receive dedicated support from the Provincial Treasury:</p> <ul style="list-style-type: none"> Department of Social Development: Goods and Services: Inventory; Department of Community Safety, Security and Liaison: Departmental Revenue and Accrued Revenue; and MEGA: Other financial assets <p>Provincial Treasury will:</p> <ul style="list-style-type: none"> Review the internal controls implemented and provide inputs; Review the progress on the remedial plan and the policies to be implemented and provide inputs for improvement thereof where necessary; Request actual evidence to ensure that the process or remedial action plan has been implemented; and Provide support during the compilation of the AFS to assist with correct disclosures <p>Municipalities:</p> <ul style="list-style-type: none"> Audit Action Plans reviewed to ensure root causes are addressed; Three Teams established to assist municipalities with improvement of audit outcomes; Training needs identify per municipality; and Teams attend audit steering committee meetings in municipalities to provide support during audit process
	<p>The Provincial Treasury must implement Phase 2 of the project (based on delivering government services to citizens i.e. renewal of motor vehicle licenses, online school applications and online recruitment). Furthermore, the Provincial Treasury must brief the Committee whether there are plans in place to roll or extend the project to local municipalities.</p>	<p>Provincial Treasury has started with the implementation of phase 2 of the project as follows:</p> <ul style="list-style-type: none"> renewal of motor vehicles licenses which can now be done at different post offices across the province; Implementation of speed points to enable tenders to pay for tender documents electronically; Introduction of the suppliers portal on invoice tracking system; Implementation of the digital signature and electronic documents submissions; (pilot); Implementation of electronic procurement system; and Research on: on line booking system, Electronic Recruitment systems and modernizing the health patient management systems. Provincial Treasury working with COGTA will analyse findings at municipal level and look into responding particularly on document management systems.
Revised APP 2020/21		
	<p>The Provincial Treasury must ensure strict monitoring over government departments, entities and local municipalities to ensure that COVID-19 related funds are used for their intended purpose. Furthermore, the Provincial Treasury must submit a report to the Committee on the COVID-19 expenditure for the two (2) quarters of the 2020/21 financial year.</p>	<ul style="list-style-type: none"> Provincial Treasury will continue monitoring the expenditure through monthly expenditures and make sure that the reporting is done through the correct allocations and if budgets are available for that expenditure. Feedback to departments will be made available to them. The Provincial Treasury continues to monitor the procurement of COVID-19 requirements within departments, municipalities and public entities. Wherein reports have not been submitted by departments, public entities and municipalities the Provincial Treasury issue non-compliance letters as part of escalation.

Resolution No	Resolutions	Response by Provincial Treasury
	<p>The Provincial Treasury must submit a progress report on the implementation of the financial recovery plans in the five (5) distressed municipalities.</p>	<ul style="list-style-type: none"> • Provincial Treasury are monitoring the implementation of the Financial Recovery Plans in the five municipalities as directed by Section 147 of the Municipal Finance Management Act. • Municipalities are reporting progress with regard to the implementation of the Financial Recovery Plans in the prescribed reporting framework. • Provincial Treasury engaged with municipalities on a quarterly basis to review the progress on the implementation of the Plans. • Provincial Treasury further provided training to Emalahleni Councillors on the FRP and their role on the implementation of the Plan. • Areas of concern in most municipalities remains; <ul style="list-style-type: none"> <input type="checkbox"/> The financial viability and cash flow challenges <input type="checkbox"/> The increase of debtors and creditors. <input type="checkbox"/> The high level of distribution losses due to technical and non-technical reasons. <input type="checkbox"/> The financial impact of Covid 19 on the financial status of municipalities <input type="checkbox"/> Credible funded budgets. • These areas have been identified as critical areas of support by Provincial Treasury in addressing the challenges. • The support is in the form of; <ul style="list-style-type: none"> <input type="checkbox"/> Improvement of budgets through the training and support on the budget funding tool <input type="checkbox"/> Revenue Enhancement plans <input type="checkbox"/> Collection of Government Debt <input type="checkbox"/> Reprioritisation of budget towards priority spending items and value for money <input type="checkbox"/> Improvement on credibility of billing systems <input type="checkbox"/> Support towards development of payment plans to creditors <input type="checkbox"/> Capacitation of officials in the Budget and Treasury Office <input type="checkbox"/> Review and improvement over control environment and standard operating procedures. • The high level progress reports are attached for each municipality.

8. SCOPA RESOLUTIONS

SCOPA: Received questions on the AR for 2019/20 with no resolutions

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.

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

- (a) Performance Information and Financial Statement Reviews
- (b) Regional Office Reviews
- (c) Control Environment
- (d) Key Controls Review
- (e) Asset Management
- (f) Financial and Supply Chain Management
- (g) 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 assists management in carrying out its responsibilities relating 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 Thabsile Idah Ranape Chairperson	B Tech: Public Management National Diploma: Public Management and Administration Diploma: State Finance	External	N/A	01/04/2017	N/A	6
Ms JS Masite	B Com Degree, Certified Internal Auditor, Certified Fraud Examiner (CFE), Chartered Internal Auditor, Qualification in Internal Audit Leadership, Chartered Government Internal Auditor	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 M Mathabathe	B Tech Internal Auditing, Post Grad Diploma Internal Auditing, Certified Internal Auditor, Certified Information Systems Auditor	External	N/A	01/11/2019	N/A	5
Mr DJ Ngobeni	B Com Degree Post Grad Diploma Accounting Post Grad Diploma Applied Accounting Science	External	N/A	01/11/2020	N/A	2
Ms TL Khoza	B Com Degree Post Grad Diploma Accounting Post Grad Diploma Applied Accounting Science CA (SA)	External	N/A	01/11/2020	N/A	2

12. AUDIT COMMITTEE REPORT

Report of the Audit Committee

The Audit Committee hereby presents its report for the financial year ended 31 March 2021.

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 Systems

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:

- Impact of COVID-19 on the timing of the performance activities for the Provincial Treasury;
- Failure by the Department of Public Works, Roads and Transport to attend timeously to Occupational Health Safety matters impacting the Provincial Treasury;
- Non-adherence to the timelines in the procurement plan;
- Movement of assets not reflected on LOGIS and disposal of assets from the asset register;

- Inadequate monitoring, supervision and review of the usage of government vehicles; and
- Performance information management.

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 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

The Audit Committee has reviewed the Annual Financial Statements prepared by the Provincial Treasury.

Auditor-General South Africa's Report

The Audit Committee reviewed the Provincial Treasury's implementation plan regarding audit issues raised in the previous year and is satisfied that the matters have been adequately resolved. The Audit Committee concurs and accepts the conclusion of the Auditor-General South Africa's regarding the Annual Financial Statements and Annual Performance Report, and is of the opinion that the Audited Annual Financial Statements and Annual Performance Report be accepted and 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. This was confirmed through submissions of declarations of interest at every Audit Committee meeting.

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.

Appreciation

The Audit Committee appreciates the effort of the Provincial Treasury to achieve most of its set targets even when confronted with the moratorium on the filling of critical vacant positions. The Audit Committee also values the dedication of the management team and staff of Provincial Treasury to achieve a clean administration.

The Audit Committee appreciates the assistance and cooperation of management in the discharge of its responsibility.



Ms. Thabsile Idah Ranape
Chairperson of the Audit Committee
Mpumalanga Provincial Treasury
Date: 31 July 2021

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, No 46 of 2013 and as determined by the Department of Trade and Industry.

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 criteria for issuing of licences, concessions and any other economic activity as this does not form part of Provincial Treasuries mandate.
Developing and implementing a preferential procurement policy?	Yes	The Provincial Treasury has a Supply Chain Management Policy and currently does implement the Preferential Procurement Policy Framework Act (PPPFA) as amended.
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 and only provides 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.



Part D

HUMAN RESOURCE MANAGEMENT

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 high standard of performance in the Provincial Treasury is as a result of 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 a range of competing variables.

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

Further to this, the Provincial Treasury is required to function within harsh environment, which demands that managers consider the impact of “doing more with less”. Despite the changing patterns and increased demands impacting on the modern workplace, the consistent hard work of our workforce, has resulted in remarkable achievements and service delivery improvement during the year under review.

Corporate Services unit continued to monitor the implementation of a range of people management compliance indicators, and provides management with regular updates on the workforce profile and other relevant people management data to enable decision making. The indicators include, inter alia, staff establishment information, headcount, leave liability information, status on labour cases, vacancy rates, staff movement, employment equity etcetera.

Human resource priorities for the year under review and the impact of these.

Human Resource Priorities	The impact thereof
Attracting and recruiting the best and skilled employees	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 sick leave	Maximum performance. Reduced leave liability.
Entrench and instill discipline and implement the code of conduct.	Well behaved and disciplined officials.
Ensure capacity building for all employees	Improved operational efficiency. Enhanced employee performance.
Proper management and implementation of Performance Management and Development.	Improved productivity. Efficient and consistent performance
Management of Employee Health and Wellness programme	Healthy and productive workforce. Reduced absenteeism.

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

The purpose of Workforce Planning is to ensure that the Provincial Treasury has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the Provincial Treasury assesses its workforce profile against current and future organisational needs. The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value. The Plan is therefore aligned to the vision and mission of the Department's strategic plan.

Moratorium on the filling of vacant posts as per circular dated 13 March 2015 continued to be implemented, as a result all vacant and unfunded posts were abolished on PERSAL with effect from 01 April 2015.

b) Employee Performance Management

The purpose of Performance Management is to increase performance by encouraging individual commitment, accountability and motivation. All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. The performance management process requires that a mid-year review and an annual assessment is conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis.

In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. The process is developmental, however, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

All eligible officials on salary levels 2 to 12, including Senior Managers on Salary level 13-14 were assessed in accordance with the Performance Management and Development System, and those who qualified for performance rewards were paid accordingly.

c) Employee Wellness Programmes

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

The Employee Health and Wellness Committee convened quarterly meetings to monitor compliance to the strategic framework on health and wellness and to recommend support programmes aimed at promoting health and productivity.

Hosted two (2) sessions on Gender Based Violence to create awareness and offered assistance programmes to officials. Commemoration of World AIDS Day was done through an exhibition to promote awareness on HIV/AIDS.

Two (2) Wellness programmes were implemented, namely; awareness workshop on Retirement Planning targeting all employees eligible for retirement and awareness workshop on Personal Financial matters.

Three (3) awareness programmes on Health and Productivity were implemented, namely; Mental Health, Women's Health and awareness workshop on Health and Productivity

One (1) session was held on Change Management to equip employees with coping skills in view of the changes that were affecting employees as a result of the impact of COVID-19 and four (4) awareness sessions on management of COVID-19.

Furthermore, on-going reporting to the Department of Public Service and Administration (DPSA) was done and such reporting focuses on four areas namely; HIV/ AIDS, Health and Productivity, Wellness Management and SHEQ (Safety Health Environment and Quality).

d) Highlight of Achievements

- Successive MTEF Human Resource Plan as well as the Human Resource Plan Implementation Report were revised and approved for implementation in compliance with the Public Service Regulation, 2016.
- Mentored thirty three (33) interns and learners participating in the developmental programme, namely: internship and learnership programmes.
- Managed the impact of COVID-19 in the workplace through regular workplace inspections, provision of personal protective equipment, hosting of four (4) awareness sessions on COVID-19 and weekly committee meetings to monitor compliance
- One (1) Public Service Women Management Week meeting was held as directed by the Minister of Public Service and Administration to review progress on the implementation of the eight principle action plan for women empowerment and gender equality to address gender inequality in the workplace.
- Donated four (4) electric stoves under privilege households as part of the social empowerment programmes.

The following main challenges were experienced during the period under review:

- The imposed moratorium on filling of critical vacant and funded posts.
- Non-achievement of 2% target on employment of women at SMS level.

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 2020 and 31 March 2021

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	88 936	59 140	207	777	66	400
Sustainable resource management	46 472	39 375	0	253	85	938
Assets & liabilities man	213 237	58 993	113	0	28	634
Financial governance	26 473	25 527	19	0	96	880
Total as on Financial Systems (BAS)	375 118	183 035	339	1 030	49	587

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 31 March 2021

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)	1 832	1,0	18	102
Skilled (Levels 3-5)	8 246	4,5	27	305
Highly skilled production (Levels 6-8)	41 274	22,6	93	444
Highly skilled supervision (Levels 9-12)	107 410	58,7	125	861
Senior management (Levels >= 13)	20 673	11,2	15	1 378
Contract (Levels 6-8)	2 151	1,1	25	86
Contract (Levels 9-12)	1 039	0,6	1	1 039
Contract Other	410	0,2	8	51
TOTAL	183 035	100	312	587

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2020 and 31 March 2021

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
PR1 Administration	48 778	80,6	49	0,1	1 797	3,0	3 538	5,8
PR2 Sustainable Resource Management	34 280	83,7	0	0,0	656	1,6	787	1,9
PR3 Assets and Liabilities Management	49 146	80,7	14	0,0	1 209	2,0	2 688	4,4
PR4 Financial Governance	20 976	82,6	0	0,0	460	1,8	884	3,5
TOTAL	153 180	81,6	63	0,0	4 122	2,2	7 897	4,2

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 and 31 March 2021

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
Lower skilled (Levels 1-2)	1 238	67,5	0	0,0	156	8,5	291	15,9
Skilled (Levels 3-5)	6 000	72,4	10	0,1	541	6,5	901	10,9
Highly skilled production (Levels 6-8)	32 410	77,2	37	0,1	1 531	3,6	3 017	7,2
Highly skilled supervision (Levels 9-12)	91 725	82,8	12	0,0	1 543	1,4	3 437	3,1
Senior management (Levels >= 13)	18 211	86,0	0	0,0	351	1,7	251	1,2
Contract (Levels 6-8)	2 147	99,4	4	0,2	0	0,0	0	0,0
Contract (Levels 9-12)	1 039	94,2	0	0,0	0	0,0	0	0,0
Contract Other	410	99,8	0	0,0	0	0,0	0	0,0
TOTAL	153 180	81,6	63	0,0	4 122	2,2	7 897	4,2

3.2. Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
PR1 Administration	166	115	30,7%	33
PR2 Sustainable Resource Management	59	42	28,8%	0

PR3 Assets and Liabilities Management	157	92	41,4%	1
PR4 Financial Governance	51	29	43,1%	0
TOTAL	433	278	35,8%	34

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021

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)	18	18	0%	0
Skilled (Levels 3-5)	75	27	64,0%	0
Highly skilled production (Levels 6-8)	129	93	27,9%	0
Highly skilled supervision (Levels 9-12)	190	125	34,2%	0
Senior management (Levels >= 13)	21	15	28,6%	0
Contract (Levels 6-8)	0	0	0%	8
Contract (Levels 9-12)	0	0	0%	25
Contract Other	0	0	0%	1
TOTAL	433	278	35,8%	34

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	94	59	37,2%	0
Cleaners in offices workshops hospitals etc., Permanent	18	12	33,3%	0
Communication and information related, permanent	6	3	50%	0
Finance and economics related, permanent	51	23	54,9%	0
Financial and related professionals, permanent	41	31	24,4%	0
Financial clerks and credit controllers, permanent	2	2	0%	0
Head of department/chief executive officer, permanent	1	0	100%	0
Human resources related, permanent	12	8	33,3%	25
Information technology related, permanent	40	32	20%	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Light vehicle drivers, permanent	5	1	80%	0
Logistical support personnel, permanent	53	31	41,5%	0
Material-recording and transport clerks, permanent	5	1	80%	0
Other administrative policy and related officers, permanent	1	1	0,00	0
Other occupations, permanent	52	48	7,7%	0
Risk management and security services, permanent	2	1	50%	0
Secretaries & other keyboard operating clerks, permanent	29	10	65,5%	0
Senior managers, permanent	21	15	28,6%	0
Youth workers, permanent	0	0	0,00	8
TOTAL	433	278	35,8%	34

3.3. Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2021

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
Head of Department	1	0	0	1	100
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	3	2	67	1	33
Salary Level 13	17	13	76	4	24
Total	21	15	71.4	6	28.6

Table 3.3.2 SMS post information as on 30 September 2020

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
Head of Department	1	0	0	1	100
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	3	2	67	1	33
Salary Level 13	17	13	76	4	24
Total	21	15	71.4	6	28.6

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

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
Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	0	0	0

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 2020 and 31 March 2021

Reasons for vacancies not advertised within six months

The implementation of the DPSA directive to abolish on PERSAL all vacant and unfunded posts as well as the provincial moratorium on filling of vacant posts effective from March 2015.

Reasons for vacancies not filled within twelve months

Moratorium on the filling of all vacant posts as per circular dated 13 March 2015.

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 2020 and 31 March 2021

Reasons for vacancies not advertised within six months

N/A

Reasons for vacancies not filled within six months

N/A

3.4. Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	18	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	75	0	0.0	0	0.0	0	0.0
Highly Skilled Production (Levels 6-8)	129	0	0.0	0	0.0	0	0.0
Highly Skilled Supervision (Levels 9-12)	190	0	0.0	0	0.0	0	0.0
Senior Management Service Band A	14	0	0.0	0	0.0	0	0.0
Senior Management Service Band B	6	0	0.0	0	0.0	0	0.0
Senior Management Service Band C	1	0	0.0	0	0.0	0	0.0
TOTAL	433	0	0.0	0	0.0	0	0.0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior Managers	3	13	14	Retention strategy
Total number of employees whose salaries exceeded the level determined by job evaluation				3
Percentage of total employed				1%

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	2	0	0	0	2
Male	1	0	0	0	1
Total	3	0	0	0	3
Employees with a disability	0	0	0	0	0

3.5. Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of employees at beginning of period-1 April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Levels 1-2) Permanent	9	9	0	0,0
Skilled (Levels 3-5) Permanent	32	0	2	6,3
Highly Skilled Production (Levels 6-8) Permanent	93	5	5	5,4
Highly Skilled Supervision (Levels 9-12) Permanent	127	0	4	3,1
Senior Management Service Band A Permanent	11	0	1	9,1
Senior Management Service Band B Permanent	5	0	0	0,0
Learners	8	8	8	100
Contract (Levels 6-8) Permanent	31	1	7	22,6
Contract (Levels 9-12) Permanent	1	0	0	0,0

TOTAL	317	23	27	8,5
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Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021

Critical occupation	Number of employees at beginning of period- April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related permanent	54	9	3	5,6
Cleaners in offices workshops hospitals etc. Permanent	12	0	0	0,0
Communication and information related permanent	3	0	0	0,0
Finance and economics related permanent	24	0	1	4,2
Financial and related professionals permanent	38	1	2	5,3
Financial clerks and credit controllers permanent	2	0	0	0,0
Human resources related permanent	47	0	14	29,8
Information technology related permanent	33	1	1	3,0
Light vehicle drivers permanent	1	0	0	0,0
Logistical support personnel permanent	26	3	0	0,0
Material-recording and transport clerks permanent	1	0	0	0,0
Messengers porters and deliverers permanent	1	0	1	100
Other administrative policy and related officers permanent	1	0	0	0,0
Other information technology personnel. Permanent	1	0	1	100
Other occupations permanent	51	0	3	5,9
Risk management and security services permanent	1	0	0	0,0
Secretaries & other keyboard operating clerks permanent	11	0	0	0,0
Senior managers permanent	10	0	0	0,0
Youth workers learners	0	9	1	0,0

Critical occupation	Number of employees at beginning of period- April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
TOTAL	317	23	27	8,5

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Resignations
Death, Permanent	4	14,8
Resignation, Permanent	5	18,5
Expiry of contract, Permanent	11	40,7
Retirement, Permanent	7	25,9
Total	27	100
Total number of employees who left as a % of total employment	27	100

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees 1 April 2020	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	54	0	0,0	23	42,6
Cleaners in Offices, workshops, Hospitals etc	12	0	0,0	9	75,0
Communication and Information Related	3	0	0,0	1	33,3
Finance and Economics Related	24	0	0,0	21	87,5
Financial and Related Professionals	38	1	2,6	17	44,7
Financial Clerks and Credit Controllers	2	0	0,0	1	50,0
Human Resources Related	47	0	0,0	3	6,4
Information Technology Related	33	2	6,1	16	48,5
Light Vehicle Drivers	1	0	0,0	0	0,0
Logistical Support Personnel	26	2	7,7	17	65,4
Material Recording and Transport Clerks	1	0	0,0	0	0,0

Occupation	Employees 1 April 2020	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
Messengers, Porters and Deliverers	1	0	0,0	0	0,0
Other administrative Policy and Related Officers	1	0	0,0	0	0,0
Other Information Technology Personnel	1	0	0,0	0	0,0
Other Occupations	51	0	0,0	24	47,1
Risk Management and Security Services	1	0	0,0	1	100
Secretaries & other Keyboard Operating Clerks	11	0	0,0	10	90,9
Senior Managers	10	0	0,0	4	40,0
TOTAL	317	5	1,6	147	46,4

Table 3.5.5 Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees 1 April 2020	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), Permanent	9	0	0,0	4	44,4
Skilled (Levels 3-5), Permanent	32	0	0,0	23	71,9
Highly Skilled Production (Levels 6-8), Permanent	93	2	2,2	47	50,5
Highly Skilled Supervision (Levels 9-12), Permanent	127	3	2,4	65	51,2
Senior Management (Levels >= 13), Permanent	16	0	0,0	8	50,0
Learners	8	0	0,0	0	0,0

Contract (Levels 6-8), Permanent	31	0	0,0	0	0,0
Contract (Levels 9-12), Permanent	1	0	0,0	0	0,0
TOTAL	317	5	1,6	147	46,4

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Officials and Managers	5	0	1	1	5	0	0	3	15
Middle Managers	25	1	0	2	22	0	0	1	51
Junior Managers	41	0	0	4	31	0	0	0	76
Technicians and associate Professionals	33	1	0	0	56	0	1	0	91
Clerks	7	0	0	0	20	0	0	0	27
Elementary Workers	5	0	0	0	13	0	0	0	18
Learners Contract, Permanent	5	0	0	0	3	0	0	0	8
Contract (Professionally Qualified), Permanent	0	0	0	1	0	0	0	0	1
Contract (Skilled Technical), Permanent	13	0	0	0	12	0	0	0	25
Total	134	2	1	8	162	0	1	4	312
Employees with disabilities	4	0	0	1	1	0	0	0	5

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	5	0	1	1	5	0	0	3	15

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management, Permanent	66	1	0	6	53	0	0	1	127
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	33	1	0	0	56	0	1	0	91
Semi-skilled and discretionary decision making, Permanent	7	0	0	0	20	0	0	0	27
Unskilled and defined decision making, Permanent	5	0	0	0	13	0	0	0	18
Learners contract, Permanent	5	0	0	0	3	0	0	0	8
Contract (Professionally Qualified), Permanent	13	0	0	0	12	0	0	0	25
Contract (Skilled Technical), Permanent	0	0	0	1	0	0	0	0	1
TOTAL	134	2	1	8	162	0	1	4	312

Table 3.6.3 Recruitment for the period 1 April 2020 and 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	3	0	0	0	2	0	0	0	5
Unskilled and defined decision making, Permanent	4	0	0	0	5	0	0	0	9
Not Available, Permanent	5	0	0	0	3	0	0	0	8
Contract (Skilled technical), Permanent	0	0	0	0	1	0	0	0	1
Total	12	0	0	0	11	0	0	0	23
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2020 and 31 March 2021

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	0	0	0	0	1	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	0	0	0	0	2
Semi-skilled and discretionary decision making	0	0	0	0	2	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	3	0	0	0	5

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Employees with disabilities	1	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2020 and 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	4	0	0	0	0	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2	0	0	0	2	0	0	1	5
Semi-skilled and discretionary decision making, Permanent	1	0	0	0	1	0	0	0	2
Not Available, Permanent	5	0	0	0	3	0	0	0	8
Contract (Skilled technical), Permanent	1	0	0	0	6	0	0	0	7
Total	14	0	0	0	2	0	0	1	27
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2020 and 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Progressive discipline	1	0	0	0	0	0	0	0	1

Table 3.6.7 Skills development for the period 1 April 2020 and 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	0	0	0	3	0	0	0	5
Professionals	8	0	0	0	3	0	0	0	11
Technicians and associate professionals	4	0	0	0	3	0	0	0	7
Clerks	13	0	0	0	11	0	0	0	24
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	6	0	0	0	13	0	0	0	19
Total	33	0	0	0	33	0	0	0	66
Employees with disabilities	1	0	0	0	0	0	0	0	1

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2020

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
Head of Department	1	0	0	100
Salary Level 16	0	0	0	100
Salary Level 15	0	0	0	100
Salary Level 14	3	2	2	100
Salary Level 13	17	13	13	100
Total	21	15	15	100

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2021

Reasons
All SMS members 'performance agreements were signed by 31 May 2020.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2020

Reasons
No steps taken as all agreements were signed by 31 May 2020.

3.8. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2019 and 31 March 2020

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	105	162	64,8	1 130	10 764
African, Male	76	130	58,5	979	12 878
Asian, Female	1	1	100	5	5 044
Asian, Male	1	1	100	19	18 682
Coloured, Female	0	0	0,0	0	0
Coloured, Male	2	2	100	21	10 476
White, Female	3	4	75,0	45	15 126
White, Male	7	7	100	100	14 222
Employees with a disability	2	5	40,0	20	10 107
TOTAL	197	312	63,1	2 319	11 770

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2019 and 31 March 2020

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)	9	18	50,0	23	2 496	5.1
Skilled (Levels 3-5)	28	27	103,7	126	4 512	5.1
Highly Skilled Production (Levels 6-8)	57	93	61,3	394	6 911	5.1
Highly Skilled supervision (Levels 9-12)	91	125	72,8	1 549	17 017	5.1
Learners	0	8	0,0	0	0	0,0
Contract (Levels 6-8)	0	25	0,0	0	0	0,0
Contract (Levels 9-12)	1	1	100	15	15 355	5.1
TOTAL	186	297	62,6	2 107	11 327	0.75

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2019 and 31 March 2020

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	2	0,0	0	0
Risk Management and Security Services	1	1	100	30	30 256
Finance and Economic Related	18	23	78,3	253	14 072
Logistical Support Personnel	16	31	51,6	137	8 560
Other Occupations	38	48	79,2	507	13 331
Financial and Related Professionals	27	36	75,0	409	15 160
Administrative Related	39	59	66,1	401	10 287
Communication and Information Related	1	3	33,3	9	8 702
Secretaries & other Keyboard Operating Clerks	7	10	70,0	41	5 872
Cleaners in offices, workshops, hospitals etc	12	12	100	45	3 715

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Human Resources Related	8	33	24,2	110	13 784
Youth Workers	0	8	0,0	0	0
Material Recording and Transport Clerks	0	1	0,0	0	0
Other administrative Policy and Related Officers	0	1	0,0	0	0
Senior Managers	9	10	90,0	161	17 902
Light vehicle drivers	0	1	0,0	0	0
Information Technology Related	19	33	57,6	216	10 925
TOTAL	195	312	63,1	2 319	11 770

Table 3.8.4 Performance-related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2019 and 31 March 2020

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	7	10	70,0	126	17 999	0,9
Band B	4	5	80,0	86	21 491	1,2
Band C	0	0	0,0	0	0	0,0
TOTAL	11	15	73,3	212	19 269	1,00

3.9. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 and 31 March 2021

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Nil	0	0	0	0	0	0

3.10. Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020

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)
Contract (Levels 6-8)	9	66.7	4	4.1	2.0	3
Highly skilled production (Levels 6-8)	108	76.9	30	30.9	4.0	175
Highly skilled supervision (Levels 9-12)	168	84.5	38	39.2	4.0	523
Lower skilled (Levels 1-2)	13	76.9	7	7.2	2.0	8
Senior management (Levels 13-16)	91	98.9	7	7.2	13.0	443
Skilled (Levels 3-5)	24	37.5	11	11.3	2.0	23
TOTAL	413	82.3	97	100.0	4.0	1 176

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2019 to 31 December 2019

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 supervision (Levels 9-12)	7	100	1	100	7.0	27
TOTAL	7	100	1	100	7.0	27

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual Leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days taken	Average per employee	Number of Employees using annual leave
Contract (Levels 6-8)	261	11.0	24
Contract (Levels 9-12)	24	24.0	1
Contract Other	36	6.0	6
Highly skilled production (Levels 6-8)	1 793	20.0	89

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Highly skilled supervision (Levels 9-12)	2 577	21.0	122
Lower skilled (Levels 1-2)	106	12.0	9
Senior management (Levels 13-16)	343	21.0	16
Skilled (Levels 3-5)	543	17.0	32
TOTAL	5 683	19.0	299

Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020

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 2019
Contract (Levels 6-8)	0	0	0	0.0
Contract (Levels 9-12)	0	0	0	0.0
Contract Other	0	0	0	0.0
Highly skilled production (Levels 6-8)	0	0	0	65.0
Highly skilled supervision (Levels 9-12)	0	0	0	59.0
Lower skilled (Levels 1-2)	0	0	0	0.0
Senior management (Levels 13-16)	0	0	0	49.0
Skilled (Levels 3-5)	0	0	0	58.0
TOTAL	0	0	0	60.0

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 2020 and 31 March 2021

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – Gratuity: Death/Retirement/Medical Retirement (Work)	565	9	63
Capped – Gratuity: Death/Retirement/Medical Retirement (Work)	720	8	90
TOTAL	1 285		

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
Nil	Nil

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 Provincial Treasury 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.	Yes		Ms Cecilia Nkonyane: Senior Manager: Corporate Services
2. Does Provincial Treasury 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.	Yes		Three (3) employees, Budget R3 622 097.00
3. Has Provincial Treasury introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Conduct one-on-one consultation. Referral to professionals. Coordination of Support Groups. Absence pattern analysis report. Implement Health and Wellness Committee recommendations.
4. Has Provincial Treasury 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.	Yes		Ms JE Nel Ms NG Gabela (NEHAWU) Mr MK Sibanyoni (PSA) Ms EY Mnisi Mr BJ Hlatshwayo Mr TK Theledi Ms AS Mthombeni Ms LT Nethononda Mr MS Nkambule Mr MJ Ntimane Ms SG Zitha Ms TT Thwala Ms SE Ngwenya
5. Has Provincial Treasury 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.	Yes		HIV/AIDS and TB Management Policy, Health and Productivity Management Policy, Wellness Management Policy SHEQ Management Policy.
6. Has Provincial Treasury 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.	Yes		Conducted awareness session on HIV/ AIDS (exhibition)
7. Does Provincial Treasury encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		Voluntary Counselling and Testing session was not convened due to lockdown restrictions.

Question	Yes	No	Details, if yes
8. Has Provincial Treasury developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Quarterly reports

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2020 and 31 March 2021

Subject matter	Date
Total number of Collective agreements	None

Notes

- If there were no agreements, keep the heading and replace the table with the following:

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 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	1	100
Not guilty	0	0
Case withdrawn	0	0
Total	1	100

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	One
---	-----

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021

Type of misconduct	Number	% of total
Absenteeism	1	100
Total	1	100

Table 3.12.4 Grievances logged for the period 1 April 2020 and 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	2	100
Number of grievances not resolved	0	0
Total number of grievances lodged	2	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2020 and 31 March 2021

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

Table 3.12.6 Strike actions for the period 1 April 2020 and 31 March 2021

Total number of persons working days lost	NIL
Total costs working days lost	NIL
Amount recovered as a result of no work no pay (R'000)	NIL

Table 3.12.7 Precautionary suspensions for the period 1 April 2020 and 31 March 2021

Number of people suspended	NIL
Number of people whose suspension exceeded 30 days	NIL
Average number of days suspended	NIL
Cost of suspension(R'000)	NIL

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 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	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	8	0	3	0	3
	Male	9	0	2	0	2
Professionals	Female	23	4	3	0	3
	Male	33	1	8	0	8
Technicians and associate professionals	Female	34	0	3	0	3
	Male	42	0	4	0	4
Clerks	Female	69	0	11	0	11
	Male	49	0	13	0	13
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	33	0	13	0	13
	Male	13	0	6	0	6
Sub Total	Female	169	0	33	0	33
	Male	146	0	33	0	33
Total		315	0	66	0	66

Table 3.13.2 Training provided for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	0	3	0	3
	Male	9	0	2	0	2
Professionals	Female	23	1	3	0	3
	Male	33	0	8	0	8
Technicians and associate professionals	Female	34	0	3	0	3
	Male	42	0	4	0	4
Clerks	Female	69	0	11	0	11
	Male	49	0	13	0	13
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	33	0	13	0	13
	Male	13	0	6	0	6
Sub Total	Female	169	1	33	0	33
	Male	146	0	33	0	33
Total		315	1	66	0	66

3.14. Injury on Duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2020 and 31 March 2021

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

3.15. Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the department. In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract, on an ad hoc basis, any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

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

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
N/A	N/A	N/A	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 2020 and 31 March 2021

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	N/A	N/A	N/A

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on the project	Duration (Workdays)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
N/A	N/A	N/A	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 2020 and 31 March 2021

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	N/A	N/A	N/A

3.16. Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2020 and 31 March 2021

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by the department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0



Part E

FINANCIAL INFORMATION

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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 99 to 164, which comprise the appropriation statement, statement of financial position as at 31 March 2021, the 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 2021, and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 4 of 2020 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' 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.

Auditor-general's responsibilities for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.

Report on the audit of the annual performance report

Introduction and scope

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

11. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the department's annual performance report for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 3 – assets and liabilities management	35 – 40

13. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

14. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

- Programme 3 – assets and liabilities management.

Report on the audit of compliance with legislation

Introduction and scope

15. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

16. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

17. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.

18. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

19. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

20. 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. I have nothing to report in this regard.

Internal control deficiencies

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

AUDITOR GENERAL

Mbombela
30 July 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

1. 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 respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer
- conclude on the appropriateness of the accounting officer’s 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 Mpumalanga Provincial Treasury 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

3. 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.

4. 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.

Appropriation Statement for the year ended 31 March 2021

Appropriation per programme									
	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	95 717	-	(6 564)	89 153	88 936	217	99.8%	103 157	103 071
2. Sustainable Resource Management	46 903	-	(428)	46 475	46 472	3	100.00%	47 654	47 647
3. Asset and Liabilities Management	205 958	-	7 310	213 268	213 237	31	100.0%	173 176	172 652
4. Financial Governance	26 792	-	(318)	26 474	26 473	1	100.0%	30 905	30 892
TOTAL	375 370	-	-	375 370	375 118	252	99.9%	354 892	354 262
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				89 638				84 501	
Actual amounts per statement of financial performance (total revenue)				465 008				439 393	
Prior year unauthorised expenditure approved without funding									
Actual amounts per statement of financial performance (total expenditure)					375 118				354 262

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification		2020/21				2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	367 550	-	-	367 550	367 341	209	99.9%	325 611	325 593
Compensation of employees	183 067	-	-	183 067	183 035	32	100.0%	187 124	187 124
Salaries and wages	158 712	-	(1 612)	157 100	157 084	16	100.0%	162 808	162 809
Social contributions	24 355	-	1 612	25 967	25 951	16	99.9%	24 316	24 315
Goods and services	184 483	-	-	184 483	181 744	2 739	98.5%	138 487	138 469
Administrative fees	293	-	(145)	148	147	1	99.3%	860	853
Advertising	1 022	-	(477)	545	545	-	100.0%	666	665
Minor assets	100	-	(100)	-	10	(10)	-	37	37
Audit costs: External	5 200	-	(421)	4 779	4 779	-	100.0%	5 156	5 155
Catering: Departmental activities	136	-	(3)	133	128	5	96.2%	931	930
Communication	4 885	-	(1 618)	3 267	3 265	2	99.9%	4 471	4 469
Computer services	137 054	-	11 631	148 685	146 123	2 562	98.3%	79 575	79 575

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification									
	2020/21					2019/20			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Consultants:									
Business and advisory services	1 057	-	(25)	1 032	1 030	2	99.8%	1 673	1 673
Legal services	20	-	(20)	-	-	-	-	-	-
Contractors	7 448	-	(4 274)	3 174	3 174	-	100.0%	2 094	2 106
Agency and support / outsourced services	121	-	24	145	145	-	100.0%		
Fleet services	2 611	-	(824)	1 787	1 787	-	100.0%	175	175
Consumable supplies	1 719	-	(48)	1 671	1 671	-	100.0%	1 401	1 401
Consumable: Stationery, printing and office supplies	1 374	-	(480)	894	884	10	98.9%	1 544	1 584
Operating leases	8 270	-	(1 143)	7 127	7 126	1	100.0%	7 390	7 390
Property payments	6 902	-	(1 405)	5 497	5 497	-	100.0%	4 281	4 280
Transport provided: Departmental activity	9	-	(2)	7	7	-	100.0%	133	132

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification		2020/21						2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	4 510	-	(459)	4 051	3 900	151	96.3%	17 002	16 917	
Training and development	698	-	(345)	353	339	14	96.0%	3 225	3 223	
Operating payments	856	-	44	900	899	1	99.9%	1 035	1 033	
Venues and facilities	198	-	90	288	288	-	100.0%	1 664	1 661	
Transfers and subsidies	6 955	-	-	6 955	6 941	14	99.8%	1 362	1 362	
Provinces and municipalities	5 019	-	-	5 019	5 004	15	99.7%	22	22	
Provinces	19	-	-	19	4	15	21.1%	22	22	
Provincial agencies and funds	19	-	-	19	4	15	21.1%	22	22	
Municipalities	5 000	-	-	5 000	5 000	-	100.0%	-	-	
Municipal bank accounts	5 000	-	-	5 000	5 000	-	100.0%	-	-	
Municipal agencies and funds	-	-	-	-	-	-	-	-	-	
Departmental agencies and accounts	650	-	-	650	652	(2)	100.3%	635	635	
Social security funds	-	-	-	-	-	-	-	-	-	

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification										
	2020/21					2019/20				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000	
Departmental agencies and accounts	650	-	-	650	652	(2)	100.3%	635	635	
Households	1 286	-	-	1 286	1 285	1	99.9%	705	705	
Social benefits	1 286	-	-	1 286	1 285	1	99.9%	705	705	
Payments for capital assets	865	-	-	865	3 398	(2 533)	392.8%	27 919	27 307	
Machinery and equipment	828	-	8	836	836	-	100.0%	27 635	27 023	
Transport equipment	503	-	(31)	472	472	-	100.0%	1 974	1 974	
Other machinery and equipment	325	-	39	364	364	-	100.0%	25 661	25 049	
Software and other Intangible assets	37	-	(8)	29	2 562	(2 533)	8834.5%	284	284	
Payments for financial assets	-	-	-	-	-	-	-	-	-	
Total	3 75 370	-	-	3 75 370	3 75 118	252	99.9%	354 892	354 262	

Appropriation Statement for the year ended 31 March 2021

Programme 1: Administration		2020/21				2019/20			
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management Services		40 804	-	(902)	39 902	39 895	100.0%	45 343	45 269
2. Financial Management		50 063	-	(5 589)	44 474	44 265	99.5%	52 424	52 413
3. Internal Audit		4 850	-	(73)	4 777	4 776	100.00%	5 390	5 389
Total for sub programmes		95 717	-	(6 564)	89 153	88 936	99.8%	103 157	103 071
Economic classification									
Current payments		94 064	-	(6 572)	87 492	87 289	99.8%	97 224	97 145
Compensation of employees		59 263	-	(92)	59 171	59 140	99.9%	62 088	62 088
Salaries and wages		50 597	-	(114)	50 483	50 468	100.0%	53 401	53 401
Social contributions		8 666	-	22	8 688	8 672	99.8%	8 687	8 687
Goods and services		34 801	-	(6480)	28 321	28 149	99.4%	35 136	35 057
Administrative fees		203	-	(90)	113	111	98.2%	389	388
Advertising		1 022	-	(477)	545	545	100.0%	666	665
Minor assets		100	-	(100)	-	10	-	29	29

Appropriation Statement for the year ended 31 March 2021

Programme 1: Administration	2020/21						2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Audit costs: External	5 200	-	(421)	4 779	4 779	-	100.0%	4 723	4 722
Catering: Departmental activities	115	-	18	133	128	5	96.2%	576	576
Communication	3 611	-	(1 497)	2 114	2 113	1	100.0%	3 418	3 417
Computer services	25	-	(4)	21	21	-	100.0%	40	40
Consultants: Business and advisory services	779	-	-	779	777	2	99.7%	446	446
Legal services	20	-	(20)	-	-	-	-	-	-
Contractors	600	-	(25)	575	575	-	100.0%	610	571
Agency and support / outsourced services	121	-	24	145	145	-	100.0%	175	175
Fleet services	2 611	-	(824)	1 787	1 787	-	100.0%	1 401	1 401
Consumable supplies	1 467	-	39	1 506	1 506	-	100.0%	1 645	1 645

Appropriation Statement for the year ended 31 March 2021

Programme 1: Administration		2020/21					2019/20			
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	1 374	-	(480)	894	884	10	98.9%	1 544	1 584	
Operating leases	8 270	-	(1 143)	7 127	7 126	1	100.0%	7 390	7 390	
Property payments	6 902	-	(1 405)	5 497	5 497	-	100.0%	4 281	4 280	
Transport provided: Departmental activity	1	-	(1)	-	-	-	-	27	27	
Travel and subsistence	1 247	-	56	1 303	1 156	147	88.7%	4 816	4 742	
Training and development	392	-	(171)	221	207	14	93.7%	1 532	1 532	
Operating payments	603	-	46	557	557	-	100.0%	517	517	
Venues and facilities	138	-	87	225	225	-	100.0%	911	910	
Transfers and subsidies	834	-	-	834	820	14	98.3%	865	865	
Provinces and municipalities	19	-	-	19	4	15	21.1%	22	22	
Provinces	19	-	-	19	4	15	21.1%	22	22	
Provincial agencies and funds	19	-	-	19	4	15	21.1%	22	22	

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification									
	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	650	-	-	650	652	(2)	100.3%	635	635
Departmental agencies	650	-	-	650	652	(2)	100.3%	635	635
Households	165	-	-	165	164	1	99.4%	208	208
Social benefits	165	-	-	165	164	1	99.4%	208	208
Payments for capital assets	819	-	8	827	827	-	100.0%	5 068	5 061
Machinery and equipment	819	-	8	827	827	-	100.0%	5 029	5 022
Transport equipment	503	-	(31)	472	472	-	100.0%	1 974	1 974
Other machinery and equipment	316	-	39	355	355	-	100.0%	3 055	3 048
Software and other Intangible assets	-	-	-	-	-	-	-	39	39
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	95 717	-	(6 564)	89 153	88 936	217	99.8%	103 157	103 071

1.1 Management Services									
	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification	39 989	-	(902)	39 087	39 081	6	100.0%	44 511	44 437
Current payments	39 989	-	(902)	39 087	39 081	6	100.0%	44 511	44 437
Compensation of employees	34 247	-	35	34 282	34 281	1	100.0%	36 113	36 113
Goods and services	4 680	-	(937)	4 805	4 800	-	100.0%	8 398	8 324
Transfers and subsidies	815	-	-	815	814	1	99.9%	832	832
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	650	-	-	650	650	-	100.0%	633	633
Households	165	-	-	165	164	1	99.4%	199	199
Total	40 804	-	(902)	39 902	39 895	7	100.0%	45 343	45 269

Appropriation Statement for the year ended 31 March 2021

1.2 Financial Management		2020/21					2019/20				
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Current payments	49 225	-	(5 597)	43 628	43 432	196	99.6%	47 323	47 319		
Compensation of employees	20 630	-	(132)	20 498	20 469	29	99.9%	21 423	21 423		
Goods and services	28 595	-	(5 465)	23 130	22 963	167	99.3%	25 900	25 896		
Transfers and subsidies	19	-	-	19	6	13	31.6%	33	33		
Provinces and municipalities	19	-	-	19	4	15	21.1%	22	22		
Departmental agencies and accounts	-	-	-	-	-	-	-	9	9		
Households	-	-	-	-	-	-	-	9	9		
Payments for capital assets	819	-	8	827	827	-	100.0%	5 068	5 061		
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-		
Machinery and equipment	819	-	8	827	827	-	100.0%	5 029	5 022		
Intangible assets	-	-	-	-	-	-	-	39	39		
Payments for financial assets	-	-	-	-	-	-	-	-	-		
Total	5 0063	-	(5 589)	44 474	44 265	209	99.5%	52 424	52 413		
1.3 Internal Audit		2020/21					2019/20				
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Current payments	4 850	-	(73)	4 777	4 776	1	100.0%	5 390	5 389		
Compensation of employees	4 386	-	5	4 391	4 390	1	100.0%	4 552	4 552		
Goods and services	464	-	(78)	386	386	-	100.0%	838	837		
Total	4 850	-	(73)	4 777	4 776	1	100.0%	5 390	5 389		

Appropriation Statement for the year ended 31 March 2021

Programme 2: Sustainable Resources Management		2020/21				2019/20				
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Sub programme										
1. Programme Support	1 641	-	(79)	1 562	1 561	1	99.9%	1 748	1 746	
2. Provincial Administration Fiscal Discipline	10 106	-	(101)	10 005	10 005	-	100.0%	10 940	10 939	
3. Budget and Expenditure Management	9 443	-	(82)	9 361	9 361	-	100.0%	11 307	11 305	
4. Municipal Finance	20 955	-	(91)	20 864	20 863	1	100.0%	18 957	18 956	
5. Infrastructure Co-Ordination	4 758	-	(75)	4 683	4 682	1	100.0%	4 702	4 701	
Total for sub programmes	46 903	-	(428)	46 475	46 472	3	100.0%	47 654	47 647	
Economic classification										
Current payments	41 367	-	(428)	40 939	40 936	3	100.0%	47 654	47 647	
Compensation of employees	39 438	-	(62)	39 376	39 375	1	100.0%	41 285	41 285	
Salaries and wages	34 947	-	(56)	34 891	34 890	1	100.0%	36 702	36 702	
Social contributions	4 491	-	(6)	4 485	4 485	-	100.0%	4 583	4 583	
Goods and services	1 929	-	(366)	1 563	1 561	2	99.9%	6 369	6 362	

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification		2020/21				2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Administrative fees	26	-	(17)	9	10	(1)	111.1%	121	119
Audit costs: External	-	-	-	-	-	-	-	133	133
Catering: Departmental activities	10	-	(10)	-	-	-	-	129	129
Communication	436	-	(40)	396	396	-	100.0%	385	384
Consultants: Business and advisory services	278	-	(25)	253	253	-	100.0%	1 216	1 216
Travel and subsistence	1 015	-	(338)	677	674	3	99.6%	3 606	3 603
Training and development	24	-	(24)	-	-	-	-	245	245
Operating payments	112	-	88	200	200	-	100.0%	373	372
Venues and facilities	28	-	-	28	28	-	100.0%	161	161
Transfers and subsidies	5 536	-	-	5 536	5 536	-	100.0%	-	-
Provinces and municipalities	5 000	-	-	5 000	5 000	-	100.0%	-	-
Municipalities	5 000	-	-	5 000	5 000	-	100.0%	-	-
Municipal bank accounts	5 000	-	-	5 000	5 000	-	100.0%	-	-

Programme 2: Sustainable Resources Management		2020/21				2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	536	-	-	536	536	-	100.0%	-	-
Social benefits	536	-	-	536	536	-	100.0%	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Total	46 903	-	(428)	46 475	46 472	3	100.0%	47 654	47 647

Appropriation Statement for the year ended 31 March 2021

		2020/21				2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Programme Support									
Economic classification									
Current payments	1 641	-	(79)	1 562	1 561	1	99.9%	1 748	1 746
Compensation of Employees	1 564	-	(45)	1 519	1 518	1	99.9%	1 516	1 516
Goods and services	77	-	(34)	43	43	-	100.0%	232	230
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 641	-	(79)	1 562	1 561	1	99.9%	1 748	1 746

		2020/21				2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.2 Provincial Administrative Fiscal Discipline									
Economic classification									
Current payments	10 053	-	(101)	9 952	9 952	-	100.0%	10 940	10 939
Compensation of employees	9 741	-	(8)	9 733	9 733	-	100.0%	10 093	10 093
Goods and services	312	-	(93)	219	219	-	100.0%	847	846
Transfers and subsidies	53	-	-	53	53	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Households	53	-	-	53	53	-	100.0%	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	10 106	-	(101)	10 005	10 005	-	100.0%	10 940	10 939

Appropriation Statement for the year ended 31 March 2021

2.3 Budget and Expenditure Management									
Economic classification	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	8 960	-	(82)	8 878	8 878	-	100.0%	11 307	11 305
Compensation of employees	8 642	-	(11)	8 631	8 631	-	100.0%	10 338	10 338
Goods and services	318	-	(71)	247	247	-	100.0%	969	967
Transfers and subsidies	483	-	-	483	483	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Households	483	-	-	483	483	-	100.0%	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	9 443	-	(82)	9 361	9 361	-	100.0%	11 307	11 305

2.4 Municipal Finance									
Economic classification	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	15 955	-	(91)	15 864	15 863	1	100.0%	18 957	18 956
Compensation of employees	14 972	-	17	14 989	14 989	-	100.0%	15 125	15 125
Goods and services	983	-	(108)	875	874	1	99.9%	3 832	3 831
Transfers and subsidies	5 000	-	-	5 000	5 000	-	100.0%	-	-
Provinces and municipalities	5 000	-	-	5 000	5 000	-	100.0%	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	20 955	-	(91)	20 864	20 863	1	100.0%	18 957	18 956

Appropriation Statement for the year ended 31 March 2021

		2020/21						2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments		4 758	-	(75)	4 683	4 682	1	100.0%	10 940	10 939
Compensation of employees		4 519	-	(15)	4 504	4 504	-	100.0%	10 093	10 093
Goods and services		239	-	(60)	179	178	1	99.4%	847	846
Payments for financial assets		-	-	-	-	-	-	-	-	-
Total		4 758	-	(75)	4 683	4 682	1	100.0%	4 702	4 701

Appropriation Statement for the year ended 31 March 2021

Programme 3: Asset and Liabilities Management		2020/21						2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Sub programme										
1. Programme Support		274	-	(19)	255	255	-	100.0%	323	322
2. Provincial Supply Chain Management		17 787	-	164	17 951	17 951	-	100.0%	18 602	18 601
3. Public Sector Liabilities		5 348	-	(34)	5 314	5 314	-	100.0%	5 659	5 658
4. Physical Assets Management		4 663	-	(4)	4 659	4 658	1	100.0%	5 168	5 166
5. Interlinked Financial Systems		78 278	-	9 965	88 243	88 243	-	100.0%	27 946	27 945
6. Information Technology		99 608	-	(2 762)	96 846	96 816	30	100.0%	115 478	114 960
Total for sub programmes		205 958	-	7 310	213 268	213 237	31	100.0%	173 176	172 652
Economic classification										
Current payments		205 468	-	7 318	212 786	210 222	2 564	100.0%	149 989	150 071
Compensation of employees		58 776	-	217	58 993	58 993	-	100.0%	58 229	58 229
Salaries and wages		50 799	-	(510)	50 289	50 289	-	100.0%	50 347	50 348

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification									
2020/21					2019/20				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social contributions	7 977	-	727	8 704	8 704	-	100.0%	7 882	7 881
Goods and services	146 692	-	7 101	153 793	151 229	2 564	100.0%	91 760	91 842
Administrative fees	30	-	(15)	15	15	-	100.0%	165	165
Minor	-	-	-	-	-	-	-	8	8
Catering: Departmental activities	11	-	(11)	-	-	-	-	184	183
Communication	560	-	(39)	521	520	1	99.8%	437	437
Computer services	137 029	-	11 635	148 664	146 102	2 562	100.0%	79 535	79 535
Contractors	6 848	-	(4 249)	2 599	2 599	-	100.0%	1 484	1 535
Consumables supplies	252	-	(87)	165	165	-	100.0%	3 529	3 529
Transport provided: Departmental activity	8	-	(1)	7	7	-	100.0%	106	105
Travel and subsistence	1 662	-	(78)	1 584	1 583	1	99.9%	5 221	5 219
Training and development	238	-	(125)	113	113	-	100.0%	729	729
Operating payments	50	-	68	118	118	-	100.0%	60	60
Venues and facilities	4	-	3	7	7	-	100.0%	302	301

Appropriation Statement for the year ended 31 March 2021

Appropriation per economic classification									
2020/21					2019/20				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	444	-	-	444	444	-	100.0%	336	335
Households	444	-	-	444	444	-	100.0%	336	335
Social benefits	444	-	-	444	444	-	100.0%	336	335
Payments for capital assets	46	-	(8)	38	2 571	(2 533)	23.7%	22 851	22 246
Machinery and equipment	9	-	-	9	9	-	100.0%	22 606	22 001
Other machinery and equipment	9	-	-	9	9	-	100.0%	22 606	22 001
Software and other intangible assets	37	-	(8)	29	2 562	(2 533)	-	245	245
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	205 958	-	7 310	213 268	213 237	31	100.0%	173 176	172 652

Appropriation Statement for the year ended 31 March 2021

		2020/21					2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Programme Support									
Current payments	274	-	(19)	255	255	-	100.0%	323	322
Compensation of employees	253	-	(6)	247	247	-	100.0%	248	248
Goods and services	21	-	(13)	8	8	-	100.0%	75	74
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	274	-	(19)	255	255	-	100.0%	323	322

		2020/21					2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.2 Provincial Supply Chain Management									
Current payments	17 584	-	164	17 748	17 748	-	100.0%	18 266	18 266
Compensation of employees	16 939	-	188	17 127	17 127	-	100.0%	15 858	15 859
Goods and services	645	-	(24)	621	621	-	100.0%	2 408	2 407
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	203	-	-	203	203	-	100.0%	336	335
Households	203	-	-	203	203	-	100.0%	336	335
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	17 787	-	164	17 951	17 951	-	100.0%	18 602	18 601

Appropriation Statement for the year ended 31 March 2021

3.3 Public Sector Liabilities		2020/21						2019/20	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5 348	-	(34)	5 314	5 314	-	100.0%	5 659	5 658
Compensation of employees	5 187	-	-	5 187	5 187	-	100.0%	5 153	5 153
Goods and services	161	-	(34)	127	127	-	100.0%	506	505
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	5 348	-	(34)	5 314	5 314	-	100.0%	5 659	5 658

3.4 Physical Assets Management		2020/21						2019/20	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 663	-	(4)	4 659	4 658	1	100.0%	5 168	5 168
Compensation of employees	4 405	-	12	4 417	4 417	-	100.0%	4 383	4 382
Goods and services	258	-	(16)	242	241	1	99.6%	785	784
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 663	-	(4)	4 659	4 658	1	100.0%	5 168	5 168

Appropriation Statement for the year ended 31 March 2021

	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.5 Interlinked Financial Systems									
Economic classification									
Current payments	78 278	-	9 965	88 243	88 243	-	100.0%	27 946	27 945
Compensation of employees	11 548	-	9	11 557	11 557	-	100.0%	11 690	11 690
Goods and services	66 730	-	9 956	76 686	76 686	-	100.0%	16 256	16 255
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	78 278	-	9 965	88 243	88 243	-	100.0%	27 946	27 945

	2020/21					2019/20			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.6 Information Technology									
Economic classification									
Current payments	99 321	-	(2 754)	96 567	94 004	2 563	97.3%	92 627	92 714
Compensation of employees	20 444	-	14	20 458	20 458	-	100.0%	20 897	20 897
Goods and services	78 877	-	(2 768)	76 109	73 546	2 563	96.6%	71 730	71 817
Transfers and subsidies	241	-	-	241	241	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Households	241	-	-	241	241	-	100.0%	-	-
Payments for capital assets	46	-	(8)	38	2 571	(2 533)	6765.8%	22 851	22 246
Machinery and equipment	9	-	-	9	9	-	100.0%	22 606	22 001
Intangible assets	37	-	(8)	29	2 562	(2 533)	8834.5%	245	245
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	99 608	-	(2 762)	96 846	96 816	30	100.0%	115 478	114 960

Appropriation Statement for the year ended 31 March 2021

		2020/21						2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Sub programme										
1.	Programme Support	2 048	-	(11)	2 037	2 037	100.0%	2 630	2 629	
2.	Accounting Services	4 996	-	(63)	4 933	4 933	100.0%	6 248	6 247	
3.	Norms and Standards	13 783	-	(151)	13 632	13 632	100.0%	14 419	14 416	
4.	Risk Management	2 685	-	(54)	2 631	2 630	100.0%	3 476	3 472	
5.	Provincial Internal Audit	3 280	-	(39)	3 241	3 241	100.0%	4 132	4 128	
Total for sub programmes		26 792	-	(318)	26 474	26 473	100.0%	30 905	30 892	
Economic classification										
Current payments		26 651	-	(318)	26 333	26 332	100.0%	30 744	30 730	
Compensation of employees		25 590	-	(63)	25 527	25 527	100.0%	25 522	25 522	
Salaries and wages		22 369	-	(932)	21 437	21 437	100.0%	22 358	22 358	
Social contributions		3 221	-	869	4 090	4 090	100.0%	3 164	3 164	
Goods and services		1 061	-	(255)	806	805	99.9%	5 222	5 208	
Administrative fees		34	-	(23)	11	11	100.0%	185	181	
Audit costs: External		-	-	-	-	-	-	300	300	

Appropriation Statement for the year ended 31 March 2021

Programme 4: Financial Governance											
2020/21											2019/20
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		R'000
Catering: Departmental activities	-	-	-	-	-	-	-	-	42		42
Communication	278	-	(42)	236	236	-	100.0%	231	231		231
Consultants: Business and advisory services	-	-	-	-	-	-	-	11	11		11
Travel and subsistence	586	-	(99)	487	487	-	100.0%	3 359	3 353		3 353
Training and development	44	-	(25)	19	19	-	100.0%	719	717		717
Operating payments	91	-	(66)	25	24	1	96.0%	85	84		84
Venues and facilities	28	-	-	28	28	-	100.0%	290	289		289
Transfers and subsidies	141	-	-	141	141	-	100.0%	161	162		162
Households	141	-	-	141	141	-	100.0%	161	162		162
Social benefits	141	-	-	141	141	-	100.0%	161	162		162
Payments for financial assets	-	-	-	-	-	-	-	-	-		-
Total	26 762	-	(318)	26 474	26 473	1	100.0%	30 905	30 892		30 892

Appropriation Statement for the year ended 31 March 2021

		2020/21					2019/20		
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 048	-	(11)	2 037	2 037	-	100.0%	2 630	2 629
Compensation of employees	2 025	-	(9)	2 016	2 016	-	100.0%	2 531	2 531
Goods and services	23	-	(2)	21	21	-	100.0%	99	98
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 048	-	(11)	2 037	2 037	-	100.0%	2 630	2 629

		2020/21					2019/20		
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 996	-	(63)	4 933	4 933	-	100.0%	6 248	6 247
Compensation of employees	4 689	-	48	4 737	4 737	-	100.0%	4 727	4 727
Goods and services	307	-	(111)	196	196	-	100.0%	1 521	1 520
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 996	-	(63)	4 933	4 933	-	100.0%	6 248	6 247

Appropriation Statement for the year ended 31 March 2021

4.3 Norms and Standards		2020/21						2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	13 642	-	(151)	13 491	13 491	-	14 258	100.0%	14 258	14 254
Compensation of employees	13 281	-	(105)	13 176	13 176	-	12 628	100.0%	12 628	12 628
Goods and services	361	-	(46)	315	315	-	1 630	100.0%	1 630	1 626
Transfers and subsidies	141	-	-	141	141	-	161	100.0%	161	162
Households	141	-	-	141	141	-	161	100.0%	161	162
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total	13 783	-	(151)	13 632	13 632	-	14 419	100.0%	14 419	14 416

4.4 Risk Management		2020/21						2019/20		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	2 685	-	(54)	2 631	2 630	1	3 472	100.0%	3 476	3 472
Compensation of employees	2 466	-	2	2 468	2 468	-	2 477	100.0%	2 477	2 477
Goods and services	219	-	(56)	163	162	1	999	99.4%	999	995
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total	2 685	-	(54)	2 631	2 630	1	3 476	100.0%	3 476	3 472

Appropriation Statement for the year ended 31 March 2021

4.5 Provincial Internal Audit		2020/21						2019/20	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 280	-	(39)	3 241	3 241	-	100.0%	4 132	4 128
Compensation of employees	3 129	-	1	3 130	3 130	-	100.0%	3 159	3 159
Goods and services	151	-	(40)	111	111	-	100.0%	973	969
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 280	-	(39)	3 241	3 241	-	100.0%	4 132	4 128

Notes to the Appropriation Statement for the year ended 31 March 2021

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

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

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	89 153	88 936	217	0.2%
Sustainable Resource Management	46 475	46 472	3	0.0%
Asset and Liabilities Management	213 268	213 237	31	0.0%
Financial Governance	26 474	26 473	1	0.0%

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	183 067	183 035	32	0.0%
Goods and Services	184 483	181 744	2 739	1.5%
Transfers and subsidies				
Provinces and municipalities	5 019	5 004	15	0.3%
Departmental agencies and accounts	650	652	(2)	-0.3%
Households	1 286	1 285	1	0.1%
Payments for Capital Assets				
Machinery and equipment	836	836	-	0.0%
Transport equipment	472	472	-	0.0%
Other machinery and equipment				
Intangible assets	29	2 562	(2 533)	8 734.5%
Payments for financial assets	-	-	-	-

Statement of Financial Performance for the year ended 31 March 2021

	Note	2020/21	2019/20
		R'000	R'000
REVENUE			
Annual appropriation	1	375 370	354 892
Departmental revenue	2	89 638	84 501
TOTAL REVENUE		465 008	439 393
EXPENDITURE			
Current expenditure			
Compensation of employees	3	183 035	187 124
Goods and services	4	181 744	138 469
Total current expenditure		364 779	325 593
Transfers and subsidies			
Transfers and subsidies	5	6 941	1 362
Total transfers and subsidies		6 941	1 362
Expenditure for capital assets			
Tangible assets	6	836	27 023
Intangible assets	6	2 562	284
Total expenditure for capital assets		3 398	27 307
TOTAL EXPENDITURE		375 118	354 262
SURPLUS/(DEFICIT) FOR THE YEAR		89 890	85 131

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		252	630
Annual appropriation		252	630
Departmental revenue and NRF Receipts	10	89 638	84 501
SURPLUS/(DEFICIT) FOR THE YEAR		89 890	85 131

Statement of Financial Position as at 31 March 2021

	Note	2020/21	2019/20
		R'000	R'000
ASSETS			
Current assets		2 793	3 731
Cash and cash equivalents	7	2 007	2 929
Receivables	8	786	802
Non-current assets		-	-
Receivables	8	-	-
TOTAL ASSETS		2 793	3 731
LIABILITIES			
Current liabilities		2 058	3 016
Voted funds to be surrendered to the Revenue Fund	9	252	630
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	10	1 772	2 386
Payables	11	34	-
Non-current liabilities		-	-
Payables	11	-	-
TOTAL LIABILITIES		2 058	3 016
NET ASSETS		735	715
	Note	2019/21	2019/20
		R'000	R'000
Represented by:			
Recoverable revenue		735	715
TOTAL		735	715

Statement of Changes in Net Assets for the year ended 31 March 2021

	Note	2020/21	2019/20
		R'000	R'000
Recoverable revenue			
Opening balance		715	711
Transfers:		20	4
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		20	4
Debts raised		-	-
Closing balance		735	715
TOTAL		735	715

Cash Flow Statement for the year ended 31 March 2021

	Note	2020/21	2019/20
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		473 664	449 216
Annual appropriated funds received	1.1	375 370	354 892
Departmental revenue received	2	1 054	1 943
Interest received	2.2	97 240	92 381
Net (increase)/decrease in working capital		50	-620
Surrendered to Revenue Fund		-99 557	-93 639
Current payments		-364 779	-325 593
Transfers and subsidies paid		-6 941	-1 362
Net cash flow available from operating activities	12	2437	28 002
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received			
Payments for capital assets	6	-3 398	-27 307
Proceeds from sale of capital assets	2.3	19	36
(Increase)/decrease in non-current receivables	8	-	560
Net cash flows from investing activities		-3 379	-26 711
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		20	4
Net cash flows from financing activities		20	4
Net increase/(decrease) in cash and cash equivalents		-922	1 295
Cash and cash equivalents at beginning of period		2 929	1 634
Cash and cash equivalents at end of period	13	2 007	2 929

Notes to the Annual Financial Statements for the year ended 31 March 2021

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>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.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	<p>Revenue</p>
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>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.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>

Notes to the Annual Financial Statements for the year ended 31 March 2021

7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • 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. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>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.</p>
8.2	<p>Other expenditure</p> <p>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.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
8.4	Leases
8.4.1	<p>Operating leases</p> <p>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.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p> <p>Operating lease payments received are recognised as departmental revenue.</p>

Notes to the Annual Financial Statements for the year ended 31 March 2021

8.4.2	<p>Finance leases</p> <p>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.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • 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. <p>Finance lease payments received are recognised as departmental revenue.</p>
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>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.</p>
9.2	<p>Aid assistance paid</p> <p>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.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p><Indicate when prepayments and advances are expensed and under what circumstances.></p>
12	<p>Loans and receivables</p> <p>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.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>

Notes to the Annual Financial Statements for the year ended 31 March 2021

14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>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.</p> <p>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.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	Capital Assets
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>

Notes to the Annual Financial Statements for the year ended 31 March 2021

16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>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.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	<p>Provisions and Contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	<p>Capital commitments</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>

Notes to the Annual Financial Statements for the year ended 31 March 2021

18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • 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. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] 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 financial statements where appropriate.</p>

Notes to the Annual Financial Statements for the year ended 31 March 2021

24	<p>Departures from the MCS requirements</p> <p>Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.</p>
25	<p>Capitalisation reserve</p> <p>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.</p>
26	<p>Recoverable revenue</p> <p>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.</p>
27	<p>Related party transactions</p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
28	<p>Inventories (Effective from date determined in a Treasury Instruction)</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>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.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
29	<p>Public-Private Partnerships</p> <p>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.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
30	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>
31	<p>Transfers of functions</p> <p>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.</p> <p>Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>

Notes to the Annual Financial Statements for the year ended 31 March 2021

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Mergers

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

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

1. Annual Appropriation

1.1. Annual Appropriation

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

	2020/21			2019/20		
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	
Administration	89 153	89 153	-	103 157	103 157	-
Sustainable Resource Management	46 475	46 475	-	47 654	47 654	-
Asset and Liabilities Management	213 268	213 268	-	173 176	173 176	-
Financial Governance	26 474	26 474	-	30 905	30 905	-
Total	375 370	375 370	-	354 892	354 892	-

2. Departmental revenue

	Note	2020/21	2019/20
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	991	1 819
Interest, dividends and rent on land	2.2	97 240	92 381
Sales of capital assets	2.3	19	36
Transactions in financial assets and liabilities	2.4	63	124
Total revenue collected		98 313	94 360
Less: Own revenue included in appropriation	10	8 675	9 859
Departmental revenue collected		89 638	84 501

Notes to the Annual Financial Statements for the year ended 31 March 2021

2.1 Sales of goods and services other than capital assets

	Note	2020/21	2019/20
	2	R'000	R'000
Sales of goods and services produced by the department		991	1 819
Sales by market establishment		11	11
Administrative fees		113	109
Other sales		867	1 699
Sales of scrap, waste and other used current goods			
Total		991	1 819

Other sales refers to the sale of tender documents

2.2 Interest, dividends and rent on land

	Note	2020/21	2019/20
	2	R'000	R'000
Interest		97 240	92 381
Total		97 240	92 381

2.3 Sale of capital assets

	Note	2020/21	2019/20
	2	R'000	R'000
Tangible assets		19	36
Machinery and equipment	23	19	36
Intangible assets			
Software	24	-	-
Total		19	36

2.4 Transactions in financial assets and liabilities

	Note	2020/21	2019/20
	2	R'000	R'000
Receivables		63	124
Total		63	124

Notes to the Annual Financial Statements for the year ended 31 March 2021

3. Compensation of employees

3.1 Salaries and Wages

	Note	2020/21	2019/20
		R'000	R'000
Basic salary		129 707	131 873
Performance award		1 590	3 166
Service Based		116	218
Compensative/circumstantial		1 137	1 009
Other non-pensionable allowances		24 534	26 546
Total		157 084	162 812

Other Non-Pensionable allowances includes salaries of Interns and Learnership who are on contract basis.

3.2 Social contributions

	Note	2020/21	2019/20
	3	R'000	R'000
Employer contributions			
Pension		17 860	16 763
Medical		8 062	7 522
UIF		-	-
Bargaining council		29	27
Total		25 951	24 312

Total compensation of employees		183 035	187 124
Average number of employees		312	317

Notes to the Annual Financial Statements for the year ended 31 March 2021

4. Goods and services

	Note	2020/21	2019/20
		R'000	R'000
Administrative fees		147	853
Advertising		545	665
Minor assets	4.1	10	37
Catering		128	930
Communication		3 265	4 469
Computer services	4.2	146 123	79 575
Consultants: Business and advisory services		1 030	1 673
Contractors		3 174	2 106
Agency and support / outsourced services		145	175
Audit cost – external	4.3	4 779	5 155
Fleet services		1 787	1 401
Consumables	4.4	2 554	6 794
Operating leases		7 126	7 390
Property payments	4.5	5 497	4 280
Transport provided as part of the departmental activities		8	132
Travel and subsistence	4.6	3 900	16 917
Venues and facilities		288	1 661
Training and development		339	3 223
Other operating expenditure	4.7	899	1 033
Total		181 744	138 469

Other Operating Expenditure includes Courier services and Professional bodies

4.1 Minor assets

	Note	2020/21	2019/20
	4	R'000	R'000
Tangible assets		-	37
Machinery and equipment		10	37
Intangible assets		-	-
Software		-	-
Total		10	37

Notes to the Annual Financial Statements for the year ended 31 March 2021

4.2 Computer services

	Note	2020/21	2019/20
	4	R'000	R'000
SITA computer services		42 759	47 388
External computer service providers		103 364	32 187
Total		146 123	79 575

The External Computer services includes the payments for Business Process Automations systems (E-Leave, Annual Financial Statements and Invoice Tracking) and the Microsoft 365 for the Province.

4.3 Audit cost - External

	Note	2020/21	2019/20
	4	R'000	R'000
Regularity audits		4 779	4 805
Computer audits		-	350
Total		4 779	5 155

4.4 Consumables

	Note	2020/21	2019/20
	4	R'000	R'000
Consumable supplies		1 661	5 210
Uniform and clothing		28	257
Household supplies		956	1 127
Communication accessories		3	-
IT consumables		158	3 566
Other consumables		516	260
Stationery, printing and office supplies		893	1 584
Total		2 554	6 794

Other refers to Information Technology consumables

Notes to the Annual Financial Statements for the year ended 31 March 2021

4.5 Property payments

	Note	2020/21	2019/20
	4	R'000	R'000
Municipal services		3 382	4 280
Property maintenance and repairs		2 115	-
Total		5 497	4 280

4.6 Travel and subsistence

	Note	2020/21	2019/20
	4	R'000	R'000
Local		3 900	16 881
Foreign		-	36
Total		3 900	16 917

The decrease in the Travel and Subsistence allowance is due to the impact of COVID-19 Pandemic for the year under review.

4.7 Other operating expenditure

	Note	2020/21	2019/20
	4	R'000	R'000
Professional bodies, membership and subscription fees		67	113
Other		832	920
Total		899	1 033

Other relates to payments of insurances for subsidies vehicles, Courier services, printing and publications

5. Transfers and subsidies

		2020/21	2019/20
		R'000	R'000
	Note		
Provinces and municipalities	Annexure 1A	5 000	22
Departmental agencies and accounts	Annexure 1B	656	635
Households	Annexure 1G	1 285	705
Total		6 941	1 362

Notes to the Annual Financial Statements for the year ended 31 March 2021

6. Expenditure for capital assets

	Note	2020/21	2019/20
		R'000	R'000
Tangible assets		836	27 023
Machinery and equipment	23	836	27 023
Intangible assets			284
Software	24	2 562	284
Total		3 398	27 307

6.1 Analysis of funds utilised to acquire capital assets - 2020/21

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	836	-	836
Machinery and equipment	836	-	836
Intangible assets			
Software	2 562	-	2 562
Total	3 398	-	3 398

6.2 Analysis of funds utilised to acquire capital assets - 2019/20

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	27 023	-	27 023
Machinery and equipment	27 023	-	27 023
Intangible assets	284	-	284
Software	284	-	284
Total	27 307	-	27 307

Notes to the Annual Financial Statements for the year ended 31 March 2021

7. Cash and cash equivalents

	Note	2020/21	2019/20
		R'000	R'000
Consolidated Paymaster General Account		2 007	2 929
Total		2 007	2 929

8. Receivables

	Note	2020/21			2019/20		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	8.1	18	-	18	18	-	18
Staff debt	8.2	191	-	191	204	-	204
Other receivables	8.3	577	-	577	580	-	580
Total		786	-	786	802	-	802

Other Receivables relates to Ex-Employees that are debted to Provincial Treasury

8.1 Claims recoverable

	Note	2020/21	2019/20
	8	R'000	R'000
South African Revenue Services		18	18
Total		18	18

8.2 Staff debt

	Note	2020/21	2019/20
	8	R'000	R'000
Recovery for loss/ Damage to assets		191	170
Salary Overpayment		-	34
Total		191	204

Notes to the Annual Financial Statements for the year ended 31 March 2021

8.3 Other receivables

	Note	2020/21	2019/20
	8	R'000	R'000
Ex-employees: Tax Debts		3	2
Amount to be recovered from Irregular expenditure		530	530
Ex-employees: Salary Overpayment		33	33
Recovery for loss/ Damage to assets		11	11
Supplier		-	4
Total		577	580

Other Receivables relates to Ex-Employees that are debted to Provincial Treasury

9. Voted funds to be surrendered to the Revenue Fund

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		630	152
Prior period error		-	-
As restated		630	152
Transfer from statement of financial performance (as restated)		252	630
Paid during the year		-630	-152
Closing balance		252	630

10. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		2 386	1 513
Prior period error		-	-
As restated		2 386	1 513
Transfer from Statement of Financial Performance (as restated)		89 638	84 501
Own revenue included in appropriation		8 675	9 859
Paid during the year		-98 927	-93 487
Closing balance		1 772	2 386

Notes to the Annual Financial Statements for the year ended 31 March 2021

11. Payables - current

	Note	2020/21	2019/20
		R'000	R'000
Other payables	11.1	34	-
Total		34	-

11.1 Other payables

	Note	2020/21	2019/20
	11	R'000	R'000
GEHS Refund for employees		34	-
Total		34	-

Other payables refers to refund for Government Employees Housing Scheme payments for employees

12. Net cash flow available from operating activities

	Note	2020/21	2019/20
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		89 890	85 131
Add back non cash/cash movements not deemed operating activities		-87 453	-57 129
(Increase)/decrease in receivables		16	-601
Increase/(decrease) in payables – current		34	-19
Proceeds from sale of capital assets		-19	-36
Expenditure on capital assets		3 398	27 307
Surrenders to Revenue Fund		-99 557	-93 639
Own revenue included in appropriation		8 675	9 859
Net cash flow generated by operating activities		2 437	28 002

13. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2020/21	2019/20
		R'000	R'000
Consolidated Paymaster General account		2 007	2 929
Total		2 007	2 929

Notes to the Annual Financial Statements for the year ended 31 March 2021

14. Contingent liabilities

		Note	2020/21	2019/20
			R'000	R'000
Liable to	Nature			
Claims against the department		Annex 3B	3 962	3 962
Other			-	-
Total			3 962	3 962

15. Capital commitments

		Note	2020/21	2019/20
			R'000	R'000
Specify class of asset				
Motor Vehicles			862	-
Computer Hardware			1 809	-
Office Furniture			10	-
Total			2 681	-

16. Accruals and payables not recognised

16.1 Accruals

				2020/21	2019/20
				R'000	R'000
Listed by economic classification					
	30 Days	30+ Days	Total	Total	
Goods and services	5 933		5 933	2 960	
Interest and rent on land	-	-	-	-	
Transfers and subsidies	-	-	-	-	
Capital assets	-	-	-	-	
Other	726		726	179	
Total	6 659	-	6 659	3 139	

Other Accruals relates to Salary related submissions for the financial year under review.

		Note	2020/21	2019/20
			R'000	R'000
Listed by programme level				
Administration			588	2 996
Sustainable Resource Management			138	60
Assets and liabilities Management			5 793	54
Financial Governance			140	29
Total			6 659	3 139

Notes to the Annual Financial Statements for the year ended 31 March 2021

16.2 Payables not recognised

	2020/21			2019/20	
	R'000			R'000	
Listed by economic classification					
	30 Days	30+ Days	Total	Total	
Goods and services	139	-	139	95	
Interest and rent on land	-	-	-	-	
Transfers and subsidies	-	-	-	-	
Capital assets	-	-	-	-	
Other	-	-	-	-	
Total	139	-	139	95	

	Note	2020/21	2019/20
		R'000	R'000
Listed by programme level			
Administration		3	50
Sustainable Resource Management		-	-
Assets and liabilities Management		136	27
Financial Governance		-	18
Total		139	95

	Note	2020/21	2019/20
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	174	26
Confirmed balances with other government entities	Annex 5	-	-
Total		174	26

17. Employee benefit

	Note	2020/21	2019/20
		R'000	R'000
Leave entitlement		17 319	11 609
Service bonus		5 109	5 280
Performance awards		1 680	3 144
Capped leave		7 841	9 425
Other		182	116
Total		32 131	29 574

Notes to the Annual Financial Statements for the year ended 31 March 2021

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.

Leave Gratuity includes a negative leave with an amount of R 1 712.54

18. Lease commitments

18.1 Operating leases

2020/21	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	5 989	1 035	7 024
Later than 1 year and not later than 5 years	-	-	27 040	1 111	28 151
Later than five years	-	-	25 350	-	25 350
Total lease commitments	-	-	58 379	2 146	60 525

2019/20	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	5 178	1 143	6 321
Later than 1 year and not later than 5 years	-	-	22 427	809	23 236
Later than five years	-	-	31 921	-	31 921
Total lease commitments	-	-	59 526	1 952	61 478

The aforementioned rental shall escalate at a rate of seven (07) 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.

Notes to the Annual Financial Statements for the year ended 31 March 2021

19. Accrued departmental revenue

	Note	2020/21	2019/20
		R'000	R'000
Transactions in financial assets and liabilities		715	621
Total		715	621

19.1 Analysis of accrued departmental revenue

	Note	2020/21	2019/20
	19	R'000	R'000
Opening balance		621	532
Less: amounts received		-	-
Less: services received in lieu of cash		-	-
Add: amounts recorded		94	89
Less: amounts written-off/reversed as irrecoverable		-	-
Less: amounts transferred to receivables for recovery		-	-
Other (Specify)		-	-
Closing balance		715	621

Notes to the Annual Financial Statements for the year ended 31 March 2021

20. Irregular expenditure

20.1 Reconciliation of irregular expenditure

	Note	2020/21	2019/20
	20	R'000	R'000
Opening balance		3 474	4 800
Prior period error		-	-
As restated		3 474	4 800
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		-	-
Less: Prior year amounts condoned		(3 474)	(1 326)
Less: Current year amounts condoned		-	-
Less: Prior year amounts not condoned and removed		-	-
Less: Current year amounts not condoned and removed		-	-
Less: Amounts recoverable (current and prior year)		-	-
Less: Amounts written off		-	-
Closing balance		-	3 474
Analysis of closing balance		-	3 474
Current year		-	-
Prior years		-	3 474
Total		-	3 474

20.2 Details of irregular expenditure condoned

Incident	Condoned by (relevant authority)	2020/21 R'000
Performance Management Incentives		3 474
Total		3 474

Notes to the Annual Financial Statements for the year ended 31 March 2021

21. Related party transactions

Revenue received	Note	2020/21	2019/20
		R'000	R'000
In kind goods and services provided/received			
During the financial year 2020/2021, Provincial Treasury occupied building number four (4) 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.			
Total		-	-

22. Key management personnel

	No. of Individuals	2020/21	2019/20
		R'000	R'000
Political office bearers (provide detail below)			
Officials:			
Head: Provincial Treasury	1	-	15
Chief Financial Officer	1	1 173	1 154
CD: Financial Governance	1	1 519	1 516
CD: Sustainable Resources Management	1	1 519	1 516
CD: Asset and Liabilities Management	1	1 250	1 249
Director: Legal	1	1 474	1 450
Director: Communication	1	1 264	1 275
Director: Corporate Services	1	1 264	1 263
Director: Planning	1	1 191	1 172
Director: Internal audit	1	1 264	1 263
Chief Risk Officer	1	742	750
Total		12 660	12 623

Notes to the Annual Financial Statements for the year ended 31 March 2021

The salary allowances for the Head: Provincial Treasury is still being paid by the Department of Education, hence the nil balance.

23. Non-adjusting events after reporting date

Early in 2020 the World Health Organisation (WHO) declared the COVID-19 outbreak as a global pandemic and in response to this, the Honourable President of South Africa announced the declaration of a national state of disaster on the 15th March 2020. These developments occurred at the end of the 2019/20 financial year. Although a number of institution/departments have been severely affected by these developments, the Mpumalanga Provincial Treasury has not experienced any difficulties in this regard due to continued funding support from Provincial and National Treasury budget allocation.

24. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	86 333	-	836	213	86 941
Transport assets	8 395	-	472	-	8 867
Computer equipment	69 205	-	88	213	69 080
Furniture and office equipment	4 606	-	233	-	4 839
Other machinery and equipment	4 127	-	43	-	4 170
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	86 333	-	836	213	86 941

Notes to the Annual Financial Statements for the year ended 31 March 2021

24.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	836	-	-	-	836
Transport assets	472	-	-	-	472
Computer equipment	88	-	-	-	88
Furniture and office equipment	233	-	-	-	233
Other machinery and equipment	43	-	-	-	43
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	836	-	-	-	836

24.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	213	-	213	19
Transport assets	-	-	-	-
Computer equipment	213	-	213	19
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	-	-	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	213	-	213	19

Notes to the Annual Financial Statements for the year ended 31 March 2021

24.3 Movement for 2019/20

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT					
Transport assets	6 421	-	1 974	-	8 395
Computer equipment	45 261	-	24 658	714	69 205
Furniture and office equipment	4 498	-	116	8	4 606
Other machinery and equipment	3 859	-	275	7	4 127
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	60 039	-	27 023	729	86 333

24.4 Minor assets

23.4.1 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	6 590	-	6 590
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	10	-	10
Disposals	-	-	-	(10)	-	(10)
TOTAL MINOR ASSETS	-	-	-	6 590	-	6 590

Notes to the Annual Financial Statements for the year ended 31 March 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	3	-	3
Number of minor assets at cost	-	-	-	3 255	-	3 255
TOTAL NUMBER OF MINOR ASSETS	-	-	-	3 258	-	3 258

24.4.2 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	6 579	-	6 579
Prior period error	-	-	-	-	-	-
Additions	-	-	-	37	-	37
Disposals	-	-	-	26	-	26
TOTAL MINOR ASSETS	-	-	-	6 590	-	6 590

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	3	-	3
Number of minor assets at cost	-	-	-	3 255	-	3 255
TOTAL NUMBER OF MINOR ASSETS	-	-	-	3 258	-	3 258

Notes to the Annual Financial Statements for the year ended 31 March 2021

25. intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	388	-70	2 562	-	2 880
TOTAL INTANGIBLE CAPITAL ASSETS	388	-70	2 562	-	2 880

25.1 ADDITIONS TO MOVABLE INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non- cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	2 562	-	-	-	2 562
Software	2 562	-	-	-	2 562
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	2 562	-	-	-	2 562

25.2 Movement for 2019/20

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	104	-	284	-	388
TOTAL INTANGIBLE CAPITAL ASSETS	104	-	284	-	388

Notes to the Annual Financial Statements for the year ended 31 March 2021

26. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	24	-	-	-	24
Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	24	-	-	-	24
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	24	-	-	-	24

26.1 Movable for 2019/20

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	24	-	-	-	24
Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	24	-	-	-	24
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	24	-	-	-	24

27. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

28. COVID 19 Response Expenditure

	Note	2020/21	2019/20
	Annexure 11	R'000	R'000
Compensation of employees		-	-
Goods and services		583	-
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total		583	-

Unaudited - Annexures to the Annual Financial Statements for the year ended 31 March 2021

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2020/21	
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	Division of Revenue Act R'000	Actual transfer R'000	
Msukaligwa LM	2 600	-	-	-	2 600	-	-	2 600	-	2 600	-	-	2 600	
Govan Mbeki L	500	-	-	-	500	-	-	500	-	500	-	-	500	
Emalahleni LM	1 000	-	-	-	1 000	-	-	1 000	-	1 000	-	-	1 000	
Thaba Chweu	900	-	-	-	900	-	-	900	-	900	-	-	900	
TOTAL	5 000	-	-	-	5 000	-	-	5 000	-	5 000	-	-	5 000	

Unaudited - Annexures to the Annual Financial Statements for the year ended 31 March 2021

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION					TRANSFER		2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Available funds Transferred	Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	%		
Departmental Agencies	4	-	-	4	4	100%	-	
South African Broadcasting Corporation(SABC)	2	-	-	2	2	100%	2	
Finance and Accounting Service Sector, Education and Training	-	-	-	-	-	100%	-	
Departmental Agencies	650	-	-	650	650		633	
TOTAL	656	-	-	656	656		635	

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2019/20	
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred		Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%		
Transfers								
Leave Gratuity	1 286	-	-	1 286	1 285	100%	705	
TOTAL	1 286	-	-	1 286	1 285		705	

Unaudited - Annexures to the Annual Financial Statements for the year ended 31 March 2021

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2020	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2021
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Columbus IT Services	3 962	-	-	-	3 962
Subtotal	3 962	-	-	-	3 962

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	TOTAL		Cash in transit at year end 2020/21 Payment date up to six (6) working days before year end	Amount
	31/03/2021	31/03/2020		31/03/2021	31/03/2020		
	R'000	R'000	R'000	R'000	R'000	R'000	
DEPARTMENTS							
Current							
Department of Public Works, Roads and Transport	174	-	-	174	-	-	-
Department of Education	-	26	-	-	26	-	-
Subtotal	174	26	-	174	26	-	-
TOTAL	174	26	-	174	26	-	-

Unaudited - Annexures to the Annual Financial Statements for the year ended 31 March 2021

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE
Per quarter and in total

Expenditure per economic classification	2020/21				2019/20
	Q1 R'000	Q2 R'000	Q3 R'000	Q4 R'000	Total R'000
Compensation of employees	-	555	-	28	583
Goods and services	-	555	-	28	583
Consumables	-	-	-	-	-
	-	-	-	-	-
TOTAL COVID 19 RESPONSE EXPENDITURE	-	555	-	28	583

Mpumalanga Provincial Treasury

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