

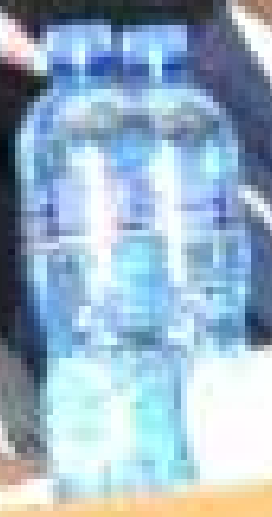
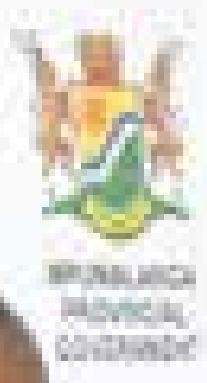


Office of the Premier  
Province of Mpumalanga  
VOTE NO. 1  
**ANNUAL REPORT**  
**2016-2017**



office of the premier  
MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA







Mpumalanga Premier David Mabuza chairing the mining industry stakeholder forum meeting.



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Mpumalanga Premier Mr DD Mabuza welcomes a delegation from Cuba.



## 1. DEPARTMENT GENERAL INFORMATION

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Riverside Park,  
Extension 2  
Mbombela  
1200

**POSTAL ADDRESS:** : Private Bag X11291  
: Mbombela  
: 1200

**TELEPHONE NUMBER/S** : 027 13 766 0000

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**EMAIL ADDRESS** : [info@mpg.gov.za](mailto:info@mpg.gov.za)

**WEBSITE ADDRESS** : [www.mpumalanga.gov.za](http://www.mpumalanga.gov.za)





## 2. LIST OF ABBREVIATIONS/ACRONYMS

<b>AGSA</b>	Auditor-General South Africa
<b>AID'S</b>	Acquire Immunodeficiency Syndrome
<b>APP</b>	Annual Performance Plan
<b>ANC</b>	African National Congress
<b>AFS</b>	Annual Final Statement
<b>ARV</b>	Antiretroviral
<b>AO</b>	Accounting Officer
<b>BRICS</b>	Brazil, Russia, India, China and South Africa
<b>CDW</b>	Community Development Worker
<b>COBIT</b>	Core Objectives of Information and Related Technologies
<b>COGTA</b>	Co-operative Governance and Traditional Affairs
<b>CFO</b>	Chief Financial Officer
<b>CRDP</b>	Comprehensive Rural Development Programme
<b>CCPMP</b>	Coordinating Chamber of the PSCBC for Mpumalanga Province
<b>DA</b>	Delivery Agreement
<b>DDG</b>	Deputy Director General
<b>DARDLEA</b>	Department of Agriculture, Rural Development, Land and Environmental Affairs
<b>DCSR</b>	Department of Culture, Sport and Recreation
<b>DCSSL</b>	Department of Community Safety, Security and Liaison
<b>DG</b>	Director-General
<b>DIRCO</b>	Department of International Relations and Co-operation
<b>DHS</b>	Department of Human Settlements
<b>DPME</b>	Department of Planning Monitoring and Evaluation
<b>DPSA</b>	Department of Public Service and Administration
<b>DPWRT</b>	Department of Public Works Roads and Transport
<b>DSD</b>	Department of Social Development
<b>DM</b>	District Municipality
<b>ECD</b>	Early Child Development
<b>EEA</b>	Employment Equity Act
<b>EHW</b>	Employee Health Wellness
<b>EHW&amp; WP</b>	Employee Health Wellness and Wellness Programme
<b>EMC</b>	Executive Management Committee
<b>EXCO</b>	Executive Council



<b>FSDM</b>	Frontline Service Delivery Monitoring
<b>GCJC</b>	Government Criminal Justice and Cluster
<b>GEPF</b>	Government Employees Pension Fund
<b>GPSSBC</b>	General Public Service Sector Bargaining Council
<b>GSDM</b>	Gert Sibande District Municipality
<b>GYO</b>	Gender, Youth and Older Persons
<b>GEMS</b>	Global Environmental Monitoring System
<b>GEWE</b>	Gender Equality and Women Empowerment
<b>HIV</b>	Human Immunodeficiency Virus
<b>HOD</b>	Head of Department
<b>HRD</b>	Human Resources Development
<b>HRM</b>	Human Resource Management
<b>HRPIR</b>	Human Resource Planning Implementation Report
<b>ICT</b>	Information Communication Technology
<b>ID</b>	Identity Document
<b>IDP</b>	Integrated Development Plan
<b>LM</b>	Local Municipality
<b>IFSM</b>	Integrated Financial Management System
<b>IMU</b>	Integrity Management Unit
<b>IRPF</b>	International Relations Policy Framework
<b>ISF</b>	Integrated Spatial Framework
<b>M &amp; E</b>	Monitoring and Evaluation
<b>MANCOM</b>	Management Committee
<b>MDCM</b>	Mpumalanga Development Co-ordinating Model
<b>MEC</b>	Member of the Executive Council
<b>MEGDP</b>	Mpumalanga Economic Growth and Development Path
<b>MLO</b>	Media Liaison Officer
<b>MOU</b>	Memorandum of Understanding
<b>MPAC</b>	Mpumalanga Provincial AIDS Council
<b>MPAT</b>	Management Performance Assessment Tool
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTSF</b>	Medium Term Strategic Framework
<b>MEGDP</b>	Mpumalanga Economic Growth Development Plan
<b>NACH</b>	National Anti-Corruption Hotline
<b>NDM</b>	Nkangala District Municipality
<b>NDP</b>	National Development Plan
<b>NSDP</b>	National Spatial Development Plan



<b>OPSC</b>	Office of the Public Service Commission
<b>OSW</b>	Office on the Status of Women
<b>OTP</b>	Office of the Premier
<b>OVS</b>	Operation Vuka Sisebente
<b>OJSC</b>	Open Joint Stock Company
<b>TB</b>	Tuberculosis
<b>PCC</b>	President's Co-ordinating Council
<b>PCF</b>	Premier's Co-ordinating Forum
<b>PETWG</b>	Provincial Evaluation Technical Working Group
<b>PERSAL</b>	Personnel Salaries
<b>PRIF</b>	Provincial International Relations Framework
<b>PFMA</b>	Public Finance Management Act
<b>PGCF</b>	Provincial Government Communication Forum
<b>PGITO</b>	Provincial Government Information & Technology Officer
<b>PIACC</b>	Provincial International Affairs Co-ordinating Committee
<b>PLOs</b>	Public Liaison Officers
<b>PMC</b>	Provincial Management Committee
<b>PMDMC</b>	Performance Management and Development Moderating Committee
<b>PMDS</b>	Performance Management and Development System
<b>PMDP</b>	Performance management Development Plan
<b>PRIME</b>	Planning, Research, Information, Monitoring and Evaluations
<b>PPOA</b>	Provincial Programme of Action
<b>PPP</b>	Public Private Partnership
<b>PPOA</b>	Provincial Programme of Action
<b>PSCBC</b>	Public Service Co-ordinating Bargaining Council
<b>PSDF</b>	Provincial Spatial Development Plan
<b>PSETA</b>	Public Sector Education and Training Authority
<b>QPR</b>	Quarterly Performance Report
<b>SALGA</b>	South African Local Government Association
<b>SARS</b>	South African Revenue Services
<b>SAQA</b>	South African Qualification Authority
<b>SCM</b>	Supply Chain Management
<b>SDF</b>	Spatial Development Framework
<b>SITA</b>	State Information and Technology Agency
<b>SMS</b>	Senior Management Services
<b>SONA</b>	State of the Nation Address
<b>SOPA</b>	State of the Province Address
<b>SSA</b>	State Security Agency



<b>STI</b>	Sexually Transmitted Infection
<b>SA</b>	South Africa
<b>STATSSA</b>	Statistic South Africa
<b>QMP</b>	Quarterly Monthly Programme
<b>QPR</b>	Quarterly Performance Report



Mr David Mabuza  
Premier: Mpumalanga Province

### 3. FOREWORD BY THE PREMIER

The ANC declared 2016 as the year of advancing people's power. Democracy is one of the collective concept for people's power. It is important to note that public accountability is one of the key tenets of a democratic government. This 2016/17 Annual Report is presented to the electorate as the accountability instrument by means of which the Office of the Premier of Mpumalanga accounts on its performance in line with the 2016/17 Financial Year priorities that were articulated in the Annual Performance Plan (APP). This report is therefore how the Office of the Premier closes the year of advancing people's power (2016/17), which laid a solid foundation for marching into the Year of Oliver Reginald Tambo (2017/18) as declared by the African National Congress (ANC) when giving us as its deployees, marching orders during the annual January celebrations.

As one of the achievements, during this year of advancing peoples power, the Office of the Premier initiated a process of conceptualising a well-co-ordinated business model for cooperatives. This is in tandem with the ANC's resolve to use state leverage for economic empowerment of our people in general and the rural masses in particular, who are in the receiving end of joblessness and poverty.

As much as mass mobilisation has been the lifeblood of our struggle, we are of the view that the same approach of mass mobilisation is equally important in promoting the ideals of a responsive government, thus the Office of the Premier successfully developed a path for sector base mass mobilisation through developing the following instruments as an important policy framework:

- The Provincial Youth Development Programme of Action (PYDPOA)
- Development of the 2016-2019 Provincial Integrated Implementation plan for Older Person, this will help the province to actualise the dictates of the South African Older Persons Act Number 13 of 2006, in relation to the plight of the elderly as an important sector of our society.

The Office of the Premier also continued to ensure integrated Provincial Planning through ensuring alignment of Provincial Departments' plans to Provincial Priorities by analysing and advising departments accordingly, where necessary. Alignment of Municipalities' Integrated Development Plans (IDPs) was also assessed in this regard.

Good Plans without implementation and monitoring thereof are as good as something that never existed. In this regard, the Office of the Premier fulfilled its mandate on monitoring government performance which has been done through:

- The use of frameworks like the Management Performance Assessment Tool (MPAT) which helps to provide the dashboard picture of government in the 4 key pillars of governance i.e. Strategic Management; Governance, Human Resources as well as Financial Management practices.



- The monitoring of the Provincial Government performance in the areas of project monitoring of community based initiatives like construction of ECDs, Farmer's incubation projects in the form of fortune 40 projects, Implementation of the Provincial Strategic Plan for HIV, AIDS, STIs and TB.
- Monitoring of implementation of the Service Delivery Improvement plans by the 11 Provincial Departments and the Office of the Premier.
- Reviewing and monitoring the implementation of the Provincial Research Policy Framework, which in the long run will help complete the framework on evidence based decision making in the Province.

All the above mentioned achievements were made possible through maintaining the functional state of intergovernmental structures like the EXCO, PMC, PCF and their respective Makgotla, co-ordination of which is housed in the Office of the Premier.

Despite the achievements reported above, we must admit that we were affected by the vacancy rate, hence we had challenges in achieving the following planned targets for 2016/17:

- Development of an Integrated Security Master Plan, which was supposed to help the Province to instil Integrated Security Management to greater heights.
- Review the Provincial Evaluation Plan and also helping Provincial Departments to conduct Programme evaluations which could have assisted in identifying programme implementation gaps and ultimately come-up with recommendations for improvements.
- Establishment of a Youth Development War Room.

My appreciation is hereby expressed to the dedication of EXCO, PMC, the Director General (DG) and the entire staff in the Office of the Premier for in particular and the Provincial Government in general, in ensuring that we are able to effectively and efficiently execute our mandate.

---

**Hon DD Mabuza (MPL)**  
**Premier: Mpumalanga Province**  
**Date: \_\_\_\_\_**



**Mr Thulani Mdakane**  
 Director-General: Office of the Premier

## 4. REPORT OF THE ACCOUNTING OFFICER

### 4.1. Overview of the operations of the department:

The Annual Report gives an account of the performance of the Office of the Premier in giving necessary support to the Premier in his capacity as the Executive Authority of the Office and the Political Head of the Provincial Government. The mandate of the Office is well captured through the targets expressed in the 2016/17 APP.

Over and above the targets and goals expressed in the APP, the Office of the Premier undertook a strategic planning process which was necessary as an introspection to identify areas of excellence and areas of improvements in executing its mandate. Some of the key critical success areas of improvement in this regard, like the Long Term Planning practice, were expressed in the 2017/18 Annual Performance Plan whilst the rest are a work in progress that will be rolled out in subsequent financial years.

The Office of the Premier will continue to assess its relevance in relation to its mandate and the provincial service delivery environment in general, so as to effectively improve service delivery outcomes and provide thought leadership that will ultimately impact the lives of the people of Mpumalanga in a very positive manner through:

- Providing strategic leadership to the intergovernmental coordination structures;
- Providing Institutional Development and Provincial transversal corporate services
- Providing Integrated Macro Policy and Governance co-ordination.

During the financial year 2016/17 the Office of the Premier, achieved an average of 82% of its planned targets in the APP. It also spent 99.6% of the adjusted appropriation for the financial year.

### 4.2. Overview of the financial results of the department:

#### 4.2.1. Departmental receipts:

Departmental receipts	2016/2017			2015/2016		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual-Amount Collected	(Over)/Under Collection Error! Bookmark not defined.
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-



Departmental receipts	2016/2017			2015/2016		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual-Amount Collected	(Over)/Under Collection Error! Bookmark not defined.
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	203	194	9	220	185	64
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	262	579	(317)	336	379	(169)
Sale of capital assets	-	284	(284)	215	333	(118)
Financial transactions in assets and liabilities	15	21	(6)	15	64	(49)
<b>Total</b>	<b>480</b>	<b>1078</b>	<b>(598)</b>	<b>78</b>	<b>961</b>	<b>(175)</b>

The Office of the Premier collected a total revenue of **R1 078 000,00** against projected revenue estimates of **R480 000,00**. This resulted in the over collection of revenue by an amount of **R598 000,00** in the 2016/2017 financial year.

#### 4.2.2. Programme Expenditure

Programme Name	2016/2017			2015/2016		
	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	135 385	135 353	32	124 284	124 043	241
Institutional Development	80 171	79 334	837	86 149	84 659	490
Policy and Governance	47 515	47 214	301	57 216	52 691	4 525
<b>Total</b>	<b>263 071</b>	<b>261 901</b>	<b>1 170</b>	<b>26 7649</b>	<b>262 393</b>	<b>5 256</b>

The Office of the Premier spent the amount of **R261 901 000,00** which is 99.6% of the adjusted appropriation budget of **R263 071 000,00** in the 2016/17 financial year. The Office underspent by 0.4%, which is within the acceptable threshold of 2%. The under expenditure, under goods and services occurred as a result of refunds received from departments for overseas assignments. There were 90 planned targets during the year under review and 75 of these planned targets were achieved, which represents an 83% achievement.

#### 4.2.3. Virements/roll overs

- There were no rollovers granted for the 2016/17 financial year.
- Virements were done in terms of section 43 of the PFMA, to defray excess expenditure incurred under Programme.





#### 4.2.4. Reason for the virement

- Programme 1: Administration was projecting an over expenditure of **R8 350 000,00** which is equivalent to 6,6% and savings were identified under Programme 2: Institutional Development of **R4 939 000,00** which is 5.8% and Programme 3: Policy and Governance, of **R3 411 000,00** which is a 6.7% savings respectively
- The total amount transferred from Programme 2: Instructional Development and Programme 3: Policy and Governance was equal to **R8 350 000,00** to defray the over-expenditure in Programme 1: Administration under goods and services and the payment for capital payments as a result of payment made towards litigation.

#### 4.2.5. Future plans of the Office of the Premier

- Co-ordinate the establishment of a Project Management Unit to ensure that big ticket infrastructure projects in the Province are rolled out as planned;
- Establish an institutional co-ordinating structure to monitor the implementation of the recommendations of the Farm Dwellers Commission (PoA);
- Facilitate the establishment of a Provincial Planning Commission (PPC) as part of institutionalizing long term planning in the Province. The Commission will bring together practical, academic and technical expertise and experience from across the sectors as a means to ensure that there is an upward socio economic trajectory for the Province based on sound evidence and specialist advice;
- Strengthen international partnerships by forging strategic relations with international partners in order to support the Provincial agenda for development through investment in the Provincial economy and by formalizing the establishment of a Joint Implementation Committee to tighten coordination;
- The Office will facilitate the roll-out of the implementation of the developed new model to reconfigure regional services in order to improve service delivery and curtail costs.
- Investigate opportunities and partnerships in the ICT sector that will move the Province closer to e-government business processes, including utilization of the Vodacom Smart Citizen Solutions, thus making Mpumalanga a smart Province.
- Strengthen monitoring and evaluation in the Province through the institutionalization of the implementation of the Provincial Planning, Research, Information, Monitoring and Evaluation (PRIME);

#### 4.2.6. Public Private Partnerships

The Office of the Premier is currently not engaged in any Public Private Partnerships (PPP).



#### **4.2.7. Discontinued activities/ activities to be discontinued**

- The target to rollout the implementation of OVS was transferred to COGTA during the budget adjustment processes in November 2016.
- The Office of the Premier discontinued hosting the Premier's Service Excellence Awards due to budgetary constraints.

#### **4.2.8. New or proposed activities**

- There were no new or proposed activities during the period under review.

#### **4.2.9. Supply Chain Management**

No unsolicited bid proposals were received or concluded during the year under review.

- Procurement of goods and services is done in accordance with the threshold values prescribed by the National Treasury.
- Procurement delegations are implemented and monitored regularly.
- The invitation of competitive bids for threshold values above R500 000 is implemented consistently to ensure that equal opportunity is afforded to all suppliers wishing to compete.
- Deviations from normal procurement processes (procurement without inviting competitive bids) are justified and substantiated, approved by the Accounting Officer, recorded and reported to both the Provincial Treasury and the Auditor-General.
- Due diligence is exercised when checking the completeness of the SBD 4 forms, to ensure that service providers declare their interests and verify the Identity Numbers of the directors on the PERSAL system.
- The VAT registration status of suppliers is verified on the SARS website to ensure that the status is active before any awards are made.
- Systems to ensure the proper safekeeping and management of contract records are in place and ensure that awards are made in accordance with the requirements of SCM legislation and prescripts.
- Implementation and monitoring of the Supply Chain Management compliance checklists to ensure compliance with relevant prescripts.



#### 4.2.10. Challenges experienced in SCM and how they were resolved

NO	CHALLENGES	ACTION TAKEN TO RESOLVE CHALLENGES
1	Goods and services with a transaction value of less than <b>R500 000,00</b> were not procured through competitive bidding processes	A Supply Chain Management compliance checklist was developed
2	No disposal committee in place to deal with the disposal of moveable assets.	Disposal Committee has been appointed

#### 4.2.11. Gifts and donations received in kind from non-related parties

The Office of the Premier did not receive any gifts or donations.

#### 4.2.12. Exemptions and deviations received in kind from the National Treasury

The Office of the Premier did not receive any exemptions or deviations from the National Treasury.

#### 4.2.13. Events after the reporting date

No events took place after the reporting period.

#### 4.2.14. Other

There are no material facts or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this Report.

#### 4.2.15. Acknowledgement/s or Appreciation

The Office of the Premier acknowledges the role of relevant oversight institutions and particularly the respective committees of the Provincial Legislature and the Provincial Treasury, as well as its Audit Committee. The professional work ethic, support and commitment of the staff of the Office of the Premier are highly appreciated.



#### **4.2.16. Conclusion**

I would like to take this opportunity to express my word of appreciation to all staff in the Office of the Premier for the work undertaken in the interests of better service delivery for South Africans in general and the citizens of the Mpumalanga Province in particular.

\_\_\_\_\_  
**MR. AT MDAKANE**  
**DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA**  
**DATE: \_\_\_\_\_**



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

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

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Office of the Premier for the financial year ended 31 March 2017.

Yours faithfully

\_\_\_\_\_  
**MR. AT MDAKANE**  
**DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA**  
DATE: \_\_\_\_\_



## **6. STRATEGIC OVERVIEW**

### **6.1 Vision**

A strategic centre of excellence for effective and efficient governance.

### **6.2 Mission**

Provide strategic direction and support evidence based decision making through research, monitoring and evaluation, integrated planning, co-ordination of Government programmes and institutional development.

### **6.3 Values**

The Office of the Premier is guided in executing its mandate by the following values:

- Integrity
- Professionalism
- Competence
- Innovation
- Punctuality
- Accountability
- Responsiveness
- Diligence



## 7. LEGISLATIVE AND OTHER MANDATES

There have been no significant changes to the Office of the Premier's legislative mandates.

### 7.1. Constitutional Mandates

The Office of the Premier derives its constitutional mandates primarily from the provisions of the Constitution, 1996. Section 125(2) of the Constitution, 1996, mandates the Office of the Premier to, among others:

- Implement Provincial legislation in the Province;
- Implement all National legislation within the functional areas of Schedules 4 and 5;
- Administer in the Province, National legislation outside the functional areas of Schedules 4 and 5;
- Develop and implement Provincial policies; and
- Co-ordinate the functions of the Provincial Administration.

### 7.2. Legislative Mandates

There have been no significant changes to the Office of the Premier's legislative mandates. There is sufficient capacity within the Office of the Premier to ensure compliance with all legal responsibilities that relate to its mandate.

The Office of the Premier derives its legislative mandates primarily from the following pieces of legislation:

- **Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);**

This Act gives effect to the Constitutional right of access to any information held by Government and which is required for the exercise or protection of any rights;

- **Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);**

This Act gives effect to the right to administrative action that is lawful, non-discriminatory and procedurally reasonable and fair;



- **Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000);**  
This Act gives effect to section 9 of the Constitution so as to prevent and prohibit unfair discrimination and harassment and to promote equality and eliminate unfair discrimination;
- **Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005);**  
This Act establishes a framework for the National Government, Provincial Government and Local Government to promote and facilitate intergovernmental relations and also provides for mechanisms and procedures to facilitate the settlement of intergovernmental disputes;
- **Public Finance Management Act, 1999 (Act No. 1 of 1999);**  
This Act regulates financial management in the National Government and Provincial Governments in order to ensure that all Government revenue, expenditure, assets and liabilities are managed efficiently and effectively;
- **Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);**  
This Act gives effect to section 217(3) of the Constitution by providing a framework for the implementation of Government's procurement policy as contemplated in section 217(2) of the Constitution;
- **Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);**  
This Act establishes a legislative framework for the promotion of Black Economic Empowerment;
- **Division of Revenue Act (annually);**  
To annually provide for the equitable division of revenue raised among the National, Provincial and Local Spheres of Government;
- **Public Service Act, 1994 (Proclamation No. 103 of 1994);**  
This Act provides for the organisation and administration of the Public Service of the Republic of South Africa;
- **Labour Relations Act, 1995 (Act No. 66 of 1995);**  
This Act gives effect to section 27 of the Constitution and seeks to regulate the organisational rights of trade unions and to promote and facilitate collective bargaining;
- **Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);**  
This Act gives effect to the right to fair labour practices referred to in section 23(1) of the Constitution;
- **Employment Equity Act, 1998 (Act No. 55 of 1998);**





This Act provides for equity in all levels and categories of employment;

- **Protected Disclosures Act, 2000 (Act No. 26 of 2000);**

This Act provides for procedures in terms of which employees in both the private and the public sector may disclose information regarding unlawful or irregular conduct to their employers and also provides for the protection of such employees;

- **Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004);**

This Act provides for the strengthening of measures to prevent and combat corruption and corrupt activities;

- **State Information Technology Agency Act, 1998 (Act No. 88 of 1998);**

This Act establishes a company responsible for the provision of information technology services to the Public Administration;

- **Public Administration Management Act, 2014 (Act No. 11 of 2014)**

This Act seeks to promote the basic values and principles governing the public administration referred to in section 195(1) of the Constitution.

### 7.3 Policy Mandates

The Office of the Premier, in fulfilling its role within the Provincial Government, takes into account various National and Provincial policy mandates, in particular the following:

- The annual **State of the Nation Address** (SONA) - the Office of the Premier ensures implementation and monitoring of the policy direction stated in the SONA;
- The annual **State of the Province Address** (SOPA) - the Office of the Premier ensures implementation and monitoring of SOPA;
- The annual Premier's **Budget and Policy Speech**;
- The National and the Provincial **Medium Term Strategic Framework** (MTSF) 2014-2019 Priorities – the Office of the Premier ensures implementation and monitoring of MTSF;



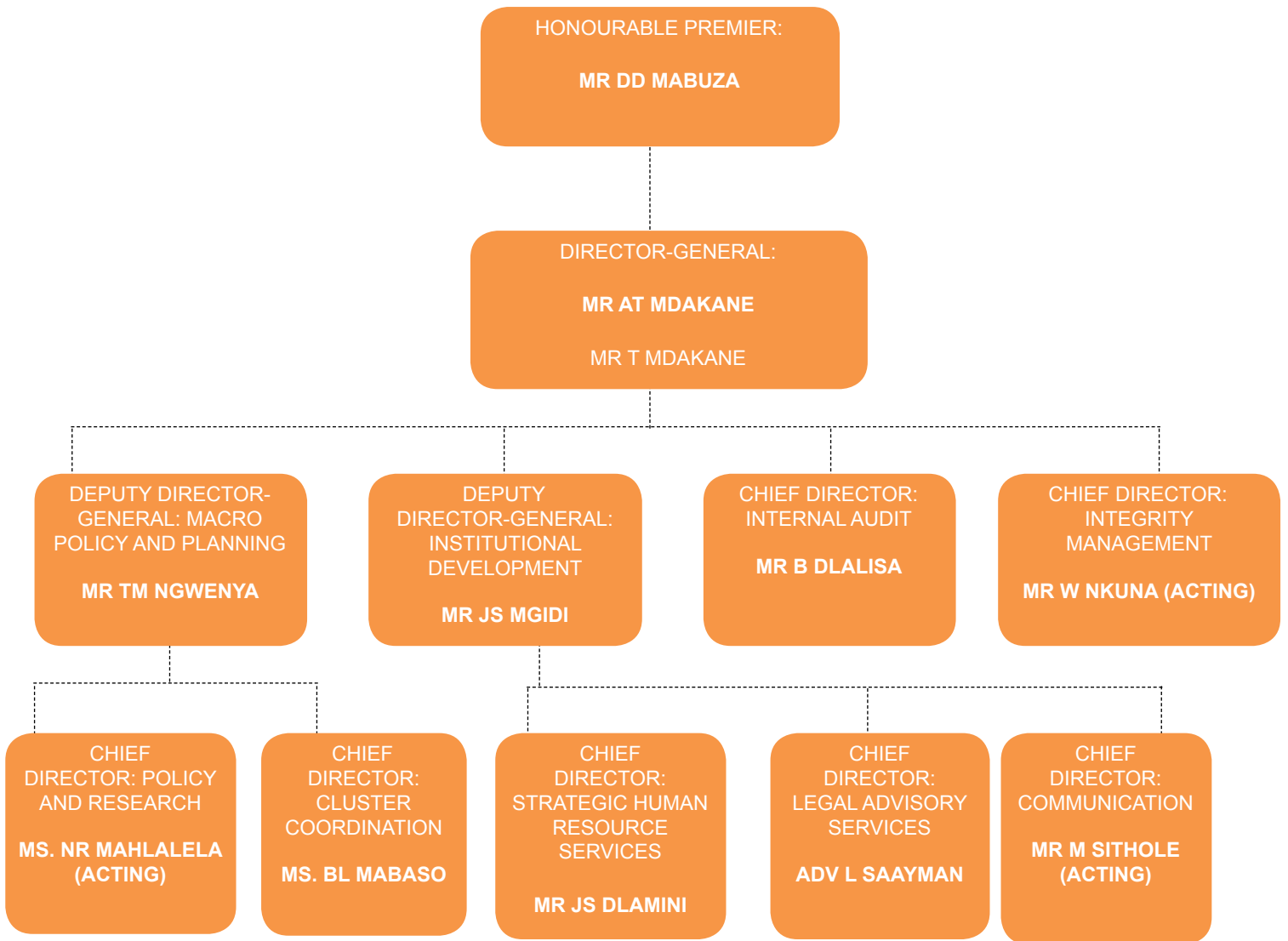
- The ***National Strategic Framework of the Department for Women, Children and People with Disabilities***;
- Specific National Policy Frameworks on Gender and Women's Empowerment, Disability and Children;
- National Strategic Plan (NSP) for ***HIV and AIDS, TB and STIs*** 2012–2016;
- The White Paper on the ***Transformation of the Public Service*** (1995);
- The White Paper on ***Public Service Training and Education*** (1997);
- The White Paper on a ***New Employment Policy for the Public Service*** (1997);
- The ***National Youth Policy*** (2015-2020) of the National Youth Development Agency;
- Policy Frameworks of the ***National Department of Public Service and Administration on Gender Equality, Disability and Youth in the Public Service***;
- White Paper on the ***Rights of Persons with Disabilities***, 2016;
- ***National Development Plan*** (2012);
- ***Mpumalanga Vision 2030 Strategic Implementation Framework*** (2013-2030)
- The Policy Framework for ***Government Wide Monitoring and Evaluation*** (2007);
- The Framework for ***Strategic Plan and Annual Performance Plans*** (2010);
- The National Treasury ***Framework for Managing Programme Performance Information*** (2007);
- The Green Paper on ***National Performance Management*** (2009);
- The ***National Evaluation Policy Framework***
- Electronic Communication Act:



- National Integrated ICT Policy White Paper



## 8. ORGANISATIONAL STRUCTURE





## **9. ENTITIES REPORTING TO THE OFFICE OF THE PREMIER**

There are no entities reporting to the Office of the Premier.

**PART B: PERFORMANCE INFORMATION**



**Mpumalanga Provincial Aids Council sitting.**



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

## **2. OVERVIEW OF DEPARTMENTAL PERFORMANCE**

### **2.1 Service Delivery Environment**

The National Development Plan as localised through the Mpumalanga Vision 2030 Strategic Implementation Framework; the PFMA and the White Paper on Transforming Public Service Delivery 1997 (Batho Pele) the Batho Pele Revitalization Strategy and the Public Service Regulations, 2016 are the key instruments shaping the Service Delivery Environment of the Office of the Premier. In addition to those frameworks and legislation, other policy mandates such as the National Strategic Outcomes approach based on Outcome 11 and Outcome 12, are also adhered to.

The core deliverables of the Office of the Premier include executing the following Programmes:

- Integrated planning;
- Monitoring and Evaluation;
- Institutional Transformation; and
- Strengthening the co-ordination of prioritised Provincial Programmes.

### **2.2 Service Delivery Improvement Plan**

The Office has completed a service delivery improvement plan. The tables below highlight the main services and standards enumerated in the SDIP and the achievements to date.



**Main services and standards**

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Effective and efficient implementation of performance management system in the Mpumalanga Provincial Government	Sector Departments and the Office of the Premier Provincial Departmental PMDS Co-ordinators	11 Departments and the Office of the Premier performance management systems statistics consolidated quarterly	Consolidate statistics quarterly on 11 Departments and the Office of the Premier performance management systems	11 Departments and the Office of the Premier performance management systems statistics consolidated quarterly
Co-ordinate the monitoring and evaluation of the performance of Provincial Government structures and its strategic partnerships for public service delivery, social development and economic growth	Sector Departments  PMC / EXCO	11 Departments and the Office of the Premier performance reports consolidated quarterly	11 Departments and the Office of the Premier performance reports commented on quarterly	11 Departments and the Office of the Premier performance reports consolidated quarterly

**Batho Pele arrangements with beneficiaries (Consultation access etc.)**

Current/actual arrangements	Desired arrangements	Actual achievements
Co-ordinate, workshop and monitor 11 Departments and the Office of the Premier, and 12 Municipalities on Batho Pele Change Management Engagement Programme	Capacitate 11 Departments and the Office of the Premier, and 12 Municipalities on Batho Pele Change Management Engagement Programme	11 Departments and the Office of the Premier, and 12 Municipalities were capacitated on Batho Pele Change Management Engagement Programme
Co-ordinate and review Service Standards in 11 Departments and the Office of the Premier and 12 Municipalities	Credible Service Standards for 11 Departments and the Office of the Premier and 12 Municipalities	Co-ordinated and reviewed service standards in 11 Departments and the Office of the Premier and 12 municipalities
Co-ordinate the submission of quarterly reports on the Implementation of SDIPs (2015-2018) for 11 Departments and Office of the Premier	Consolidate 11 Departments and the Office of the Premier quarterly reports on the implementation of SDIPs (2015 – 2018)	11 Departments and the Office of the Premier quarterly reports consolidated on the implementation of SDIPs (2015 – 2018)





### ***Service delivery information tool***

<b>Current/actual information tools</b>	<b>Desired information tools</b>	<b>Actual achievements</b>
Reports	Reports	Khaedu deployment reports Annual Report and APSD reports
Press release	Press release	EXCO Statements

### ***Complaints mechanism***

<b>Current/actual complaints mechanism</b>	<b>Desired complaints mechanism</b>	<b>Actual achievements</b>
Complaints Mechanism	Align complaints policy with the National complaints mechanism Policy and establishment of the Departmental Complaints Committee	Consulted with DPSA

## **2.3 Organisational environment**

The core mandate of the Office of the Premier is to co-ordinate Government in the Province, at both Provincial and Municipal level. Thus the starting point in assessing the Office of the Premier's effectiveness is to determine how competent it was to co-ordinate intergovernmental structures. In this regard, it must be mentioned that the Office of the Premier co-ordinated 16 EXCO meetings, 2 EXCO Makgotla, 2 PMC Makgotla, 4 sittings of the PCF as well as 8 Budget and Finance Committee meetings.

Positive results stemming from the functionality of intergovernmental structures resulted in key decisions being taken to improve the lives of communities. For example the State machinery was seen conducting performance monitoring deliberately targeting service delivery sites.

Important recommendations were made for the PMC and PCF technical Committees to advise EXCO and PCF on the most appropriate course of action to be taken so as to improve Government's intervention in bettering the lives of the citizens of the Province.

Being an institution that operates within a political environment, the Office of the Premier cannot avoid scrutiny in as far as its performance with regards to compliance to policy dictates on issues of target groups are concerned. The Office of the Premier encountered challenges in meeting the target of achieving 50 percent representation of women in SMS positions and that of completing and finalising 100% of alleged fraud and corruption cases investigated within 90 days.



## 2.4 Key policy developments and legislative changes

There were no policy developments or legislative changes that affected the operations of the Office of the Premier during the period under review.

## 3. STRATEGIC OUTCOME ORIENTED GOALS

The Office of the Premier is directly responsible for the implementation of Outcomes 11 and 12 namely:

**Outcome 11:** Creating a better South Africa and contributing to a better and safer Africa in a better World.

Presented in the table below is the 2016/17 target for this outcome:

SUB-OUTCOMES	KEY ACTIVITIES
A sustainable, developed and economically integrated Africa	International partnerships monitored in line with Provincial priorities and the signed MOUs

**Outcome 12:** An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Presented in the table below is the 2016/17 targets for this outcome:

SUB-OUTCOMES	KEY ACTIVITIES
A stable political-administrative interface	Finalise all disciplinary processes within 90 days
	Mainstream target groups into Government Programmes and Projects
Increased responsiveness of public servants and accountability to citizens	Co-ordinate the development and review of Service Standards in all Departments and Municipalities
	Monitor the implementation of site improvement plans at identified frontline service delivery sites
	Visit and assess 16 frontline service delivery sites and facilitate the development of improvement plans.
	Roll-out MPAT cycle 1.6 with 11 Provincial Departments and the Office of the Premier and facilitate the development of improvement plans
Improved inter-departmental co-ordination	Provide technical support and advice on macro policies to Cluster Committees



SUB-OUTCOMES	KEY ACTIVITIES
Improved mechanisms to promote ethical behaviour in the public service	100% financial disclosures for HODs and SMS members electronically submitted within the prescribed period
	Anti-Corruption Awareness Campaigns on Anti-Corruption Strategy and National Whistleblowing Policy conducted in 4 Departments and to citizens in 3 District Municipalities
	Investigation on reported cases of alleged fraud and corruption are monitored and status reports compiled on monthly basis
	Vetting of officials in prioritized offices



## 4. PERFORMANCE INFORMATION BY PROGRAMME

### 4.1 Programme 1: Administration

The Programme is responsible for performing appropriate and effective co-ordinating and monitoring functions as they relate to administrative and strategic matters, both within the Office of the Premier and across the Provincial Government as well as the local sphere of government.

***Programme 1 consists of the following Sub-Programmes:***

- Premier Support;
- Director-General Support;
- Executive Council Support; and
- Financial Management.

***Programme 1 is mainly responsible for the following strategic objectives:***

- To provide enhanced administrative and operational support services to the Premier, Members of the Executive Council and the Director-General of the Mpumalanga Province by 2020.
- To promote and strengthen good corporate governance within the Office of the Premier and provide strategic leadership and co-ordination for good governance practices across 11 Departments and the Office of the Premier, 20 Municipalities and 3 Public Entities by 2020.
- To provide strategic planning and programme performance management support by facilitating the annual implementation of the Provincial Planning Cycle and co-ordinating and quarterly reporting on programme performance and compliance.
- To improve the supply chain, financial management and internal audit functions of the Office of the Premier as well as streamline, and professionalize associated administrative processes and services.

***Strategic objectives, performance indicators, planned targets and actual achievements***

Programme 1: Administration is key to achieving the Office of the Premier's strategic objective of promoting and strengthening good corporate governance within the Office of the Premier and providing strategic leadership and co-ordination for good governance practices across 11 Provincial Departments and the



Office of the premier, 20 Municipalities and 3 Public Entities by 2020.

In this regard, the Programme was able to compile four performance status reports on key intergovernmental structures such as the PMC meetings to support EXCO meetings, PMC Makgotla and to support and provide technical backup to the EXCO Makgotla with an overall objective of an improved inter-departmental co-ordination as spelled out in the National Development Plan and outcome 12.

In the spirit of creating a safe environment for service delivery through a centralized security management system in the 11 Provincial Departments as well as the Office of the Premier, the Office of the Premier was able to monitor the security Management function in the 11 Provincial Government Departments.

The Office managed to live up to the expectations of good governance by ensuring that 100% of verified invoices are paid within 30 days. It also eliminated possibilities of “ghost employees” through regular verification of payroll. The exercises on the Risk Management and Fraud Prevention function has been closely monitored at the departmental Executive Management level and 4 status reports were developed in this regard.



**Strategic objectives, performance indicators, planned targets and actual achievements**

Programme / Sub-programme: Premier Support									
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations	
Provide improved EXCO secretariat and protocol services by 2020	Number of SOPA Speeches delivered	-	Delivered the State of the Province Address (SOPA)	1 State of the Province Address (SOPA) delivered as planned	Deliver the State of the Province Address	<b>Achieved 1</b> State of the Province Address delivered	None	None	
	Number of monitoring reports on the	-	New target	The Commission on Farm Dwellers was established Administrative support was provided in 11 meetings and 10 public hearings to farm communities. A report on the finding was compiled.	Monitor the implementation of the resolutions of the Commission that will look into the conditions of farm dwellers and produce four reports	<b>Not Achieved</b> However the approach to guide Provincial Departments on rolling out the implementation has been determined	Monitoring of Provincial Departments' implementation of the findings of the Commission on Farm Dwellers not undertaken as planned	Monitoring of implementation of the resolutions of the Commission on Farm Dwellers will be rolled-out after the workshop planned to take place during the first quarter of 2017/18	
	Number of sector fora established	-	New target	One Mining Sector Forum was established	Facilitate the establishment of six sector fora (mining, forestry, agriculture, business sector, tourism and manufacturing and engineering)	<b>Not Achieved</b> However the Executive Authority's interaction with sectors is facilitated when the required	Sector Fora (mining, forestry, agriculture, business sector, tourism and manufacturing and engineering) not established	The target has been discontinued from the APP. The Executive Authority interacts with sectors within the broader scope of his/her interaction with constituency sectors	



Director-General Support		Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Strategic objectives	Provide improved Cabinet secretariat and protocol services by 2020	Number of meetings held in line with the Office of the Premier coordination plan	15 EMC meetings held	2 EMC meetings held	2 EMC meetings held	Monitor performance and compliance through the co-ordination of 12 EMC and 4 MANCOM meetings	<b>Not achieved</b> However, 12 EMC and 2 MANCOM meetings were held	2 MANCOM meetings could not be held due to the unavailability of key stakeholders	A schedule of meetings has been developed and will be adhered to.
			4 MANCOM meetings were co-ordinated	6 MANCOM meetings held	4 MANCOM meetings held as planned				



Planning and Programme Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved co-operative and corporate governance by 2020	Credible Annual Performance Plan developed and submitted to the Provincial Legislature within the prescribed period	Office of the Premier APP for 2014/15 developed and submitted to the Provincial Legislature	Approved Office of the Premier 5 Year Strategic Plan and APP for 2015/16	APP for 2016/17 developed and submitted to the Provincial Legislature as per the plan	Approved OTP APP for 2017/18 developed and submitted to the Legislature and Provincial Treasury	<b>Achieved</b> Approved Office of the Premier APP for 2017/18 developed and submitted to the Legislature and Provincial Treasury	None	None
	Number of performance reports developed	Four 2013/14 quarterly performance and 2012/13 Annual reports developed	Four 2014/15 Quarterly Reports and 2013/14 Annual Performance Reports developed	Fourth Quarter report for 2014/15/ and 3 quarterly reports for 2015/16 developed and the 2014/15 Annual Report was developed and tabled in the Provincial Legislature	One 2015/16 and three 2016/17 Quarterly performance reports developed	<b>Achieved</b> One 2015/16 and three 2016/17 Quarterly performance reports developed	None	None





Security Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved co-operative and corporate governance by 2020	Number of monitoring reports submitted	1 monitoring report developed	Monitored Security Management function in 10 Provincial Departments as well as the OTP	Monitored Security Management function in 11 Provincial Departments as well as the OTP	Monitor Security Management function in all Provincial Departments including OTP and produce quarterly reports	<b>Achieved</b> Security Management function monitored as planned	None	None
	Percentage of officials vetted	Conduct vetting 17 of prioritized Government officials	Conducted 72 vetting on 100% of officials in sensitive or classified areas received from SSA (Supply Chain Management, BID Committee members, MECs, HODs and DDG's support staff)	72 files were received from SSA. 100% (72) of officials vetted as per the plan	Conduct vetting field work investigation on 100% files of prioritized officials as received from SSA (Supply Chain Management, Bid Committee members, MECs, HODs and DDG's support staff).	<b>Achieved</b> Vetting on 100% (51) of files received from the SSA of officials in sensitive or classified areas conducted	None	None
	Number of security awareness workshops co-ordinated	-	3 security workshops co-ordinated	4 security awareness workshops co-ordinated within the Office of the Premier	Co-ordinate 4 security awareness workshops for all officials within the Office of the Premier	<b>Achieved</b> 4 Security workshops coordinated	None	None



Internal Audit		Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/17	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Strategic objectives	Provide improved co-operative and corporate governance by 2020	Number of Assurance Audit reports issued	New target	52 Internal Audit assignments completed in the 5 Cluster Departments	70 Internal Audit assignments completed in 5 Cluster Departments	65	<b>Achieved</b> 71 audit reports issued	6 additional reports are follow-up reviews	None
		Number of Audit Committee meetings held	6 Audit Committee meetings coordinated.	4 Audit Committee meetings coordinated	4 Audit Committee meetings held	30	<b>Achieved</b> 45 audit committee meetings held	5 meetings were carried forward from the 2015/16 Financial Year and the others were special meetings held for the purposes of inducting new members	None



Forensic and Integrity Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved co-operative and corporate governance by 2020	% of cases finalized within 90 days	60% of cases finalized (699 out of 1029 reported cases)	Out of 454 cases received 129 were investigated and finalized, being 28.55%	7 new cases were received in the financial year, 4 were resolved; i.e. $4/7 \times 100 = 4.59\%$	Alleged fraud and corruption cases investigated and 12 status reports produced	<b>Achieved</b> 12 status reports produced on 120 finalized cases	None	None
	Number of reports on litigation co-ordinated	-	-	There were 285 cases at the beginning of the financial year. 130 cases were finalized; i.e. $130/285 \times 100 = 45.6\%$	Co-ordinate litigation as per request, by and on behalf of clients and produce four report	<b>Achieved</b> 4 report produced on 21 finalized pieces of litigations.	None	None
	% of calls from Presidential Hotline resolved	-	82.55% of complaints were resolved	83.80% of the 3520 calls received in the financial year were resolved	100% calls from the Presidential Hotline resolved	<b>Not achieved</b> However, 90.74% of the calls were resolved	Departments do not have PLO'S as they were transferred to other units. PLO's in municipalities still do not have the adequate resource	Meetings and letters will be sent out to various Departments and Municipalities. PLO forum will be convened in the 1 <sup>st</sup> quarter of 2017/18 Financial Year



Forensic and Integrity Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved co-operative and corporate governance by 2020		Anti-corruption awareness workshops co-ordinated in 3 District Municipalities and Provincial Departments	Anti-corruption strategy implemented through 17 Anti-Corruption awareness workshop/ training	10 awareness workshops/ training conducted in: 2x Nkangala DM 1x Ehlanzeni DM 1x Gert Sibande DM 2x Thaba Chweu 1x Mkhondo 1x Chief Albert Lithuli 1x Mbombela	16 Anti-Corruption Awareness Workshops / training on Anti-Corruption Strategy and National Whistle blowing Policy conducted in 4 Departments and to citizens in 3 District Municipalities	<b>Achieved</b> 19 Awareness workshops / trainings in departments and municipalities conducted and supported	More requests received to conduct 3 additional workshops	None
	Signed pledge on anti-corruption initiatives	Capacitate Departments and Municipalities to implement Provincial Anti-Corruption Strategy	Provincial Anti-Corruption Strategy implemented by Departments and Municipalities	Review Provincial Anti-Corruption Strategy	Launch of the Provincial Anti-Corruption Strategy	<b>Not achieved</b>	The process was put on hold to allow the National process by DPME of developing the new National Anti-Corruption Strategy (NACS) for South Africa (SA) which may have a bearing on public as well as private sector Anti-Corruption Strategies	Processes will be initiated once the National Anti-Corruption Strategy (NACS) is completed



Programme / Sub-programme: Protocol Services								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved cooperative and corporate governance by 2020	Number of workshops conducted	4 workshops on protocol and use of National symbols conducted	4 workshops on protocol and use of National symbols conducted in the three District Municipalities, 11 Provincial Departments and the Office of the Premier	Provided 100% protocol services (84 events) requested as per the plan	4 workshops on Protocol and the Use and Management of National Symbols conducted in the three District Municipalities and 11 Provincial Departments and the Office of the Premier	<b>Achieved</b> 4 workshops on Protocol and the Use and Management of National Symbols in Provincial Departments conducted	None	None
	% of Protocol services provided	New target	New target	Provided 100% protocol services (84 events) requested as per the plan	Protocol services provided to 100% EXCO Outreach, EXCO Makgotla, PCF, SOPA, National and Provincial events involving the Premier and Dignitaries	<b>Achieved</b> 100% (83) Protocol Services rendered to EXCO Outreach, EXCO Makgotla, PCF, SOPA, National and Provincial events involving the Premier and Dignitaries	None	None



Executive Council Support								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved EXCO secretariat and protocol services	Number of reports on the Provincial EXCO and Intergovernmental Co-ordination meetings co-ordinated	Co-ordinated 17 EXCO meetings, 28 PMC, 8 Budget and Finance Committee meetings, 9 PCF, 2 PMC Makgotla, and 2 EXCO Makgotla	Achieved	Provincial EXCO and Provincial Intergovernmental Co-ordination Plan (EXCO, PMC, PCF, Technical PCF, Budget and Finance meetings, PMC and EXCO Makgotla) developed and implemented as planned	Provide technical and secretarial support through the co-ordination of EXCO, EXCO Makgotla, PMC, PMC Makgotla, PCF, Technical PCF and Budget and Finance Committee and produce 4 reports	<b>Achieved</b> 4 reports produced on EXCO, EXCO Makgotla, PMC, PMC Makgotla, PCF, Technical PCF and Budget and Finance Committee	None	None



Financial Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved co-operative and corporate governance by 2020	% of invoices paid within 30 days.	100% of invoices received and paid within 30 days	Achieved	100% of legitimate invoices received and paid within 30 days as required	100% of unopposed invoices paid within 30 days of receipt	<b>Achieved</b> 100 % (3643) of unopposed invoices paid within 30 days of receipt	None	None
	Number of Annual and interim financial statements submitted	2012/13 Annual and three 2013/14 Interim financial statements submitted to the Auditor-General and Provincial Treasury	2013/14 Annual and 4 2014/15 Interim Financial statements submitted to the AGSA and the Provincial Treasury	Annual Financial statement submitted to the AGSA and the Provincial Treasury, and Interim Financial Statements submitted to Provincial Treasury	2015/16 Annual and three 2016/17 Interim Financial Statements submitted to AGSA and Provincial Treasury	<b>Achieved</b> 1 2015/16 Annual Financial statement and 3 2016/17 Interim Financial statements produced and submitted to AGA and Provincial Treasury	None	None
	Number of risk management and fraud prevention reports developed.	4 Risk Management and Fraud Prevention reports developed	4 Risk Management and Fraud Prevention reports developed	4 Risk Management and Fraud Prevention reports developed as planned	4 Risk Management and Fraud Prevention reports developed	<b>Achieved</b> 4 Risk Management and Fraud Prevention reports developed	None	None



Financial Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Provide improved co-operative and corporate governance by 2020	% of payroll verified to account for all personnel	New target	New target	Payroll verified as planned	100% payroll verification to account for all personnel	<b>Achieved</b> 100% (249) personnel verified	None	None
	Updated and accurate asset register kept	New target	New target	Asset verification conducted, discrepancies updated and accurate register kept	Asset verification and register updated	<b>Achieved</b> Asset verification conducted and register updated	None	None





## ***Reasons for all deviations***

### **Premiers' Support**

- Monitoring of Provincial Departments' implementation of the findings of the Commission on Farm Dwellers not undertaken as planned. The commission did not conclude its work within the planned period and this delayed Office of the Premier internal planning and capacitating departments on the framework to be used in monitoring implementation of the findings and recommendations of the Commission on Farm Dwellers.
- Sector Fora (mining, forestry, agriculture, business sector, tourism and manufacturing and engineering) not established. The target has been discontinued from the APP. The Executive Authority interacts with sectors within the broader scope of his interaction with constituency sectors.

### **Office of the Director-General**

- 2 MANCOM meetings could not be held due to non-availability of key stakeholders.

### **Internal Audit**

- 6 additional reports are follow-up reviews.
- 5 meetings were carried forward from the 2015/16 Financial Year and the others were special meetings held for the purpose of inducting new members.

### **Forensic and Integrity Management**

- Departments do not have PLOs as they were transferred to other departments. PLO's in municipalities still do not have adequate resources.
- More requests were received to conduct three additional workshops.
- The process to launch the Provincial Anti-Corruption Strategy was put on hold to allow a National process by DPME to develop the new National Anti-Corruption Strategy (NACS) for South Africa (SA), which may have a bearing on public as well as private sector Anti-Corruption Strategies.



## ***Strategy to overcome areas of under performance***

### **Premier Support**

- Monitoring of Provincial Department's implementation of the findings of the Commission on Farm Dwellers not undertaken as planned: Monitoring of implementation of the resolutions of the Commission on Farm Dwellers will be rolled-out after the workshop planned to take place during the first quarter of 2017/18 and it will be mainstreamed within the context of monitoring performance of Provincial Government as a core function of the Office of the Premier.
- Sector Fora (mining, forestry, agriculture, business sector, tourism and manufacturing and engineering) not established: The Executive Authority interacts with sectors within the broader scope of his interaction with constituency sectors, thus the target has been discontinued from the 2017/18 APP.

### **Office of the Director-General**

A schedule of meetings is developed and will be communicated to key stakeholders and they are directed to prioritise MANCOM meetings in their commitments.

### **Forensic and Integrity Management**

- Meetings and letters will be sent out to the various Municipalities. A PLO forum will be convened in the 1<sup>st</sup> quarter of 2017/18 Financial Year. The meeting will among others do a needs analysis for PLOs and explore avenues for resource mobilisation in this regard.
- Processes to launch the Provincial Anti-Corruption Strategy will be initiated once the National Anti-Corruption Strategy (NACS) is completed.

### ***Changes to planned targets***

No changes were effected to the Annual Performance Plan during the reporting period.

### ***Linking performance with budgets***

Programme 1 has spent an amount of **R135 353 000,00** against a budget of **135 385 000,00** which is 100% of the post adjusted budget for the 2016/17 financial year. There are no deviations under the programme. This is 0.2% above compared to the previous year's spending trends of 99.8%. The programme had 24 targets and six targets were not achieved, which represents 75% overall achievement. This narrative is depicted, per sub-programme, in the table below:

**Sub-programme expenditure**

Programme Name	2016/2017			2015/2016		
	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
Premier support	17 955	17 953	2	17 591	17 553	38
Executive council support	5 672	5 670	2	5 860	5 816	44
Director general support	79 003	78 980	23	69 875	69 731	144
Financial management	32 755	32 750	5	30 958	30 943	15
<b>Total</b>	<b>135 385</b>	<b>135 353</b>	<b>32</b>	<b>124 284</b>	<b>124 043</b>	<b>241</b>



## 4.2. Programme 2: Institutional Development

### ***Purpose of the Programme***

To provide institutional development services, advice, strategic support, co-ordination and development of policies to ensure efficiency, alignment and corporate compliance with a view to improve the capacity of the Mpumalanga Provincial Government to deliver effective and efficient services.

### ***The Programme consists of the following five sub-programmes***

- Strategic Human Resource;
- Public Service Transformation and Service Delivery Improvement;
- Information Communication Technology;
- Legal Advisory Services; and
- Government Communication and Information Services.

### ***The Programme is guided by the following strategic objectives:***

- Co-ordinate, monitor the development, implementation of Strategic HR frameworks in 11 Departments and the Office of the Premier.
- To expand the implementation of the Government Communication Framework in support of strategic messaging, corporate branding and effective and efficient stakeholder engagements that yield improved service delivery.
- To utilise the application of relevant ICT in order to optimise public service transformation reform and improve service delivery.
- To provide legal advisory and support services to 11 departments and the Office of the premier, including legislative drafting, and legal compliance advice that support legally sound decision making.
- To co-ordinate and facilitate the implementation of transformations projects and programmes, in 11 departments and the Office of the Premier as well as 20 Municipalities, which promote effective and efficient service delivery through the institutionalization of Batho Pele principles.

**Strategic objectives, performance indicators, planned targets and actual achievements**

The Programme achieved the strategic objective of utilising the application of relevant ICT in order to optimise public service transformation reform and improve service delivery, by providing support to Departments in terms of ICT related services and projects.

Five organograms were developed and the compilation of 49 job descriptions were facilitated within 30 days after receipt of a request from client departments. This is in line with the achievement of the strategic objective: Co-ordinate, monitor the development, implementation of Strategic HR frameworks in 11 Departments and the Office of the Premier

In a bid to co-ordinate the implementation of human resource programmes in Provincial Departments, the Office of the Premier convened 4 Labour relations Fora and assisted in resolving 9 disputes which constitutes 100% of reported disputes during the year under review. Through its Transversal HR Unit the Office of the Premier assisted Departments to review 26 Human Resources policy frameworks. Workshops on the 2016 Public Service Regulations were conducted.

The strategic objective, to provide legal advisory and support services to 11 Departments and the Office of the premier, including legislative drafting and legal compliance advice that support legally sound decision making was also achieved. This is informed by among others, the handling of 124 requests for memoranda, reports, letters and other documents with a legal bearing which were timeously drafted for clients. Seven legal opinions were drafted and submitted to clients.

In addition, the Office of the Premier through its Legal Advisory Services Unit, held 227 formal consultations with, *inter alia*, the DG, DDG's, HODs, Legal Officers, etc. during which meetings, urgent legal advice and assistance was provided.



**Strategic objectives, performance indicators, planned targets and actual achievements**

**Strategic Human Resource – Internal Human Resource Management**

Financial Management									
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations	
Comprehensive strategic HR Frameworks	Approved WSP and number of quarterly reports produced on the implementation thereof	Workplace Skills Plan for 2014/15 developed and implemented.	WSP for 2014/15 developed and implemented	Workplace Skills Plan for 2015/16 developed	Develop and submit WSP for 2016/17 to PSETA	<b>Achieved</b> Develop and submit WSP for 2016/17 to PSETA	None	None	
	Quarterly Monitoring Report (QMR) produced and submitted to PSETA	4 quarterly reports prepared and submitted on the implementation of the Workplace Skills Plan	4 quarterly reports prepared and submitted on the implementation of the WSP	4 quarterly reports on implementation of the WSP developed	4 quarterly reports prepared and submitted on the implementation of the Workplace Skills Plan	<b>Achieved</b> 4 Quarterly Monitoring Report (QMR) produced and submitted to PSETA	None	None	



Financial Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/14	Actual Achievement 2014/15	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement 2016/17	Comment on deviations
Comprehensive strategic HR Frameworks	% of salary level 1-12 signed PUs and assessments conducted	Monitored and facilitated 100% Unit submission of Performance Undertakings and quarterly assessments reports on PMDS for officials on salary levels 3-12 in line with the PMDS	Monitor and facilitate 100% Units' submission of PUs and quarterly assessment reports on PMDS for officials on salary levels 3-12 in line with the Provincial Performance Management and Development Policy	95,4% of PUs and Quarterly assessment reports submitted	Monitor and facilitate 100% submission of PUs and quarterly assessments reports on PMDS for officials on salary levels 3-12 in line with Provincial PMDS Policy	<b>Achieved</b> 100% (29 of 29 units) submitted 4 quarterly assessment reports	None	None
	Monitoring reports on the implementation of bursaries.	New Indicator	New Indicator	New Indicator	Co-ordinate and monitor the implementation of skills development through bursaries and produce 4 monitoring reports	<b>Achieved</b> 4 monitoring reports developed on the implementation of bursaries.	None	None



**Strategic Human Resource-Organisational Design and Job Evaluation**

Programme / Sub-programme: Organizational Design and Job Evaluation								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Comprehensive strategic HR Frameworks	Number of organograms developed or reviewed for departments and municipalities	Develop organograms for the 12 Provincial Departments within thirty working days after receipt of request	Developed 17 organograms for Provincial Departments within 30 working days after receipt of request	27 organograms developed within 30 working days	Develop organograms for the 11 Provincial Departments and the Office of the Premier, and 18 Local Municipalities within 30 working days after receipt of request.	<b>Achieved</b> Developed organograms for 2 Provincial Departments within 30 working days after receipt of request.	None	None
	Number of job descriptions developed	Facilitate the development of Job descriptions for all newly created posts within 14 days after the creation of such posts have been approved	100% (70) job descriptions developed	100% (60) job descriptions developed within 14 days	Facilitate the development of Job descriptions within 14 days after the receipt of request	<b>Achieved</b> 123 job descriptions developed for all newly created posts within 14 days after the receipt of request	None	None





Programme / Sub-programme: Organizational Design and Job Evaluation								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Comprehensive strategic HR Frameworks	Number of posts evaluated for the Provincial Departments	Evaluate posts in the 12 Provincial Departments and 21 Municipalities within 14 days after receipt of the request	68 posts evaluated within 30 working days after the receipt of request	112 posts evaluated within 30 working days after the receipt of request	Evaluate posts for the 11 Provincial Departments and the Office of the Premier within 30 working days after receipt of the request.	<b>Achieved</b> 101 posts evaluated for the 11 Provincial Departments and the Office of the Premier within 30 working days after receipt of the request.	None	None
	Report on assessment of organizational efficiency developed	New Indicator	New Indicator	Standardisation of job descriptions for secretary service not rolled-out	Conduct assessment of Organizational efficiencies across administrative offices	<b>Not achieved</b>	The service provider was appointed late in September 2016.	The target will be spread over three year period



**Strategic Human Resource -Labour Relations**

Programme / Sub-programme: Labour Relations								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Comprehensive strategic HR Frameworks	Number of labour relations fora coordinated	Conduct institutional visits to Departments to capacitate managers on labour relations policies and practices	5 labour relations fora were conducted	Four quarterly labour relations fora conducted	Build capacity to Labour Relations Management in the 11 Provincial Departments and the Office of the Premier through coordination of quarterly labour relations forum	<b>Achieved</b> 4 Provincial Labour Relations Forum were co-ordinated	None	None
	% of disputes dealt with	100% disputes are dealt within 12 Departments	The unit attended and presided over 100% of 16 disciplinary hearings	100% (15/15) disputes dealt with	100% of disputes dealt with within 90 days of receipt in 11 Provincial Departments as well as the Office of the Premier	<b>Not Achieved</b> 22% (2/9) of reported disputes dealt with within 90 days of receipt in 11 Provincial Departments as well as the Office of the Premier	Some of the cases were referred to the Court and the Office of the Premier has no control over Court proceedings	None



Programme / Sub-programme: Labour Relations								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Comprehensive Strategic HR Frameworks	Number of Departments monitored	New Indicator	Monitored misconduct cases and precautionary suspensions	Progress on all labour related matters monitored and four quarterly reports developed	Monitor progress on all labour related matters in the 11 Provincial Departments and the Office of the Premier	Achieved Monitored 11 Departments and the Office of the Premier	None	None
	Number of Provincial Chambers co-ordinated	New Indicator	New Indicator	New Indicator	Co-ordinate 4 Provincial Chamber meetings per annum	Achieved Co-ordinated 4 CCPMP Meetings	None	None



**Strategic Human Resource-Transversal Human Resource Services**

Programme / Sub-programme: Transversal Human Resource Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Comprehensive strategic HR Frameworks	Percentage of HRM policies/frameworks and implementation manuals reviewed / developed	Review and develop 8 HRM Policies and Frameworks according to needs and as per directives	Reviewed and developed HRM Policies/Frameworks within one month of receipt of request	The following Draft policies were developed -Provincial Policy Framework on PMDS -Leave Management Guide for the Mpumalanga Provincial Government -Policy Framework on Protective Clothing for the Mpumalanga Provincial Government -Policy Framework on Remunerative Work Outside Employment -Implementation Strategy for the Framework on Reasonable Accommodation	100% of requested HRM Policies/Frameworks and implementation manuals reviewed/developed	<b>Achieved</b> 100% (26/26) HRM Policies within the Office of the Premier were reviewed and approved	None	None



Programme / Sub-programme: Transversal Human Resource Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Comprehensive strategic HR Frameworks	Number of Departments monitored on compliance HRM prescripts and reports developed	Monitoring compliance with HRM prescripts with reference to: effective performance management system, financial interest disclosures, employment equity implementation and HR planning	Monitored compliance of SMS/Level 1-12 with HRM prescripts with reference to effective Performance and Management System, Financial Interest Disclosures in 11 Provincial Departments as well as the Office of the Premier.	compliance of SMS/Level 1-12 with HRM prescripts with reference to effective PMDS, Financial Interest Disclosures in 11 Provincial Departments as well as the Office of the Premier was monitored	Monitor compliance of SMS/Level 1-12 to HRM with prescripts with reference to effective Performance Management System, Financial Interest Disclosures in 11 Provincial Departments as well as the Office of the Premier	<b>Achieved</b> Co-ordinated and facilitated 6 PMDS Forum meetings  Co-ordinated and facilitated a DPSA workshop on the newly approved PSR, 2016 and HRM Delegations.  Compiled a report on the compliance of the MTEF HR Plans and HRPIR for all departments and submitted to DPSA	None	None
	Number of monitoring reports on PILIR implementation	New Indicator	New Indicator	Monitor the implementation of PILIR Provincial 11 Departments and the Office of the Premier	Monitor the implementation of PILIR in 11 Provincial Departments and the Office of the Premier	<b>Achieved</b> 4 Quarterly Reports Developed the implementation of PILIR in 11 Provincial Departments and the Office of the Premier	None	None



Programme / Sub-programme: Transversal Human Resource Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017		
Comprehensive strategic HR Frameworks	Number of Employee Health and Wellness programmes co-ordinated	Facilitate and strengthen effective and efficient implementation of Employee Health and Wellness Programme in 12 Departments	Five Employee Health and Wellness campaigns co-ordinated in alignment with World and National Health Awareness	Co-ordinated 8 EH&WP events: Provincial TB and Eye testing day, Breast Cancer Awareness, Annual Workplace World AIDS Day, HIV Counselling, Co-operate Wellness Week, Provincial Sports Day, Candle Lighting, and Financial Awareness	Five EH&WP campaigns co-ordinated in alignment with World and National Health Awareness	<b>Achieved</b> The following 5 EH & WO were Organized and hosted: <ul style="list-style-type: none"> <li>International Candle Lighting Memorial;</li> <li>Corporate Wellness for officials in the Government Complex;</li> <li>GEMS Face to Face sessions in departments;</li> <li>Provincial Sports day; and</li> <li>Successfully hosted TB Awareness session and Eye Testing session, EH&amp;WP</li> </ul>	Deviation from planned target to Actual Achievement 2016/2017 None	Comment on deviations None



Programme / Sub-programme: Transversal Human Resource Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Comprehensive strategic HR Frameworks	Number of policies, strategies and systems monitoring tool developed or reviewed	New Indicator	New Indicator	Developed the EH&W Management Systems Monitoring, Readiness Assessment Tool and EH&W Operational Plan	Develop, review and ensure implementation of EH&W strategies, policies and systems monitoring tools	<b>Achieved</b> Monitored the implementation of EH&W strategies, policies and systems monitoring tools through the successfully planned, organised and hosting of 4 monthly EH&WP and 2 quarterly EH&WP meetings on good practices / stakeholders	None	None
	Number of monitoring reports on PILIR implementation	New Indicator	New Indicator	Monitor the implementation of PILIR Provincial Departments and the Office of the Premier	Monitor the implementation of PILIR in 11 Provincial Departments and the Office of the Premier	<b>Achieved</b> 4 Quarterly Reports Developed the implementation of PILIR in 11 Provincial Departments and the Office of the Premier	None	None



**Strategic Human Resource -Public Service Transformation and Service Delivery Improvement**

Sub-programme: Public Service Transformation and Service Delivery Improvement								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Public service transformation and service delivery improvement	Number of monitoring reports in Departments and Municipalities on change management engagement programme	Co-ordinate and facilitate change engagement in 12 Departments and 21 Municipalities	Co-ordinated and facilitated change engagement management programme workshops in 11 Departments and 13 Municipalities	15 Batho Pele Change Engagement Management Programme co-ordinated	Monitor the implementation of Batho Pele Change Management Engagement Programme and produce 12 reports for Departments, Office of the Premier and 12 reports for the Municipalities	<b>Achieved</b> 12 reports for Departments, Office of the Premier and 12 reports for the Municipalities Developed	<b>None</b>	<b>None</b>
	Number of Batho Pele projects co-ordinated	1 Premier's Service Excellence Awards (PSEA)	Stakeholders were consulted on the Public Service Excellence Youth Awards Concept Paper and a draft has been developed	1 Premier's Service Excellence Awards Indaba (PSEYA) was held as planned	Host 1 Premier's Service Excellence Awards (PSEA)	<b>Not Achieved</b>	Financial constraints	Target has been discontinued due to reprioritization
		Co-ordinate and review Service Standards in 10 Departments, Office of the Premier and 12 Municipalities	Co-ordinated and reviewed Service Standards in 11 Departments, Office of the Premier and 13 Municipalities	Co-ordinated and reviewed 16 Service Standards in Municipalities and Departments	Monitor the implementation of Service Standards /Service Delivery Charter and produce 12 reports for Departments, Office of the Premier, and 12 reports for the Municipalities.	<b>Achieved</b> Implementation of Service Standards / Service Delivery Charter monitored and 12 reports for Departments, OTP, and 12 reports for the Municipalities developed	<b>None</b>	<b>None</b>





Sub-programme: Public Service Transformation and Service Delivery Improvement							
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	
Public service transformation and service delivery improvement	Co-ordinate development of Service Delivery Improvement Plans in 11 Departments and the Office of the Premier	Co-ordinated the development of 13 Service Delivery Improvement Plans in 11 Department and the Office of the Premier	Monitor the submission of plans and reports on the implementation of Service Delivery Improvement Plan by 11 Departments and Office of the Premier	<b>Achieved</b> Monitored submission and implementation of SDIPs Annual Reports by 11 Departments and the Office of the Premier	None	None	
	2 x deployments of Senior managers to coal face of service delivery	2 deployments of Senior Managers to coal face of service delivery co-ordinated	2 deployment sessions for Senior Management to coal face of service delivery co-ordinated. 1 in Bushbuckridge and 1 in Steve Tshwete Municipalities	Facilitate and monitor 2 x Khaedu deployments of Senior Managers and Middle managers to coal face of service delivery annually and produce reports for each deployment	<b>Achieved</b> Compiled Khaedu Deployment report and Conducted feedback session in Thaba Chweu Local Municipality	None	
	1 Africa Public Service Day	Held 1 Africa Public Service Day	1 Africa Public Service Day held as per plan	Host 1 Africa Public Service Day	<b>Achieved</b> Produced a report on Africa Public Service Day	None	



**LEGAL ADVISORY SERVICES**

Sub-programme: Legal Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Legal Advisory Services	% of formal, written legal opinions drafted	100% formal written legal opinions drafted and submitted to clients	100% (3) formal written legal opinions drafted and submitted to clients	9 requests for formal written legal opinions were made by clients and 100% (9) legal opinions were drafted and submitted to clients	100% of formal written legal opinions as requested, drafted and submitted to clients	<b>Achieved</b> 100% (7/7) legal opinions of the 7 requested were drafted and submitted to the clients	None	None
	% of Memoranda, employment contracts, service level agreements, letters and other documents with a legal bearing drafted and provided to clients	100% of requested memoranda, reports, letters and other documents drafted with a legal bearing for 12 Departments.	100% (197) of requested memoranda, reports, letters and other documents with a legal bearing drafted for clients.	115 requests were made and 100% (115) memoranda, employment contracts, service level agreements, reports, letters, MOUs, service level agreements, employment contracts and other documents with a legal bearing were drafted on behalf of clients	100% of requested memoranda, reports, letters and other documents with a legal bearing drafted for clients	<b>Achieved</b> 100% (124/124) memoranda, reports, letters, MOUs, service level agreements, employment contracts and other documents with a legal bearing of the 124 requested were drafted and submitted to the clients	None	None



Sub-programme: Legal Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
% of departments assisted with legal guidance and advice during requested meetings	New Indicator	In addition, the Unit held 100% (289) formal meetings with, inter alia, the Premier, MECs, DDGs, HODs, Legal Officers, etc during which meetings, legal advice and assistance were provided	232 formal meetings with the Premier, MECs, DG, DDG, HoDs, Departmental Legal Officers and other officials were held and 100% of those meetings were held	100% of requested consultations held	<b>Achieved</b> In addition to numerous informal and telephonic advice and assistance, and in order to meet this objective, the Unit also held 100% (227/227) formal consultations with the DG, DDGs, Departmental Legal Officers and other officials, of the 227 formal consultations requested.	None	None	
% of pieces of Provincial legislation formulated, drafted and certified	Formulated, drafted, assisted with and certified 100% of Provincial Bills as requested by Provincial Departments	Nine Provincial Bills were attended to	8 Provincial Bills were attended to, which constitutes 100% of the requests by the Office of the Premier and the 11 Provincial Departments	Formulated, drafted, assisted with and certified 100% of Provincial Bills as requested by the Office of the Premier and the 11 Provincial Departments	<b>Achieved</b> Formulated, drafted, assisted with and certified 100% (13/13) of aspects pertaining to Provincial Bills as requested by the Office of the Premier and 11 Provincial Departments	None	None	



**GOVERNMENT COMMUNICATION AND INFORMATION SERVICES**

Sub-programme: Government Communication and Information Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Strategic communication support	Provincial Communication Plan Developed and monitoring reports on the implementation thereof compiled	New Indicator	However, the new brand logo is launched	Monitoring of the rebranding and repositioning of the Province was not co-ordinated as planned	Facilitate the development and monitor the implementation of Provincial Communication Plan	<b>Achieved</b> 4 quarterly progress reports produced and drafted the 2017/18 Provincial Communication Action Plan	None	None



## CORPORATE COMMUNICATION SERVICES

Sub-programme: Corporate Communication Services							
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	
Strategic communication support	Number of publications produced	4 Government to Public and 6 internal electronic newsletters, 2014 Provincial Calendar produced	Published 1 Government to public newsletter and 6 Internal Electronic newsletters	4 Government to public and 4 Internal electronic newsletters of the Office of the Premier published	4 Government to Public and 6 Internal electronic newsletters of the Office of the Premier published	<b>Achieved</b> 7 Government to public and 6 Internal electronic newsletters of the Office of the Premier published	None
	Electronic and print media advertorial	Facilitated media platform for SOPA, Policy and Budget Speech and Premier's Season's Greetings message	Facilitate media platform for SOPA, Policy and Budget Speech and Premier's Season's Greetings message	Media platform was facilitated for SOPA, Policy and Budget Speech and Premier's Season's Greetings message	Facilitate media platform for SOPA, Policy and Budget Speech and Premier's Season's Greetings message	<b>Achieved</b> Facilitated media platform for SOPA, Policy and Budget Speech and Premier's Season's Greetings message	None



**COMMUNITY SERVICES AND RESEARCH**

Sub-programme: Community Services and Research								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Strategic communication support	% of Executive Authority events supported	Co-ordinated 100% of Executive Council Outreach meetings	Co-ordinated 4 EXCO Outreach meetings	Co-ordinated 1 EXCO Outreach meeting	Provide 100% support to the Executive Authority as per request	<b>Not Achieved</b>	The outreach programme schedule is guided by the programme of the EXCO	Align the outreach programme schedule with the programme of the EXCO
	% of events supported	Co-ordinate 100% of public participation events for the Premier	4 Public Participation events for the Premier were co-ordinated	100% (11) public participation events co-ordinated	Provide 100% support to the 11 Provincial Departments, 3 District Municipalities and National Izimbizo as per request	Achieved 100% (13/13) events supported - coordinated 11 public participation programmes, Commemoration of the death of Samora Machel at Mbuzini on 17 October 2016 and 16 Days of activism at Mkhondo Local Municipality on 26 November 2016 as requested.	None	None



## MEDIA, DEPARTMENTAL LIAISON AND INFORMATION SERVICES

Sub-programme: Media, Departmental Liaison and Information Services								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Strategic communication support	Monitoring reports on the implementation of the 5 year Provincial Communication Framework by 12 Departments and 3 district Municipalities	Monitor the implementation of the 5 year Provincial Communication Framework by 12 Departments and 3 district Municipalities	Reviewed the Provincial Communication Framework and monitored the implementation in 11 Departments and 3 Municipalities. Currently the approved National Communication Framework is used to monitor implementation	Reviewed and monitored the implementation of the 5 year Provincial Communication Framework by 11 Departments, 3 District Municipalities as well as the Office of the Premier	Review and Monitor the implementation of the 5 year Provincial Communication Framework by 11 Departments, 3 District Municipalities as well as the Office of the Premier	<b>Achieved</b> Monitored the implementation of the Provincial Communication Framework by 11 Provincial Departments, 3 District Municipalities as well as the Office of the Premier	None	None
	Number of PGCF co-ordinated	Co-ordinate and facilitate quarterly PGCF	Co-ordinated and facilitated 4 PGCF meetings	3 PGCF meetings were held	Co-ordinate and facilitate 4 PGCF	<b>Achieved</b> Co-ordinated 4 PGCFs and 2 Special PGCFs	None	None



**Office of the Provincial Government Information Technology Office**

Office of the Provincial Government Information Technology								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Relevant and innovative information and communication technologies	Number of Departments systems supported	IT technical services, advisory and support to 10 Departments on systems	Assisted 1 Department (PWRT) and 7 units in the Office of the Premier with the system. 745 technical callouts undertaken	1227 technical callouts were made to 11 Departments and the Office of the Premier	Provide IT technical services, advisory and support to 11 provincial Departments and the Office of the Premier (1314 technical callouts were made)	<b>Achieved</b> Technical support was provided to departments and the Office of the Premier (1314 technical callouts were made)	None	None
		IT technical and advisory support provided on two major projects:  Provincial scorecard and Provincial website portal	Provincial Scoreboard only used by PWT&T. No amendments were undertaken	Provide IT technical and advisory support on major projects	Provide IT technical and advisory support on IT Governance to 11 Departments and the Office of the Premier	<b>Achieved</b> IT Governance support was provided to Departments and Municipalities.  Meetings were held with departments and Municipalities	None	None





Office of the Provincial Government Information Technology								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Relevant and innovative information and communication technologies	Number of projects monitored / co-ordinated	Co-ordinate and monitor seven (7) IT projects in the Province.	The COBIT rollout is taking place in line with the roll out of Phase Two of ICT Governance Framework. Developments at National level regarding licence fee payments are making progress	Co-ordinated and monitored 2 IT projects in the Province. COBIT, and Gert Sibande Pilot Project on Broad Band roll-out	Co-ordinate and monitor the rollout of ISO 38500 and Broad Band in all Provincial Departments	<b>Achieved</b> Projects were co-ordinated and Broadband meetings were held with Municipalities, Departments and Provincial Government Western Cape	None	None



Office of the Provincial Government Information Technology								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Relevant and innovative information and communication technologies	Reports on the roll-out of centralised co-ordination of Information Communication and Technology services	New Indicator	New Indicator	The centralised co-ordination of the ICT roll-out plan was not implemented as planned	Roll-out centralised co-ordination of Information Communication and Technology for Mpumalanga Province	<b>Achieved</b> Meetings held with Trans-actional Adviser, Director General and National Treasury. One report produced and submitted. One meeting held with all Departments	None	None
	Number of monitoring reports	New Indicator	New Indicator	Mpumalanga Provincial ICT Strategy developed	Monitor the implementation of the Mpumalanga Provincial ICT Strategy	<b>Achieved</b> The Mpumalanga Provincial ICT Strategy has been developed and approved	None	None



Office of the Provincial Government Information Technology								
Strategic Objective	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Relevant and innovative information and communication technologies	Number of monitoring reports	New Indicator	New Indicator	New Indicator	Monitor the performance of Transactional Advisor and produce 4 reports	<b>Achieved</b> The performance of the Transactional Advisor was monitored and 4 reports were submitted regarding the Transactional Adviser	None	None



## ***Reasons for all deviations***

### **Organisational Design & Job Evaluation**

The target to Conduct assessment of Organizational efficiencies across administration–regional offices was not achieved due to late appointment of the service provider.

### **Labour Relations**

Some of the reported disputes dealt with were not completed within 90 days of receipt since the cases were referred to the Court and the Office of the Premier has no control over Court proceedings.

### **Public Service Transformation and Service Delivery Improvement**

The target to Host 1 Premier’s Service Excellence Awards (PSEA) was not achieved due to budgetary constraints.

### **Community Services and Research**

The outreach programme schedule is guided by the programme of the EXCO.

## ***Strategy to overcome areas of under performance***

### **Organisational Design & Job Evaluation**

The project to Conduct assessment of organizational efficiencies across administration–regional offices will be rolled-out over a three years’ period.

### **Public Service Transformation and Service Delivery Improvement**

The target has been discontinued in the 2017/18 Financial Year as a result of reprioritization.

### **Community Services and Research**



Align the outreach programme schedule with the programme of the EXCO.

### ***Changes to planned targets***

There were no in-year changes to targets during the period under review.

### ***Linking performance with budgets***

The Institutional Development Programme has spent an amount of **R79 334 000,00** against a budget of **R80 171 000,00** which constitutes that is 99.0% of the post adjusted budget for the 2016/17 Financial Year. The deviation is within the acceptable norm. This is 0.4% lower when compared to the previous year's spending trends of 99.4%. There were 39 planned targets for the year under review under this Programme and the Programme achieved 35 targets which represent an achievement rate of 90%. Below is the two years comparison of expenditure per sub-programme.

### ***Sub-programme expenditure***

Programme Name	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	316	R'000	R'000	R'000
Strategic Human Resource	42 900	42 584	2	38 716	38 347	369
Information Communication Technology	8 386	7 920	466	9 865	9 817	48
Legal services	3 528	3 524	4	3 392	3 378	14
Communication services	23 366	23 321	45	31 161	31 108	53
Programme Support	1 991	1 985	6	2 324	2 318	6
<b>Total</b>	<b>80 171</b>	<b>79 334</b>	<b>837</b>	<b>85 458</b>	<b>84 968</b>	<b>490</b>



### **4.3. Programme 3: Policy and Governance**

#### ***Purpose of the Programme***

This Programme is responsible for providing informed macro policy advice, co-ordination and monitoring of the following key focus areas in the Provincial Government:

- Provincial Planning;
- Monitoring of Implementation of Provincial Programmes;
- Mainstreaming of gender, youth and older person's issues;
- Regional and International co-operation;
- Research and information management; and
- Advisory services to the Premier, EXCO committees, EXCO and MPAC.

#### ***The Programme consists of the following sub-programmes:***

- Special Programmes;
- Intergovernmental Relations;
- Provincial Policy Management; and
- Monitoring and Evaluation.

#### ***Key to the mandate of Programme 3 are the following strategic objectives:***

- To provide strategic support to the Executive in the development and implementation of high-level Provincial policies, plans and programmes.
- To co-ordinate, monitor and report on strategic partnerships that support the implementation of Government economic development and service delivery priorities.
- Institutionalise the Mpumalanga Province Wide Monitoring and Evaluation System to support results



based monitoring and evaluation, targeted research and strategic information management.



***Strategic objectives, performance indicators, planned targets and actual achievements***

This Programme is the custodian of Outcome 11, and as such developed a strategic objective on co-ordinating, monitoring and reporting on strategic partnerships that support the implementation of Government economic development and service delivery priorities.

To achieve the strategic objective of Institutionalising the Mpumalanga Province Wide Monitoring and Evaluation System to support results based monitoring and evaluation, targeted research and strategic information management, the Office of the Premier through its M&E Unit conducted 11 new FSDM visits to service delivery sites around the Province, and monitored implementation of improvement plans in line with the feedback provided to service delivery institutions visited the year before the year under review.

The Cluster Management Unit in the Office of the Premier monitored implementation of EXCO resolutions for Makgotla held during the second and fourth quarter of the year under review.

The Special Programmes and the Youth Development Unit continued to ensure that the lives of Youth, women, and older persons are improved. Monitoring of the mainstreaming of Gender, Youth and Older person's issues by all Provincial Departments is one of the activities by this Unit to ensure the improvement of the lives of target groups. This was coupled with the development of the Programme of Action for Women, Youth and Older Persons and the Units also monitored the implementation thereof. The development of the 2016-2019 Integrated Implementation Plan for Older Persons is another key milestone in this regard.

To Strengthen Integrated planning and policy development by Provincial Departments and District Municipalities as well as the Office of the Premier, the Programme, through the Research and Strategic Information Management Systems, renders support services to the EXCO Outreach programme and strengthens and maintains a central hub of strategic information for credible planning and decision making.

Plans of Departments and IDPs of Municipalities were assessed to determine and ensure that they are in line with the macro policies and socio economic development priorities of the Province.





Through the MPAC Secretarial unit, secretariat and technical support in monitoring the implementation of the Provincial Strategic Plan for HIV and AIDS, STIs and TB (2012-2016).



**Strategic objectives, performance indicators, planned targets and actual achievements**

Programme / Sub-programme: International Relations									
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations	
International relations and strategic partnerships	Approved 2016/17 Provincial International Framework	New target	New target	None	Approval of the 2016/17 Provincial International Framework	<b>Not Achieved</b> However, the Provincial International Relations Framework has been developed	Provincial International Relations Framework has been deferred from EXCO agenda.	Draft Provincial International Relations Framework has been presented to the GCJC, PCF and PMC. The PIRF will be placed on EXCO agenda in 2017/18.	



Programme / Sub-programme: International Relations								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
International relations and strategic partnerships	Number of research sessions conducted on possible opportunities in BRICS and Africa	New target	3 Research sessions with DIRCO Political Desk (on China, Oman and Indonesia)	None	Conduct research on possible opportunities in BRICS and Africa	<b>Achieved</b> Research on possible opportunities conducted through meetings and briefing sessions with Russian in BRICS; Mozambique and Angola in Africa  Premier's Outbound Missions to firm up identified opportunities on trade, investment and technical co-operation with Sverdlovsk Region in the Russian Federation and the Republic of Belarus.	None	None



Programme / Sub-programme: International Relations								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
International relations and strategic partnerships	Number of MOU's signed	New Target	2 International partnerships monitored (Oman and Brazil) in line with Provincial Priorities	None	Co-ordinate signing of 3 MoUs	<b>Achieved</b> 3 MoUs signed with Cuando Cubango Province in Angola, Republic of Mogilev Regional Executive Committee of the Republic of Belarus and OJSC Minsk Tractor Works in Republic of Belarus	None	None



Programme / Sub-programme: Macro Planning								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Strengthen integrated planning and policy development across the Province	Number of assessment reports on 2017/18 APPs from all Provincial Departments	Supported 12 Departments with reviews of APPs and alignment with National and Provincial macro policies (Vision 2013, MTSF, DA, CRDP, MEG-DP)	3	3	3 assessment reports on 2017/18 APPs from all Provincial Departments by March 2017	<b>Achieved</b> 3 assessment reports on draft 2017/18 APPs and 1	None	None
	Number of assessment reports on 2016/17 IDPs from all 21 Municipalities by September 2017	3	3	3	4 assessment reports on 2016/17 IDPs from all 21 Municipalities by September 2017	<b>Achieved</b> 4 assessment reports on alignment of approved 12 2016/17 APPs with 21 approved 2016/17 IDPs	None	None



Programme / Sub-programme: Cluster Management								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Strengthen integrated planning and policy development across the Province	Approved Provincial Programme of Action (PPOA)	Co-ordinated development and approval of 3 Cluster POAs	2015/16 PPOA developed and approved by EXCO	Approved 2016/17 (PPOA)	Approved 2017/18 Provincial Programme of Action (PPOA)	<b>Achieved</b> 2017/18 approved in April 2017.	None	None
	Number of EXCO Makgotla resolutions monitoring reports developed	EXCO resolutions were monitored through Cluster Committees	EXCO resolutions Monitored and 100 Days Projects monitoring reports Developed for PMC and EXCO	2	Three EXCO Makgotla resolutions monitoring reports developed	<b>Achieved</b> Three EXCO Makgotla resolutions monitoring reports developed	None	None



Programme / Sub-programme: Cluster Management									
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations	
Strengthen integrated planning and policy development across the Province	Number of PPOA assessment reports developed	New target 3	3	3	Three PPOA Assessment reports developed for Makgotla & other Provincial strategic fora	<b>Achieved</b> Three PPOA Assessment reports developed for Makgotla & other Provincial strategic fora	None	None	
	Developed Provincial Co-operatives Development Business Model	New target	New target	Provincial Database of co-operatives developed	Facilitate development of the Provincial Co-operatives Development Business Model	<b>Achieved</b> The Provincial Co-operatives Development Business Model has been developed and being processed for presentation to EXCO for approval	None	None	



Programme / Sub-programme: Monitoring and Evaluation								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Provincial M&E system developed and implemented	Number of capacity development events supporting Departments to align their M&E Systems and reports with the Mpumalanga M&E System	New Target	4	4	4 capacity development events supporting departments to align their M&E Systems and reports with the Mpumalanga M&E System	<b>Not Achieved</b> However, 2 capacity development events supporting Departments to align their M&E Systems and reports with the Mpumalanga M&E System held	2 events could not be held as planned due to unavailability of stakeholders resulting from scheduling conflicts in the month of September	Capacity development will be facilitated in line with envisaged initiatives to improve Provincial M&E
	Functional Provincial quarterly performance reporting system	Mpumalanga Province Wide M&E system finalised	None	-	48 performance information reports analysed	<b>Achieved</b> 48 performance information reports analysed	None	None
		New Target	New Target	New Target	4 Quarterly consolidated QPR Reports submitted to DPME	<b>Achieved</b> 4 Quarterly consolidated QPR Reports submitted to DPME	None	None





Programme / Sub-programme: Monitoring and Evaluation								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Provincial M&E system developed and implemented	Provincial Evaluation Plan developed & Implemented	Provincial Evaluation Plan and related concept notes developed.	Provincial Evaluation Plan was developed, approved by PMC and submitted to DPME		Technical support provided to sector Departments undertaking Provincial priority programmes (2 evaluations)	<b>Not Achieved</b> However, 2 Annual evaluation sessions were held with Departments	Provincial Evaluation Technical Working Group did not meet as planned to provide technical support to Departments undertaking evaluations due to unavailability of PETWG members.	None
		DHS and DARDLEA selected to conduct evaluations	2 Diagnostic evaluations completed		Provincial Evaluation Plan Revised	Draft PEP presented for consideration and inputs	Review of the Provincial Evaluation Plan not finalised	None
	Number of Departments completing MPAT self-assessment within the prescribed period	11 Departmental MPAT self-assessments completed and a feedback report on preliminary moderatory outcomes presented	Roll-out of MPAT cycle to all Provincial and the Departments Office of the Premier and improvement plans developed	Roll-out of MPAT cycle to all Provincial Departments	Roll-out of MPAT cycle to all Provincial Departments	<b>Achieved</b> 12 provincial Departments supported throughout the MPAT processes.	None	None



Programme / Sub-programme: Monitoring and Evaluation								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Provincial M&E system developed and implemented	Number of FSDM sites visited and monitored	Frontline Service Delivery Monitoring conducted & feedback presented to 16 public institutions	Improvement plans at 16 visited sites monitored  12 FSDM public facilities visited and assessed & improvement plans developed	Improvement plans at 16 visited sites monitored	12 FSDM public facilities visited & assessed and improvement plans developed	<b>Not Achieved</b> 11 institutions visited and feedback provided to 14 public facilities. One sector meeting concluded	The FSDM team was denied access to one facility due to strike action	The M&E Unit sought advice from DPME and were informed that the visit should be put on hold



Programme / Sub-programme: Research and Strategic Information Management System								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Information management, monitoring and evaluation	Provincial Research Policy Framework adopted and implemented	Developed a Provincial Knowledge Management Framework	Developed the Provincial Research Policy Framework	Provincial Research Policy Framework was adopted and approved	Review and Monitor implementation of the Provincial Research Policy Framework	<b>Achieved:</b> Provincial Research Policy Framework was developed and presented for management adoption	None	None
	Updated central hub of strategic information	Established a central hub for credible planning and performance information	Strengthened and maintained a central hub of strategic information for credible planning and decision making	Electronic data warehouse and resource centre updated quarterly	Update and maintain a central hub of strategic information	<b>Achieved</b> Articles /reports were circulated. Arranged for presentation of reports by STATSSA and Department of Social Development, Co-ordinated developmental report for Lekwa TLP	None	None



Programme / Sub-programme: Mpumalanga Provincial AIDS Council Secretariat								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Information management, monitoring and evaluation	Number of quarterly reports on the implementation of the Provincial Strategic Plan for HIV and AIDS, STI and TB	New target	New target	4	Monitor implementation of the Provincial Strategic Plan for HIV and AIDS, STIs and TB (2012-2016)	<b>Achieved</b> 2 quarterly report developed	None	None



Programme / Sub-programme: Mpumalanga Provincial AIDS Council Secretariat								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Information management, monitoring and evaluation	Number of workshops and campaigns facilitated for the ZAZI girls initiative	New target	New target	0	Create HIV and AIDS awareness through facilitation of commemorative events and workshops/campaigns for the ZAZI girls initiative	<b>Achieved</b> However, entry meetings were facilitated with the service provider after his appointment.  Workshops facilitated in the form of dialogues	None	None
	Reports on the roll out and implementation of the Operation Vuka Sisebente Model (OVS)	New target	New target	<ul style="list-style-type: none"> <li>Co-ordinated provincial Launch</li> <li>Oriented and capacitated stakeholders</li> <li>Conducted audit of all community workers</li> <li>Procured and secured radio slots and bill boards to create public awareness</li> </ul>	Co-ordinate the implementation of the Operation Vuka Sisebente Model (OVS)	<b>Achieved</b> Conducted audit of all community workers.  Capacitate Community workers on the OVS	None	None



Programme / Sub-programme: Special Programmes									
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations	
Information management, monitoring and evaluation	Number of Gender Equality and Women Empowerment (GEWE) and Older Persons POAs developed	New Target	New Target	New Target	2 POAs for GEWE and Older Persons developed	<b>Achieved</b> 2 POAs for GEWE and Older Persons developed	None	None	
	2016-19 Provincial Integrated Implementation Plan for Older Persons developed	New Target	New Target	New Target	Develop 2016-19 Provincial Integrated Implementation Plan for Older Persons	<b>Achieved</b> POA developed Submission for approval has been facilitated.	None	None	
	Number of mainstreaming reports on the implementation of POA for Gender and Older persons compiled	4 Mainstreaming reports compiled Compiled a Twenty year review report on Gender, Disability, Youth and Children	4 Mainstreaming reports compiled Conducted and compiled a report on 30 assessment visits to determine accessibility for elderly persons at selected service delivery sites	N/A	8 quarterly mainstreaming reports on the implementation of the 2 PoAs (GEWE and Older Persons)	<b>Achieved</b> 8 quarterly mainstreaming reports on the implementation of the 2 PoAs for GEWE and Older Persons	None	None	



Programme / Sub-programme: Youth Development								
Strategic objectives	Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Information management, monitoring and evaluation	Number of Youth Development POA developed	New Target	New Target	New Target	POAs for Youth development developed	<b>Achieved</b> POA for Youth development developed.	None	None
	Number of mainstreaming reports on the implementation of Youth Development PoAs compiled	New Target	New Target	New Target	4 quarterly mainstreaming reports on the implementation of the Youth Development PoA	<b>Achieved</b> 4 quarterly mainstreaming reports on the implementation of the Youth Development PoA	None	None
	Provincial Youth Development War Room established	New Target	New Target	New Target	Establish a Provincial Youth Development War Room	<b>Not Achieved</b> The service provider has been to facilitate the establishment of the Youth Development War Room. Stakeholder consultation session was facilitated with representatives from the NYDA; Mbombela Local Municipality; Msukaligwa Local Municipality and the South African Youth Council	The process was delayed because it runs simultaneously with target 1 above (the development of PoA for Youth development).	The project will be finalised in the first quarter of 2017/18



## ***Reasons for all deviations***

### **International Relations**

Provincial International Relations Framework has not been approved and has been deferred from EXCO's agenda. However, the Provincial International Framework was presented to Governance, Criminal Justice Cluster (GCJC), Premier's Co-ordinating Forum (PCF) and Provincial Management Committee (PMC).

### **Monitoring and Evaluation**

- 2 Capacity development events could not be held as planned
- Provincial Evaluation Technical Working Group (PETWG) did not meet as planned to provide technical support to Departments undertaking evaluations due to unavailability of members of the PETWG.
- Review of the Provincial Evaluation Plan not finalised: The official responsible for this target was transferred to another function.
- 1 of the 12 planned FSDM site visits was not conducted in a correctional service centre: The FSDM team was denied access to one facility due to strike action.

### **Youth Development**

Provincial Youth Development War Room was not established: The process delayed because it runs simultaneously with the target on the development of the Provincial Youth Development POA.

## ***Strategy to overcome areas of under performance***

### **International Relations**

Provincial International Relations Framework has not been approved: The Provincial International Framework will be scheduled in the Agenda of EXCO for its approval





## **Monitoring and Evaluation**

- 2 Capacity development events could not be held as planned: Capacity development will be facilitated in line with envisaged initiatives to improve provincial M&E.
- Provincial Evaluation Technical Working Group (PETWG) will meet as to provide technical support to Departments undertaking evaluations in 2017/18.
- Review of the Provincial Evaluation Plan will be finalised in 2017/18 Financial Year.
- 1 of the 12 planned FSDM site visits was not conducted in a correctional service centre: The M&E Unit sought advice from DPME and were informed that the visit to correctional centres should be put on hold pending National engagements on the programme.

## **Youth Development**

Provincial Youth Development War Room not established: The project will be finalised in the first quarter of 2017/18.



### ***Changes to planned targets***

The target to roll-out the implementation of OVS was transferred to COGTA during the budget adjustment process in November 2016.

### ***Linking performance with budgets***

The Policy and Governance programme has spent an amount of **R47 214 000,00** against a budget of **R47 515 000,00** which constitutes 99.3% of the post-adjusted budget for the 2016/17 financial year. The deviation is within the acceptable norm. This is 7.2% higher than compared to the previous year's spending of 92.1%. There were 27 planned targets for the year under review under this Programme and the Programme achieved 22 targets, which represent an achievement rate of 81%. The table below depicts the 2015/16 and the 2016/17 expenditure analysis per sub-programme under this Programme 3:

#### ***Sub-programme expenditure***

Programme Name	2016/2017			2015/2016		
	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
Special Programme	7 997	7 763	234	8 972	8 894	78
Intergovernmental Relations	5 066	5 066	-	6 017	5 995	22
Provincial Policy Management	33 334	33 270	64	39 673	35 415	4 258
Programme Support	1 118	1 115	3	2 554	2 387	167
<b>Total</b>	<b>47 515</b>	<b>47 214</b>	<b>301</b>	<b>57 216</b>	<b>52 691</b>	<b>4 525</b>

## **5. TRANSFER PAYMENTS**

### **5.1. Transfer payments to public entities**

The Office of the Premier did not make any transfer payments to public entities.



## 5.2. Transfer payments to all organisations other than public entities

The Office of the Premier did not make any transfer payments to organisations other than public entities.

## 6. CONDITIONAL GRANTS

The Office of the Premier did not transfer conditional grants during the 2016/17 financial year.

### 6.1. Conditional grants and earmarked funds paid

The Office of the Premier did not pay conditional grants during the year under review.

### 6.2. Conditional grants and earmarked funds received

The Office of the Premier did not receive any conditional grants during the year under review.

## 7. DONOR FUNDS

### 7.1. Donor Funds Received

The Office of the Premier did not receive donor funding.

## 8. CAPITAL INVESTMENT

### 8.1. Capital investment, maintenance and asset management plan

Infrastruc- ture projects	2016/2017			2016/2017		
	Final Appro- priation	Actual Expenditure	(Over)/Under Expenditure	Final Appro- priation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and re- placement assets	26 584	26 498	86	12 401	12 372	29
Existing infra- structure assets	–	–	–	–	–	–
- Upgrades and additions	–	–	–	–	–	–



Infrastruc- ture projects	2016/2017			2016/2017		
	Final Appro- priation	Actual Expenditure	(Over)/Under Expenditure	Final Appro- priation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
- Rehabilitation, renovations and refurbish- ments	-	-	-	-	-	-
- Maintenance and repairs	-	-	-	-	-	-
Infrastructure transfer	-	-	-	-	-	-
- Current	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
<b>Total</b>	<b>26584</b>	<b>26 498</b>	<b>86</b>	<b>12 401</b>	<b>12 372</b>	<b>29</b>

**PART C: GOVERNANCE**



Young girls receiving female hygiene products at the International Women's Day.



## 1. INTRODUCTION

The Office of the Premier is committed to good governance. This commitment sees the Premier and responsible officials actively participating and co-operating with all governance structures and mechanisms aimed and enhancing good governance, within the Mpumalanga Provincial Government.

The Office of the Premier also provides support where needed in the fight against fraud and corruption, by means of prescribed exercises like the review of risk management initiatives and tools.

## 2. RISK MANAGEMENT

The Office of the Premier understands that risk management is not only an option for well performing organisations but a useful management tool. The Risk Management Unit was established in terms of Section 38(1) (a) (i) of the PFMA. The Unit is under the custodianship of the Office of the Chief Financial Officer.

The Office of the Premier has a Risk Management Policy & Strategy developed in line with the Public Sector Risk Management Framework, to ensure an enabling environment for managing risks.

Risk assessments and reviews are conducted annually in accordance with Treasury Regulation 3.2.1. This helps the Office of the Premier to plan and prioritise those risks that need urgent attention and those that might have a huge negative impact on the achievement of objectives.

The Risk Management Committee appointed by the Accounting Officer is in place to advise and ensure that management play their role to mitigate risks and reduce them to an acceptable level. The Risk Management Committee is chaired by an external member appointed by the Accounting Officer.

The Audit Committee provides oversight of the risk management function in the Office of the Premier and as such, risk management is a standing item on the quarterly meetings of the Audit Committee. The Audit Committee provides an independent and objective view of the Office's risks and effectiveness of the risk management processes.

Structures such as risk champions, risk owners and the Operational Risk Sub-Committee were established to ensure that risks identified are managed and that reports are provided to management and oversight on occurs a quarterly basis. These structures also ensure that a risk management culture is cultivated in all operations of the Office of the Premier. Additional mitigating controls were designed and put in place where the risk exposure was high. This means that there is a huge improvement in preventative measures being put in place.



### **3. FRAUD AND CORRUPTION**

The Office of the Premier has, in terms of Treasury Regulation 3.2.1, an approved Fraud Prevention Plan in place to implement the Fraud Prevention Policy.

Management accepts fraud and corruption as a business risk. Acceptance, however, does not mean it condones fraud and it therefore commits itself to actively fight fraud and corruption including all other acts of dishonesty with perseverance and vigour.

Management in the Office of the Premier is zero tolerant to fraud and corruption and has made a commitment to deal with all incidences of fraud and corruption that are be detected in the Office. Management has identified the Fraud Risks which the Office of the Premier is exposed to, and has put measures in place to ensure that these risks do not materialise.

There are mechanisms in place to ensure that fraudulent activities are reported, investigated and resolved within a given period. Employees and the public are encouraged through awareness programmes and initiatives to report any suspected fraud and corruption activities. There is NACH and the Presidential Hotline which employees and the public can use to report allegations of fraud either anonymously or through walk-ins. The Office of the Premier has a Whistle-blowing Policy which provides an assurance to provide protection to all whistle-blowers.

All cases reported are investigated. Due to capacity challenges in the Office of the Premier, a service provider has been contracted to investigate the cases and a notable improvement in the backlog has been made.

### **4. MINIMISING CONFLICT OF INTEREST**

SMS members disclosed their financial interests in line with Chapter G of the Public Service Regulations 2001, as well as the Financial Disclosure Framework and Chapter 4 of the SMS Handbook.

Officials who did not disclose their financial interests accordingly were dealt with in line with the provisions of the Disciplinary Code and Procedure. The Public Service Commission was advised accordingly.

### **5. CODE OF CONDUCT**

The Office of the Premier has adopted the Public Service Code of Conduct 2016, as our value system. The conduct and behaviour of employees in the Office of the Premier is guided by the Public Service Code



of Conduct, 2016, are communicated to all employees and directives by the Minister in the Public Service adhered to.

## **6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES**

The implementation of the Health, Safety and Environmental function is incorporated in the Safety Health Environment Risk and Quality Management Pillar, of which one of the requirements is the appointment of an official to implement all Health, Safety and Environmental issues in the Office of the Premier.

## **7. PORTFOLIO COMMITTEES**

The Office of the Premier reports to the Portfolio Committee on Premier's Office; Finance, Economic Development and Tourism in the Mpumalanga Provincial Legislature. The Committee reviews the Office's Strategic Plan, Annual Performance Plans and budgets annually before approval for implementation. Once approved, the Committee monitors the implementation of the plans and budgets on a quarterly basis and annually through the analysis of the quarterly and annual reports that are submitted to the Office of the Speaker in the Provincial Legislature. The following table outlines the key deliberations in respect of 2015/16 Annual Report for the Office of the Premier, which took place on 10 October 2016:





Date	Subject / Agenda	Matters raised	Implementation by the department
10 October 2016	2015/16 Annual Report	<p><b>1 FINANCIAL PERFORMANCE</b></p> <p>The Office of the Premier's expenditure has increased by 0.4% from 97.6% in 2014/15 to 98% in 2015/16 financial years. The Office of the Premier has spent an amount of R262 393 000,00 which is 98% of the final budget of R267 649 000,00. The Office of the Premier has achieved 81 out of 109 planned targets, which constitutes 74.3% against the 98% expenditure.</p> <p><b>a) Can Office of the Premier explain why is the expenditure is at R262 393 000,00 (98%) while 28 (25.7%) targets were not achieved?</b></p> <p>On economic classification the lowest expenditure is on Goods and Services at <b>R5 092 000,00</b> or <b>95.8%</b> and is below the 100% benchmark by <b>4.2%</b>.</p> <p><b>b) Can the Office of the Premier explain what lead to the low expenditure on Goods and Services?</b></p>	<p>a) The expenditure of R262 393 000,00 is inclusive of Compensation of Employees to an amount of R122 680 000,00 which constitutes 46,8% of the total expenditure.</p> <p>The savings realised from the targets which were not achieved/postponed were transferred to the areas which were projecting an over expenditure during the virements of funds, and thus the expenditure is at 98%, whereas some of the targets were not implemented/achieved. This was done in line with the provision of Section 43 of the PFMA.</p> <p>(b) The under expenditure by 4.2% on Goods and Services was due to the portion of unspent funds earmarked for the rollout of Operation Vuka Sisebente, of which a rollover of R5 002 000,00 has been requested from the Provincial Treasury and the Office is awaiting approval thereof.</p>



Date	Subject / Agenda	Matters raised	Implementation by the department
		<p><b>1.2 Audit Opinion</b></p> <p>The AGSA report indicated that the financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of non-current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the statements receiving an unqualified audit opinion.</p> <p><b>a. Can the AO share with the committee what measures the Office of the Premier has put in place in the current Financial Year 2016/17 to improve its audit outcome?</b></p>	<p>The Office has enhanced its internal control measures within the supply chain management section, by introducing the following:</p> <ul style="list-style-type: none"> <li>• A Supply Chain Compliance check list that is designed in accordance with the requirements of all the procurement processes as contained in the relevant prescripts namely the PFMA, Treasury Regulations and Supply Chain Management policies in order to avoid the occurrence of Irregular expenditure which often leads to the adjustment of the Annual Financial Statements.</li> <li>• The Office of the Premier has established a Finance Committee, which is chaired by the CFO, to look at all procurement conducted</li> <li>• The Office of the Premier is currently in the process of reviewing all SLA that were previously entered into, with a view to amend where necessary, through an addendum, if deemed appropriate.</li> <li>• The Office of the Premier is currently in the process of reviewing all SLA that were previously entered into, with a view to amend where necessary, through an addendum, if deemed appropriate.</li> </ul>



Date	Subject / Agenda	Matters raised	Implementation by the department
		<p><b>3. Conditional Grant and Donor Funding</b></p> <p>The Office of the Premier received a conditional grant amounting to R10 000 000,00 which was granted to cover the cost related to the rollout of the Operation <i>Vuka Sisebente</i> programme. The Office of the Premier also received donations to an amount of R691 000,00 to be utilised under the Premier's discretionary bursary fund.</p> <p><b>a) Can the Office of the Premier provide an expenditure report of the conditional grant?</b></p> <p><b>b) How many learners has benefited from the bursary?</b></p>	<p>The Office of the Premier does not have a Conditional Grant. However, it only received Provincial Treasury earmarked funding of R10 000 000,00 as part of its equitable share baseline of R267 649 000,00 to cover the roll out of Operation <i>Vuka Sisebente</i>.</p> <p>a) The budget of R4 998 000,00 was used for the uploading of the household profiles from DSD and the difference was surrendered to Provincial Treasury as unspent funding. The difference has since been requested to be rolled over.</p> <p>b) 12 learners benefited from the bursary of R691 000,00.</p>



Date	Subject / Agenda	Matters raised	Implementation by the department
		<p><b>1. PROGRAMME ANALYSIS</b></p> <p><b>2.1 Programme 1: Administration</b></p> <p>In Performance Indicator: % of backlog cases investigated, the Office of the Premier has not achieved the target for investigating 100% of investigations of alleged fraud and corruption and only 45.6% were investigated and finalised (AR:41). The reason for this variance is the complexity of cases resulting in delays in the finalisation of the cases.</p> <p>a) <b>How many cases has been investigated and concluded in terms of numbers and not percentages as reflected in the Annual Report?</b></p> <p>b) <b>How many are still pending?</b></p> <p>c) <b>When will the backlog be concluded?</b></p> <p>d) <b>How long does it take to conclude cases reported? What's the baseline standard for attending and concluding cases?</b></p> <p>e) <b>The Office of the Premier indicated that it will increase human capacity to deal with the backlog of cases AR:41:</b></p> <p>I. <b>Does it mean the Office of the Premier will appoint an additional service provider or will it increase personnel in the section?</b></p> <p>II. <b>Organisational Structure (AR 26) indicates that the Chief Director: Integrity Management is in an acting capacity. When will the position be filled so that the section can be stabilised and be able to perform its function with authority?</b></p>	<p>a) There were 712 cases that were investigated and 218 have been concluded.</p> <p>b) 494 are still being investigated.</p> <p>c) There is no backlog and all outstanding cases that are being investigated will be concluded.</p> <p>d) On average, a simple case takes up to 12 days and a complicated case, can take up to 81 days.</p> <p>e) i).The Office of the Premier will not appoint additional service providers but will utilise the current service providers and recruit additional personnel through secondment from Provincial Departments. The recruitment process is already underway. ii) The process to fill the vacant position of the Chief Director: Integrity Management is underway.</p>



Date	Subject / Agenda	Matters raised	Implementation by the department
		<p><b>2.2 Programme 2: Institutional Development</b></p> <p>In Performance Indicators: Report on the SMS summit and monitoring report on implementation of SMS summit resolutions (AR: 56). The Office of the Premier was supposed to co-ordinate the Provincial Senior Management Service Summit and it was not co-ordinated due to cost curtailment measures that are currently in place.</p> <p><b>a. Given that the target was new with an understanding that it was introduced to address certain gaps that were identified by the Office of the Premier within Provincial Senior Management services and believing that the target was also budgeted for.</b></p> <p><b>III. Why is the AO citing budgetary constrains?</b></p> <p><b>IV. Why is the target being discontinued, if initially there was a need to introduce it?</b></p>	<p>I. There were cost escalations during the planning of the event that the available budget could not cater for.</p> <p>II. The purpose of the event was to benchmark and share best practices among senior managers. Alternative existing Provincial forums are currently being used to serve the same purpose. These include Batho Pele Forum, HR Forum; CFO's Forum; Planners Forum etc amongst others.</p>
		<p><b>2.3 Programme 3: Policy and Governance</b></p> <p>In Performance Indicators: number of empowerment programmes for women, youth and older persons co-ordinated: The Office of the Premier was supposed to co-ordinate and support the empowerment programme for Women, Youth and Older Persons but the international Women's Day was not co-ordinated and the older Person's dialogue with the Premier was also not co-ordinated.</p> <p><b>a. Can the Office of the Premier explain why the international Women's Day was not co-ordinated and the older Person's dialogue with the Premier was also not co-ordinated?</b></p>	<p>a) The International Women's Day was not co-ordinated due to the reprioritization of targets as a result of budgetary constraints. However, the event will be co-ordinated in March 2017. The Older Person's dialogue with the Premier was not co-ordinated due to the non-availability of the Premier.</p>



Date	Subject / Agenda	Matters raised	Implementation by the department
		<p>In Performance Indicators: Monitoring report on the impact of the international partnerships; the Office of the Premier was supposed to facilitate the approval of the Mpumalanga International Relations Framework and capacitate the Office of the Premier, 11 Provincial Departments and parastatals and the 3 District Municipalities on the implementation of the framework but the co-ordination was not done due to lack of personnel to perform the International Relations function.</p> <p><b>b. During the planning period did the Section have personnel that allowed the Office of the Premier to introduce new targets for the section? If yes, what happened to the personnel, if no, did the Office of the Premier plan new targets knowing they won't be implemented during that financial Year bearing in mind the issue of the moratorium on the filling of posts?</b></p>	<p>b) The section did not have personnel. However, the targets were planned with the intention to recruit through the rationalization process. The recruitment process took longer than was anticipated. Currently, there are two officials dedicated to the International Relations Unit.</p>



Date	Subject / Agenda	Matters raised	Implementation by the department
		<p>In Performance indicators: Provincial Research Policy Framework adopted and implemented. The Office of the Premier was supposed to monitor the implementation of the Provincial Research Policy Framework because the Provincial Research Policy Framework was adopted and approved at the end of 2015/16.</p> <p><b>c. AR: 2014/15:66 the Office of the Premier reported that the Provincial Research Policy Framework was developed. Does this mean that since 2014/15 the report was developed but not adopted and approved, and it had to wait for the 2015/16 Financial Year to be adopted and approved. Can the AO clarify why it was not approved and adopted after being developed in 2014/15 Financial Year?</b></p>	<p>c. There were unfortunate delays in the approval processes and these delays have since been attended to.</p>
		<p>In Performance indicators: Number of ZAZI workshop campaigns conducted, the Office of the Premier was supposed to conduct 4 ZAZI Campaigns conducted and all ZAZI workshop/campaigns were not conducted due to non-availability of a suitable bidder among the bidders who applied..</p> <p><b>d. The ZAZI Campaign is one of the new performance indicators that were introduced during the 2015/16 Financial Year but it was never implemented due to unavailability of suitable bidders. Can the Office of the Premier update the Committee on the current status quo?</b></p>	<p>d. The Service Provider for the ZAZI Campaign was appointed on the 13<sup>th</sup> of September 2016 for a period of three years. The programme has already started with the training of ambassadors as part of rolling out the ZAZI campaign in the Province.</p>



Date	Subject / Agenda	Matters raised	Implementation by the department
		<p><b>3. COMPLIANCE WITH KEY LEGISLATION</b></p> <p>a. Section 40(1)(b) of the PFMA provides that the AO must prepare financial statements for each Financial Year in accordance with generally recognized accounting practice. Financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework in terms of Section 40(1)(b) of the PFMA.</p> <p><b>II. Why did the AO fail to strictly adhere to Section 40(1)(b) of the PFMA?</b></p> <p><b>III. What is the contingency plan to ensure that the Office of the Premier adheres to prescribed financial reporting framework?</b></p>	<p>I. The AO has identified weaknesses in the Finance Section with regard to supply chain management processes. The Office of the Premier is addressing these weaknesses through the establishment of a Finance Committee; an Annual Financial Statements (AFS) Committee, Specification as well as the Bid Evaluation Committees.</p> <p>II. The Annual Financial Statements will be submitted to the following structures for validation:</p> <ul style="list-style-type: none"> <li>o AFS Committee in order to allow deliberation against the prescribed financial reporting framework.</li> <li>o Internal Audit Unit to review the AFS before submission to the Office of the Accountant General,</li> <li>o Audit Committee to review the AFS before submission to the Office of the AGSA.</li> </ul>





Date	Subject / Agenda	Matters raised	Implementation by the department
		<p>b. Treasury Regulation 16A6.1 provides that Procurement of goods and services either by way of quotations or through a bidding process must be within the threshold of R 500 000,00 as determined by the National Treasury.</p> <p>I. The Office of the Premier procured goods above the threshold of R 500 000,00 without inviting competitive bids.</p> <p>II. Invitations for competitive bidding were not always advertised in the Government Bulletin and the Construction Industry Development Board</p> <p>III. The Preference point system was not applied in all procurement of goods and services above R30 000,00.</p> <p><b>a. Is there a Supply Chain Management policy within the department?</b></p> <p><b>b. Why did the Office of the Premier fail to comply with Procurement and bidding processes in terms of Regulation 16 A6.1?</b></p> <p><b>c. Deviations were recorded for procuring by other means for competitive bidding by the AO in compliance with Regulation 16A6.4. Why did the Office of the Premier contravene Regulation 16A6.1?</b></p> <p><b>d. What steps did the AO take against officials who has abused the supply chain management policies in terms of Regulation 16A9.1?</b></p>	<p>a. The Office of the Premier does have a Supply Chain Management policy, a copy of which was provided to the Committee.</p> <p>b. The Office of the Premier did not intentionally fail to comply with procurement and bidding processes in terms of Regulation 16A6.1. An application was made to the AO to deviate from normal procurement process and appoint TNA Media to advertise the State of the Province address for a certain period inclusive of a breakfast show. The deviation was approved by the AO, and was reported as such within 10 days to AGSA and Provincial Treasury, as required by the Regulation. However, the AGSA was of the view that it was practical to invite competitive bids for this service.</p> <p>c. The Office of the Premier did not intentionally contravene Regulation 16A6.1, as stated above</p> <p>d. The amount in question was declared as Irregular Expenditure and the irregular expenditure is being investigated by the Internal Audit Unit. Once the investigation is concluded, the recommendations will be implemented by the AO.</p>



## 8. SCOPA RESOLUTIONS

The SCOPA meeting to deliberate on the Office of the Premier's Annual Report for 2015/16 took place on 27 June 2017. The reported progress on the resolutions to date is tabled in the table below:

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	<b>Progress on resolutions</b>	Can the AO provide the progress made in implementing SCOPA resolutions with reference to the 2014/15 Financial Year?	i. An annexure with a detailed report on integrity management was submitted to the Committee.	Resolved
		i. The AO must submit report of the Integrity Management Unit in relation to the Irregular expenditure incidents relating to the amount of R 68 266 667.38.		
		ii. The AO must develop a strategy to minimize the contingent liabilities and report to the Committee the progress made towards clearing them.	iii. The cases that are listed under the Contingent liability are handled by the State Attorney. Follow-ups are made on a regular basis on the status of each case. However the progress thereof is at a slow pace. The sitting of the labour courts is controlled by the registrar of the labour court.	Pending
		ii. The AO must ensure that the Remedial audit plan 2014/15 financial year is implemented and adhered to.	iii. The AO managed to implement most of the Remedial audit plans for 2014/15 Financial Year. This is reflected on the 2015/16 audit findings which are mostly different in nature.	Resolved
		iv. The AO must develop system and mechanism to enhance the Supply Chain Unit.	iii. The Supply Chain Management unit has since been enhanced by the appointment of a manager, and the introduction of the Central Supplier Data Base has contributed positively to the overall procurement of goods and services within the public sector and the Office of the Premier.	Resolved
2	<b>Audit Action Plan for 2015/16</b>	The AO was requested to provide the progress report on the implementation of 2015/16 Audit plan.	The Office of the Premier obtained an unqualified Audit Opinion during the 2015/16 financial year. There were 61 findings raised by the Auditor-General and 55 of these findings have been addressed satisfactory. Progress report on the 6 findings that are still in progress was provided to the Committee.	Pending



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
<b>3.1. Report on Financial Statements</b>				
3.1.1.	<b>Irregular Expenditure</b>	<p>As disclosed in note 23 to the financial statements, irregular expenditure of <b>R147 39 000,00</b> was incurred, as a result of the contravention of supply chain management legislation: Page 216 of AGSA's report.</p> <p>a) <b>Why did the AO contravene section 38(1)(c)(ii) of the PFMA and Treasury Regulation (TR) 9.1.1?</b></p> <p>b) <b>Did the Office of the Premier implement a fruitless and wasteful expenditure register and were the necessary investigations performed to determine liability?</b></p> <p>c) <b>Did the AO report the fruitless and wasteful expenditure to Treasury in terms of Section 38(1)(g) of PFMA?</b></p> <p>d) <b>Were there instances of fraud? If yes, provide details and steps taken against those involved.</b></p> <p>e) <b>Were there any steps taken to prevent this from recurring in the next Financial Year i.e. 2016/17; if so what steps, were taken and provide a detailed explanation; if not, why not?</b></p> <p>f) <b>Can the AO outline challenges that lead to irregular expenditure as this matter is recurring even when systems are/were put in place to prevent a recurrence?</b></p>	<p>a) The AO did not intentionally contravene section 38(1)(c)(ii) of the PFMA and Treasury Regulation (TR) 9.1.1 in the procurement of goods and services that resulted in irregular expenditure of R147 390 000,00 accumulatively for the past years.</p> <p>b) The Office of the Premier has a fruitless and wasteful expenditure register that supports the compilation of the Annual Financial Statements and the investigation of the fruitless and wasteful expenditure is underway and is being conducted by the Internal Audit unit.</p> <p>c) The fruitless and wasteful expenditure was reported to Treasury in terms of Section 38(1)(g) of the PFMA and was disclosed as such in the Annual Financial Statements.</p> <p>d) There were no instances of fraud identified either by the AGSA or by the Office of the Premier for the reporting period.</p> <p>e) Systems are in place to detect and prevent any fraudulent activity within the Office of the Premier from occurring. The Office has established a finance committee that verifies all procurement of goods and services, before sign off by the AO. A compliance check list was developed to verify completeness of payment vouchers between the Supply Chain Management Unit and the payment section.</p> <p>f) The challenges that led to irregular expenditure within the Office of the Premier are the following: Capacity constraints within Supply Chain Management that led to multi-year contracts being awarded without complying with the bid specifications. Deviations for the procurement of goods and services approved by the AO but not justifiable according to the Audit opinion.</p>	Pending



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
3.1.2.	<b>Con- tingent Liabili- ties and contin- gent assets</b>	<p>The Committee noted on page 213 of the annual report that the Office of the Premier has reported on contingent liabilities amounting to R17 744 000,00.</p> <p>(a) <b>Can the AO give a detailed account of the claims against the Office amounting to R17 551 000,00?</b></p> <p>(b) <b>Can the AO give a detailed account of the intergovernmental payables of R193 000,00?</b></p>	<p>a) The details for contingent liabilities of R17 551 000,00 is included in page 231 of the Annual Report.</p> <p>The breakdown is as follows</p> <ul style="list-style-type: none"><li>• Standard bank R2 111 000, 00</li><li>• Sithole Computers R2 595 000,00</li><li>• Imvuno Trading R470 000,00</li><li>• Valozone 268 cc R67 000,00</li><li>• Markohill Media R22 000,00</li><li>• Riena Charles R12 353 000,00</li></ul> <p>b) The Intergovernmental payables of R193 000,00 is unconfirmed balances owed to the Department of Justice and Constitutional Development.</p>	Pending



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
<b>4. Compliance with legislation</b>				
4.1. 1	<b>Procurement and contract management</b>	<p>On page 151, the AGSA reported that goods and services with a transaction value above R500 000,00 were procured without inviting competitive bids, as per the requirements of Treasury Regulation (TR) 16A6.1. Deviations were approved by the AO even though it was not impractical to invite competitive bids, in contravention of Treasury Regulation 16A6.4</p> <p>a) <b>Why did the AO contravene TR 16A6.1, and TR 16A6.4?</b></p> <p>b) <b>Why did the AO approve such contracts even though it was not impractical to invite competitive bids, in contravention of Treasury Regulation 16A6.4?</b></p> <p>c) <b>Can the AO list the contracts that were awarded to bidders in contravention of Treasury Regulation 16A6.4?</b></p> <p>d) <b>Can the AO indicate the value of each contract awarded in contravention of Treasury Regulation 16A6.4?</b></p> <p>e) <b>What action has the AO taken against the officials who failed to adhere to the requirements of Treasury Regulation 16A6.4?</b></p> <p>f) <b>What measures has the AO taken to ensure that the requirements of Treasury Regulation 16A6.4 in terms of awarded contracts are always adhered to?</b></p>	<p>a) The AO did not intentionally contravene section 38 (1)(c)(ii) of the PFMA and Treasury Regulation (TR) 9.1.1 in the procurement of goods and services that resulted to non-compliance with Legislation.</p> <p>b) There were two instances where goods and services with a transactional value above R500 000,00 were procured without inviting competitive bids as per requirements of the Treasury Regulation (TR) 16A6. In the first instance, goods and services were procured from a contracted service provider. However, the items procured were not covered as part of the contracted item list. The officials concerned were reprimanded and the amount was declared as irregular expenditure. In the second instance goods and services were procured from TNA Media and the Office of the Premier was of the view that the breakfast show concept is the brainchild of TNA Media and have a contract with SABC, and they qualify for reduced rates which eventually benefited the Office of the Premier. However, the AGSA was not satisfied that other service providers were given a fair chance to compete.</p> <p>c). The list of the contracts was provided to the Committee.</p> <p>d) The list of the contracts was provided to the Committee.</p> <p>e) As previously indicated the officials implicated in the first instance were reprimanded and an investigation is underway on the second instance and a report will be submitted as soon as the investigation is concluded.</p> <p>f) The AO is not approving any deviations where it is practical to invite competitive bids, except for the media houses where specific audience is targeted through the Communication Unit.</p>	



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
4.1.2	<b>Procurement and contract management</b>	<p>4.1.2. On page 151, the AGSA reported that Goods and services with a transaction value below R500 000,00 were procured without obtaining the required price quotations, as required by Treasury Regulation 16A6.1.</p> <p>a) <b>Why did the AO fail to adhere to Treasury Regulation 16A16.1?</b></p> <p>b) <b>Can the AO list all transactions in the 2015/16 Financial Year that were done in contravention to Treasury Regulation 16A16.1?</b></p> <p>c) <b>What action has the AO taken against the officials who contravened Treasury Regulation 16A16.1?</b></p> <p>d) <b>What measures has the Accounting Officer put in place to ensure that the reported finding does not recur in the 2015/16 financial year?</b></p>	<p>a) The AO did not intentionally contravene section 38(1)(c)(ii) of the PFMA and Treasury Regulation(TR) 9.1.1 in the procurement of goods and services that resulted to non-compliance with Legislation.</p> <p>b) The list of all transactions was provide to the Committee</p> <p>c) The AO has not taken any action against officials at this stage because the investigation is currently underway by the Internal Audit Unit. Once the investigation is concluded, the AO will then be guided by the recommendation on what action to take against implicated officials.</p> <p>d) The AO has established a finance committee that verifies all procurement of goods and services. A compliance check list was developed to verify completeness of payment vouchers between Supply Chain Management unit and the payment section.</p>	



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
4.2.	<b>Expenditure Management</b>	<p><b>4.2 Expenditure management</b></p> <p>4.2.1 On page 152, the office of the AGSA reported that effective steps were not taken to prevent irregular expenditure, amounting to R54 690 000,00 as disclosed in note 23 of the AFS, as required by section 38(i)(c)(ii) of the PFMA and TR 9.1.1. The AGSA also reported that effective steps were not taken to prevent fruitless and wasteful expenditure, amounting to R5 083 000, 00 as disclosed in note 24 of the AFS, as required by section 38(i)(c)(ii) of the PFMA and TR 9.1.1 and again the AGSA reported that effective internal controls were not in place for payment approval and processing, as required by TR 8.1.1. Payments were approved without adequate supporting documents for the expenditure amount.</p> <p>a) Why did the AO fail to take action to prevent irregular expenditure, amounting to R54 690 000,00 as disclosed in note 23 of the AFS , as required by section 38(i)(c)(ii) of the PFMA and TR 9.1.1</p> <p>b) Why did the AO fail to take effective steps to prevent fruitless and wasteful expenditure, amounting to R5 083 000,00 as disclosed in note 24 of the AFS, as required by Section 38(i)(c)(ii) of the PFMA and TR 9.1.1?</p> <p>c) Why did the AO fail to put effective internal controls in place for payment approval and processing, as required by TR 8.1.1 as payment were approved without adequate supporting documents for the expenditure amount?</p> <p>d) Can the AO explain the circumstances regarding the irregular expenditure amounting to R54 690 000,00 and the R5 083 000,00 of fruitless and wasteful expenditure?</p> <p>e) Did the AO take any disciplinary action as required by Treasury Regulation 9.1.3?</p> <p>f) What progress has the AO made towards recovering the money from the responsible officials?</p> <p>g) Can the AO submit proof that the irregular expenditure was reported to Provincial Treasury and a register was kept?</p> <p>h) What systems have the AO put in place to ensure that the report-</p>	<p>a) The AO did not intentionally contravene section 38(1)(c) (ii) of the PFMA and Treasury Regulation(TR) 9.1.1 in the procurement of goods and services that resulted in irregular expenditure amounting to R54 690 000,00.</p> <p>b) The AO did not intentionally contravene section 38(1)(c) (ii) of the PFMA and Treasury Regulation(TR) 9.1.1 in the procurement of goods and services that resulted in fruitless and wasteful expenditure amounting to R5 083 000,00.</p> <p>c) The AO did not intentionally approve payments without adequate supporting documents for the expenditure amounts. The supporting documents from the contracted service provider were attached to the payments. However, the third party invoices were previously not a requirement for audit purposes. The Office of the Premier has since improved in this area of work.</p> <p>d) The circumstances that led to irregular expenditure of R54 690 000,00 within the Office of the Premier are as a results of the following: Capacity constraints within Supply Chain Management that led to multi-year contracts being awarded without complying with the Bid specifications. Deviations for the procurement of goods and services approved by the AO but not justifiable according to the Audit opinion. The fruitless and wasteful expenditure of R5 083 000,00 is as a result of expenditure incurred where invoices were received from the contracted service providers. However the third party invoices could not be obtained or justified.</p> <p>e) The AO has not taken any disciplinary action against officials at this stage because the investigation is currently underway by the Internal Audit Unit. Once the investigation is concluded the AO will then be guided by the recommendation on what action to take against implicated officials.</p> <p>f) The AO has not made any progress towards recovering the money from the responsible officials, as investigations are currently underway by the Internal Audit Unit.</p> <p>g) The irregular expenditure was reported to Provincial Treasury and proof was provided to the Committee.</p> <p>h) The AO has established a finance committee that verifies all procurement of goods and services. The Provincial Treasury has organised training for all officials serving in Supply Chain Management committees. A compliance check list was developed to verify completeness of payment vouchers between the Supply Chain Management unit and the payment section.</p>	





Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
4.3.	<b>Internal Controls</b>			
4.3.1.	<b>Leadership</b>	<p>On page 152, the AGSA reported that there was insufficient oversight and monitoring on the implementation of internal controls during the year resulting in material misstatements identified in the financial statements being corrected as well as instances of irregular, fruitless and wasteful expenditure and also failed to ensure that vacant senior management positions were filled within 12 months.</p> <p><b>a) Why did the AO fail to put in place sufficient oversight and monitoring on the implementation of internal controls during the year resulting in material misstatements identified in the financial statements?</b></p> <p><b>b) Why did the AO fail to ensure that vacant senior management positions were filled within 12 months?</b></p> <p><b>c) Can the AO update the committee on the filling of vacant senior management positions?</b></p>	<p>a) The Accounting Officer managed to put in place oversight and monitoring on the implementation of internal controls during the year under review as the Office had a fully functional Audit Committee and Risk Committee. However, the internal controls might not have been effective enough or directly responding to the emerging risks.</p> <p>b) No approval for the filling of the applicable posts could be obtained from the Executive Council within the applicable period since there was a moratorium in place for the Provincial Administration.</p> <p>c) The Office of the Premier has filled three (3) critical senior management services (SMS) positions after obtaining the approval of the Executive Council. Through the reprioritization process the Office of the Premier also filled two critical SMS positions.</p>	





Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
4.3.2	Financial and performance management	<p>4.3.2.1. On page 152, the AGSA reported that management did not ensure that the financial statements were adequately supported with documentation to validate recorded transactions.</p> <p>4.3.2.2. On page 152, the AGSA reported that supporting schedules submitted with the financial statements for auditing were not adequately reviewed for accuracy and completeness as there were errors noted during the audit.</p> <p>4.3.2.3. On page 152, the AGSA reported that there were inadequate controls identified with regards to daily and monthly processing regarding expenditure and asset management.</p> <p>a) <b>Looking at the three findings above, the AO must explain why did he failed to ensure that the Office of the Premier has and maintains effective, efficient and transparent systems of financial and risk management and internal control as required by section 38(i) (a)(i) of the PFMA?</b></p>	<p>The Office had controls in place that traditionally ensures that Office of the Premier maintains effective, efficient and transparent systems of financial and risk management and internal control.</p> <p>The issue that gave rise to the three findings raised by AGSA occurred for the first time in the Financial Year 2015/2016 and were not recurring in nature and the Office has since enhanced its internal controls to respond if such incidents re-occur in the future.</p> <p>The AO has since signed an addendum to the SLA with the service provider concerned, and all transaction will be accounted for and assets classified correctly in accordance to their nature.</p>	

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

During the previous Financial Year, the Office of the Premier received an unqualified audit opinion with three matters of significant non-compliance with legislation being reported in the AGSA's Audit Report, namely: Procurement and Contract Management; Expenditure Management and Internal Audit. The Office of the Premier embarked on a robust integrated approach to address all matters of emphasis raised in previous reports of the AGSA.

To rectify the situation, the Office of the Premier developed an action plan to clear all the issues, which included among other things, convening a management meeting with the intention to inform all relevant Senior Managers and clearly communicate the expectations on dealing with audit findings. Furthermore, the Senior Managers were expected to identify root causes for the qualification matters within their areas of operations and devise appropriate strategies to prevent any re-occurrence. In addition, the DG requested a review and update of all the policies and standard operating procedures for the Office of the Premier. An audit action plan was developed and the implementation thereof was monitored at regular intervals through presentations at Management Committee meetings and monthly reporting to the Provincial Treasury.

The Internal Audit Unit developed an audit plan, aimed at evaluating the implementation of the plans



with regard to the issues of non-compliance. Significant progress has been made to resolve the issues identified.

## **10. INTERNAL CONTROL UNIT**

The Office of the Premier has not established a separate Internal Control unit. However, Management uses the work of the Internal Audit function and where discrepancies are identified, they are brought to the attention of Senior Management with recommendations to enhance the internal control environment. The Internal Audit function reports regularly at Management Committee meetings to ensure that identified internal control deficiencies get addressed on an on-going basis.

## **11. INTERNAL AUDIT AND AUDIT COMMITTEES**

### **11.1 Internal Audit**

The Office of the Premier, in terms of section 38(1)(a)(ii) of the PFMA, established an Internal Audit function under the control and direction of an Audit Committee. Pursuant to a previously made determination, the Internal Audit function and the Audit Committee located within the Office of the Premier is a shared service responsible for the following five cluster Departments:

- Office of the Premier;
- Department of Community Safety, Security and Liaison;
- Department of Co-operative Governance and Traditional Affairs;
- Department of Culture, Sport and Recreation; and
- Department of Human Settlements.

The mission of the shared Internal Audit function, being what the shared Internal Audit aspires to accomplish, is to enhance and protect Departmental values by providing risk-based and objective assurance, advice and oversight. In line with the definition of internal auditing as per the Institute of Internal Auditors, the primary mandate and objective of the shared Internal Audit function is to provide an independent, objective assurance and consulting activity designed to add-value and improve the operations of the Office of the Premier.

In keeping with its primary mandate, the shared Internal Audit Unit supports the Director General through evaluating and contributing to improving the effectiveness of risk management, control and governance processes. In addition, it also facilitates the functioning of the shared Audit Committee.

In accordance with Treasury Regulation 3.2.6, which requires that internal audit must be conducted in accordance with the Standards During the year under review, the shared Internal Audit function reviewed



and amended its operations to ensure that they are aligned with the revised Standards.

The shared Internal Audit function operated within an approved Internal Audit Charter and in accordance with the requirements of the PFMA, its Treasury Regulations and the Standards (International Standards for the Professional Practice of Internal Auditing) set by the Institute of Internal Auditors.

During the year under review, the Internal Audit Function developed a rolling three-year strategic internal audit plan and an annual internal audit operational plan based on the results of the risk assessment. The plans were compiled in consultation with Management and were recommended by the Director-General and approved by the Audit Committee during May 2016.

The Annual Internal Audit Coverage/Operational Plan identified different audit engagements and these were performed by the shared Internal Audit function as such. Respective reports were issued to Management communicating identified control weaknesses, recommendations for improvement(s), and also incorporated agreed Management action plans for implementation of corrective action.

In addition, as required in terms of the PFMA and the approved Internal Audit Charter, the identified control weaknesses were also communicated and tabled at the meetings of the Audit Committee to allow for effective monitoring and oversight. The following is a summary of the audit work performed by the shared Internal Audit function during the year under review as per the approved plans:

#### **Assurance services**

- Monitoring and tracking of audit findings as previously reported by both AGSA and the shared Internal Audit function in order to evaluate progress made by Management in implementing agreed audit action plans. Follow-up reviews were performed to evaluate the effectiveness and improvements to the internal control environment;
- Review of Departmental Performance Information;
- Review of Interim and Annual Financial Statements;
- Review of Operation *Vuka Sisebente* processes (OVS);
- Supply Chain Management;
- Financial Management;
- Transfer Payments; and
- Information and Communication Technology Audits.



## **Consulting services**

- Consulting work included the review of the Management self-scoring and adequacy of evidence provided in support of such scoring as per the Management Performance Assessment Tool (MPAT);
- Participation in informal consulting engagements including routine activities such as participating in standing Management Committee meetings, provision of advice, as and when invited and required.

## **11.2 Audit Committee**

The shared Audit Committee serves as an independent governance structure whose primary function is to provide an oversight over the Office of the Premier financial reporting, risk management, control and governance processes. The shared Audit Committee assists the Accounting Officer in the effective execution of his responsibilities.

The shared Audit Committee is constituted to ensure its independence and comprises of external non-official members (appointed from outside the Public Service). It operates in terms of formally documented and approved Terms of Reference referred to as the Audit Committee Charter, which deals with matters such as its membership, authority and responsibilities amongst others. The said Terms of Reference are reviewed annually, and in accordance with the requirements set by the PFMA and Treasury Regulations. Further, it has direct and unobstructed lines of communication to the Accounting Officer, Senior Management, the Provincial Treasury, shared Internal Audit function and AGSA.

### **Attendance of Audit Committee Meetings by Audit Committee Members**

In accordance with Legislation, section 77(b) of the PFMA, an Audit Committee must meet at least twice a year. However, as per the approved Audit Committee Terms of Reference (Audit Committee Charter), the shared Audit Committee shall meet at least 4 times a year, with authority to convene additional meetings as may be deemed necessary.

In the meetings held, the Accounting Officer and Executive Management were always represented. The AGSA is always invited to attend the meetings of the shared Audit Committee, thus ensuring that such meetings are as effective and transparent as possible.

The shared Audit Committee meetings held were attended as follows:



Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms PS Mzizi <b>Chairperson</b>	BBusSc Finance (Hons) BCompt (Hons) CTA CA (SA) BCom (Hons) Transport Economics	External	N/A	1 Feb 2018	N/A	7
Adv G Khoza	BProc LLB HDip in Tax Law	External	N/A	1 Feb 2018	N/A	7
Mr XP Khumalo	BCom BCom Hons (Accounting) CA(SA)	External	N/A	1 Feb 2016	N/A	4
Mr MS Mthembu	Diploma in Accounting and Business Studies BCom (Accounting) MBL Cert. Business Advisory FAP (IAC) SA, GIA (IIA) SA, LIB (IOB) SA	External	N/A	1 Feb 2016	N/A	7



Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Re-signed	No. of Meetings attended
Mr T Zororo	<p>BSc Hons Information Systems</p> <p>Post Graduate Diploma in Computer Auditing</p> <p>Certified Internal Auditor (CIA)</p> <p>Certified Information System Auditor (CISA)</p> <p>Certified Information Security Manager (CISM)</p> <p>Certified in Risk &amp; Information Systems Control (CRISC)</p> <p>Certified in Risk Management Assurance (CRMA)</p> <p>Certified in the Governance of Enterprise IT (CGEIT)</p> <p>Certified COBIT 5 Assessor</p>	External	N/A	1 Feb 2016	N/A	2
Mr. H Hlomane	<p>Bsc Degree: Mathematical Science (UCT);</p> <p>Diploma in Project Management ( Varsity College);</p> <p>Diploma in Business Management( Varsity College);</p> <p>Masters in IT (University of Pretoria)</p>	External	N/A	1 March 2017	N/A	1



Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr. M Sebeelo	National Diploma: Internal Auditing (TUT); B TECH: Internal Auditing (UNISA); Advanced Certificate in Project Management (UNISA); OHS Certificate; Enterprise Risk Management Programme; Business Continuity Management;	External	N/A	1 March 2017	N/A	1



## 12. AUDIT COMMITTEE REPORT

The Audit Committee is pleased to present its report for the Financial Year ended 31 March 2017.

### **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the PFMA 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' has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein, except that it has not reviewed changes in accounting policies and practices.

### **The Effectiveness of Internal Control**

The Committee review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Office of the Premier revealed certain weaknesses, which were then raised with the Office of the Premier.

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

- Monitoring and tracking of audit findings as previously reported by both AGSA and the shared Internal Audit function in order to evaluate progress made by Management in implementing agreed audit action plans. Follow-up reviews were performed to evaluate the effectiveness and improvements to the internal control environment;
- Review of Departmental Performance Information;
- Review of Interim and Annual Financial Statements;
- Financial Management and Accounting related audits: Financial Management; Supply Chain Management/ as well as Transfer Payments;
- Operational audits: Operation *Vuka Sisebente* (OVS);
- Information and Communication Technology Audits; and
- Consulting work included the review of the Management self-scoring and adequacy of evidence provided in support of such scoring as per the Management Performance Assessment Tool (MPAT).





**The following were areas of concern:**

- Delays and/or challenges in implementation of agreed management corrective action plans to address identified control weaknesses;
- Instances of non-compliance with policies and procedures by employees required ongoing review and assessment to ensure that the Office of the Premier does not find itself regressing in terms of the good positive outcomes previously achieved; and
- Some deficiencies noted within SCM - procurement and contract management.

**In-Year Management and Monthly/Quarterly Reporting**

The Office has reported monthly and quarterly to the Provincial Treasury as required by the PFMA and the Committee is satisfied that the Office of the Premier has complied with its reporting obligations.

**Evaluation of Financial Statements**

The Committee has reviewed the draft Annual Financial Statements prepared by the Office of the Premier's CFO.

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**Ms Sophia Pumla Mzizi CA (SA)**  
**Chairperson of the Shared Audit Committee**  
**Office of the Premier**  
**Date:**



**Graduates partaking in an internship programme.**



## 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 status of human resources in the Office of the Premier**

The Office of the Premier continues to emphasise the importance of keeping up with the latest human resource trends aimed at improving effectiveness and efficiency within its ranks. It further recognises the significance of the fast growing environmental changes in the Human Resource fraternity. Therefore, it keeps positioning itself accordingly. The Human Resource Management and Development Unit, under the auspices of the General Manager: Strategic Human Resource Services is strategically positioned in a way that facilitates the functioning of the Office of the Premier's line units. It plays a pivotal role in providing support to all the line units with the purpose of facilitating the achievement of the goals and objectives of the Office of the Premier as outlined at the beginning of the Financial Year.

### **Human Resource priorities for the year under review and the impact of these**

The recruitment process is informed by legal and prescripts such as the selection and recruitment policies and code of remuneration have played a major role in identifying and acquiring effective and relevant skills for the Office of the Premier. In addition, the competency assessment process conducted prior to filling posts of Managers and those of Senior Management Services has also contributed immensely towards bridging gaps in the skills of the acquired work force.

An analysis of human resources indicates that the Office of the Premier has made very few appointments during the course of the Financial Year 2016/17. The main reason for only making a few appointments was because of the moratorium that was issued in February 2015. The moratorium indicated that no vacant and funded posts shall be filled as at the 4<sup>th</sup> of February 2015 until further notice. Departments may, if need be, seek approval of the Executive Council for special exemption in respect of posts to be filled. However, only in a few instances approval on special exemption was obtained from the Executive Council. In those few cases where approval on special exemption was obtained, the Office of the Premier has improved tremendously in terms of reducing time taken to fill vacant positions. The improvement was achieved, owing to the continued implementation of the provisions of the recruitment strategy, i.e. *Manual on reducing time taken to fill vacant positions* and the support that the Accounting Officer and the Programme Managers



have been providing to the Internal Human Resource Management and Development Unit.

The Office of the Premier has also showed improvement regarding the filling of posts within the prescribed timeframes – most probably, because there were only a few instances in which recruitment and selection processes had to be implemented, owing to the moratorium. The vacancy rate has decreased to 0.4% by the end of the Financial Year as all vacant funded positions had to be abolished on the establishment. Note must be taken though that the vacancy rate based on the approved organogram has remained high throughout the Financial Year, because of the same moratorium.

The Accounting Officer has ensured that in cases where approval on special exemption was obtained to fill vacant posts, they were filled within the regulated period, with the exception of one post of a General Manager. The said post could not be filled, owing to not finding a suitable candidate. A process of headhunting was started in this regard, but it is still to be finalized. In addition, one post of a Manager: Office of the Director-General was advertised, but could not be filled, owing to an executive decision that had to be taken.

The Office of the Premier made sure that prior to filling any position, vetting through the Vetting Agency the (State Security Agency - SSA) as well as verification of qualifications through South African Qualifications Authorities (SAQA) was done. There has been a tremendous improvement in terms of the turn-around time in conducting vetting and verifying qualifications by the State Security Agency and the South African Qualifications Authorities, respectively. The improvement was achieved, owing to the various strategies that were put in place during the last Financial Year, e.g.: Establishment and reinforcement of the Security Management function. An official arrangement was made between the Office of the Premier and SAQA to regulate the time taken to provide feedback regarding the verification of qualifications of affected candidates as well as frequent engagement with the service providers (SSA and SAQA).

### **Capacitate employees by implementing Workplace Skills Plan**

The Office of the Premier has conducted a total of 10 out of the planned 12 workshops and training programmes aimed at improving the knowledge, skills and competency of its staff members. The outstanding two programmes could not be conducted, owing to various reasons such as budget constraints as well as challenges in securing an accredited service provider through the supply chain unit.



The ten workshops and training sessions were on the following: HIV/AIDS and TB at the workplace; Performance Management and Development Services; Executive Development Programme; Customer Care in the Public Service; Women Empowerment Conference (SMS for women conference); Records Management; Protocol Etiquette; Financial Auditing for Internal Auditors in the Public Service; Compulsory Induction Programme for the Public Service; and Principles of Communication in the Public Service. The two workshops that could not be conducted were on Middle Management Development Programme; and Junior Management Development Programme.

### **Workforce planning and key strategies to attract and recruit a skilled and capable workforce**

The Office of the Premier has an approved Human Resource Plan that had to be adjusted slightly to incorporate the provisions and requirements of the moratorium. The HR Plan was reviewed and submitted to the Department of Public Service and Administration (DPSA) as per the requirement. It outlines clearly the need and strategies to attract and recruit a skilled workforce. It also outlines the need to reduce the period taken to fill vacant posts to at least six months and reduce the vacancy rate to below the national norm of 10%. It further emphasizes the need to meet all employment equity targets as reflected in the approved Employment Equity Plan of the Office of the Premier.

The Office of the Premier acknowledges that there is still a long way to go before all employment equity goals are reached – especially with regard to representation of women in the senior management services level that is at 29.4% (10/34). However, it will keep developing and implementing strategies aimed at achieving this crucial goal.

To achieve ultimate equity in the Office of the Premier, additional measures such as policies, programmes and plans must be integrated and implemented in harmony. These policies, programmes and plans must be developed in an interactive, participative, consultative and transparent manner. Both, the Employment Equity Act, 1998 and the Employment Equity Policy of the Office of the Premier place an obligation upon the Office to develop, implement and monitor an employment equity plan.

The Office of the Premier is, however, managing extremely well in terms of the representation of people with disabilities within its ranks (3.6%). With regard to representation of females in the middle and junior positions, the Office of the Premier stands at 42.4%. On post levels 3 to 12, the Office of the Premier stands at 62.6% in relation to representation of females. All in all, the entire Office of the Premier has a total of 57.8% representation of females within its ranks.



### **Implementation of Performance Management and Development System (PMDS)**

The Office of the Premier has shown stability in relation to the implementation of the Performance Management and Development System (PMDS) in terms of the approved Performance Management and Development Policy (PMDP), for officials on salary levels 3-12. The signing of Performance Agreements by SMS members on or before the deadline as per Chapter 4 of the SMS Handbook has also been excellent (100% compliance): - It must be noted that the four Special Advisors have not submitted their PA's, as they are not required to do so. There has also been a slight improvement in the assessment of SMS members in this regard. The various workshops on PMDS as conducted annually are gradually yielding the desired results.

### **Implementation of Employee Health and Wellness Programme**

The Office of the Premier has a transversal unit (Transversal Human Resource Management Services), which is entrusted with the responsibility of implementing the employee health and wellness programme within the Office of the Premier and further co-ordinates EH&W programmes across the Mpumalanga Provincial Government. During the course of this Financial Year, an internal Employee Health and Wellness official was appointed, after having identified her from another unit. However, the desired results could not be achieved, owing to various factors attributed to the said official.

### **Finalisation of disciplinary cases within ninety days**

Only three disciplinary cases were received in the Office of the Premier during this Financial Year. The cases were finalised within the regulated timeframe. The decrease in the number of disciplinary cases is an indication that officials have a sound understanding of the code of conduct as outlined in the Public Service Act and Regulations respectively.

### **Implementation of Policy and Procedure and Incapacity and Ill-health Retirement (PILIR)**

The number of applications for incapacity leave has decreased from (12) to (10) during the course of this Financial Year, when compared with the previous one. The reason for the decrease in applications on incapacity leave could be attributed to the fact that employees understand the provisions of the Policy and Procedure and Incapacity and Ill-health Retirement (PILIR). Thus, the abuse of sick leave has decreased significantly. The extension of the contract of the Health Risk Manager by the DPSA has ensured continuity in terms of handling PILIR cases within the predetermined and regulated timeframes.





## **Achievements and challenges faced by the Office of the Premier, as well as future human resource plans/goals.**

### **Achievements**

- Availability of an approved organogram. It must be noted though that the current organogram was approved in 2014. There is therefore a need to have it reviewed to align it with the latest developments and pronouncements by the Executive Council.
- Availability of an approved comprehensive human resource plan, which was submitted to the DPSA before the deadline.
- Availability of an approved comprehensive human resource planning implementation report, which was submitted to the DPSA before the deadline.
- Availability of an approved Employment Equity Plan and report, which were submitted to the DPSA and the Department of Labour, respectively before the deadline.
- Representation of people with disabilities, i.e. 3.6% (9 out of 249) employees.
- Implementation of Executive Council resolution 86/2016 regarding the upgrading of the Assistant Directors (Assistant Managers) and Deputy Directors' (Managers) posts in terms of the amended PSCBC Resolution 1 of 2012.
- Availability of an approved strategy to reduce the time period taken to fill vacant posts leading to a decrease in the vacancy rate, i.e. The Office of the Premier had 249 filled posts and 1 vacant funded post by the 31<sup>st</sup> of March 2017. Thus, the occupancy rate stood at 99.6% while the vacancy rate was 0.4%. The figures above are based on the fact that after a thorough PERSAL clean-up which was triggered by the moratorium, the Office of the Premier had a total of 250 approved and funded posts on the establishment by the end of the Financial Year.
- Appointments were effected only after security screening and verification of qualifications were finalized.
- Successful implementation of competency assessment before filling of posts on salary levels 11-16.
- Finalization of disciplinary cases received within the regulated timeframe.
- Improved turnaround times for evaluation of posts, before they are advertised.
- Availability of several approved human resource policies.



## **Challenges**

- Non-achievement of 50% target on women representation at SMS level – No or very limited posts that can be used to absorb women.
- Non-completion of certain planned Workplace Skills Plan (WSP) programmes.
- No implementation of some human resource practices and or policies, owing to the EXCO and PMC resolutions, e.g.: No payment of acting allowances; and No retention of staff.
- Limited departmental activities on Employee Health and Wellness.
- The imposed moratorium not to fill vacant funded posts and/or abolishing of vacant funded posts on the establishment.
- No alignment between the approved organogram and the PERSAL establishment. There is a need to review the organogram to enable alignment between the approved organogram with the PERSAL establishment.

## **Future human resource plans /goals**

- Target women to fill vacant SMS posts (critical), subject to obtaining approval from the Executive Council.
- Stick to the Workplace Skills Plan to enable implementation of all planned programmes.
- Appoint an Internal Employee Health and Wellness Programme Co-ordinator.
- Stick to Employee Health and Wellness Plans to ensure that all EHW programmes are implemented.
- Identify and motivate for the filling of critical positions.
- Review the organogram of the Office of the Premier and seek its approval.





### 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 2016 to 31 March 2017**

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	118 436	44 170	0.00	0.00	37	177
Institutional Development	59 780	38 727	0.00	0.00	65	156
Policy & Governance	38 702	24 374	0.00	0.00	63	98
<b>Total as on Financial Systems (BAS)</b>	<b>216 918</b>	<b>107 270</b>	<b>0.00</b>	<b>0.00</b>	<b>49</b>	<b>431</b>

**Table 3.1.2 Personnel costs by salary band for the period 1 April 2016 to 31 March 2017**

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Contract (Levels 13-16)	7 912	5.80		
Contract (Levels 3-5)	1 339	0.98	7	191 301
Contract (Levels 6-8)	294	0.22	1	293 836
Contract (Levels 9-12)	5 623	4.12	10	562 258
Highly skilled production (Levels 6-8)	19 417	14.24	53	366 354
Highly skilled supervision (Levels 9-12)	51 082	37.46	86	593 975
Senior management (Levels 13-16)	30 905	22.67	30	1 030 174
Skilled (Levels 3-5)	12 336	9.05	56	220 285
<b>TOTAL</b>	<b>128 908</b>	<b>94.54</b>	<b>249</b>	<b>517 701</b>



**Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2016 to 31 March 2017**

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	40 368	72.1	342	.6	1 095	2	1 932	3.4
Pr2: Institutional Development	35 712	74.1	68	.1	1 035	2.1	2 034	4.2
Pr3: Policy and Planning	23 071	71.8	25	.1	540	1.7	1 166	3.6
<b>Total</b>	<b>99 151</b>	<b>72.7</b>	<b>435</b>	<b>.3</b>	<b>2 670</b>	<b>2</b>	<b>5 132</b>	<b>3.8</b>

**Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2016 to 31 March 2017**

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
Contract (Levels 13-16)	6 495	72.1			240	2.7		
Contract (Levels 3-5)	908	67.8			76	5.6	62	4.6
Contract (Levels 6-8)	211	70.5	7	2.2	14	4.8		
Contract (Levels 9-12)	4 352	73.2	2		50	.8	108	1.8
Highly skilled production (Levels 6-8)	13 766	69.2	200	1	687	3.5	1 390	7
Highly skilled supervision (Levels 9-12)	39 396	72	143	.3	678	1.2	1 832	3.3
Senior management (Levels 13-16)	25 869	79.1			189	.6	508	1.6
Skilled (Levels 3-5)	8 154	65.5	84	.7	736	5.9	1 232	9.9
<b>TOTAL</b>	<b>99 151</b>	<b>72.7</b>	<b>435</b>	<b>.3</b>	<b>2 670</b>	<b>2</b>	<b>5 132</b>	<b>3.8</b>



### 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 2017**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
PR1: Administration, permanent	98	98	0	0
PR2: Institutional Development, Permanent	95	94	1.1	0
PR3: Policy and Planning, permanent	57	57	0	0
<b>TOTAL</b>	<b>250</b>	<b>249</b>	<b>0.4</b>	<b>0</b>

**Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017**

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
02 Skilled (Levels 3-5), permanent	56	56	0	0
03 Highly Skilled Production (Levels 6-8), permanent	53	53	0	0
04 Highly Skilled Supervision (Levels 9-12), permanent	87	87	0	0



Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
05 Senior Management (Levels 13-16), permanent	30	29	3.3	0
11 Contract (Levels 3-5), permanent	7	7	0	0
12 Contract (Levels 6-8), permanent	1	1	0	0
13 Contract (Levels 9-12), permanent	10	10	0	0
14 Contract (Levels 13-16), permanent	6	6	0	0
<b>TOTAL</b>	<b>250</b>	<b>249</b>	<b>0.4</b>	<b>0</b>

**Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017**

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	57	57	0	0
Cleaners in offices workshops hospitals etc. permanent	10	10	0	0
Client inform clerks (switchboard reception inform clerks), permanent	3	3	0	0
Communication and information related, permanent	19	19	0	0.0
Economists, permanent	1	1	0	0
Finance and Economics related, permanent	14	14	0	0
Financial and related professionals, permanent	1	1	0	0
Financial Clerks and Credit Controllers, Permanent	22	22	0	0
Head of Department/Chief Executive Officer, permanent	1	1	0	0
Household food and laundry services related, permanent	1	1	0	0
Human Resources & Organisational Development & related prof, permanent	3	3	0	0
Human Resources clerks, permanent	6	6	0	0
Human Resources related, permanent	18	18	0	0
Legal related, permanent	1	1	0	0
Library mail and related clerks, permanent	6	6	0	0
Messengers porters and deliverers, permanent	1	1	0	0
Motor vehicle drivers, permanent	3	3	0	0
Other administration & related clerks and organisers, permanent	27	27	0	0
Other Administrative Policy and related officers, permanent	2	2	0	0
Other occupations, permanent	5	5	0	0



Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Risk Management and Security Services, permanent	1	1	0	0
Secretaries & other Keyboard Operating Clerks, permanent	25	25	0	0
Senior Managers, permanent	23	22	4.3	0
<b>TOTAL</b>	<b>250</b>	<b>249</b>	<b>0.40</b>	<b>0</b>

### 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 2017**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	4	4	100%	0	0%
Salary Level 14	7	6	85.7%	1	14.3%
Salary Level 13	23	23	100%	0	0%
<b>Total</b>	<b>35</b>	<b>34</b>	<b>97.1</b>	<b>1</b>	<b>2.9</b>

Note: The above table does not include the Premier, who is on salary level 16 in this regard.

**Table 3.3.2 SMS post information as on 30 September 2016**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	4	4	100%	0	0%
Salary Level 14	7	3	57.1%	3	42.9%



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
Salary Level 13	23	23	100%	0	0%
<b>Total</b>	<b>35</b>	<b>34</b>	<b>97.1%</b>	<b>2</b>	<b>5.7%</b>

Note: The above table does not include the Premier, who is on salary level 16 in this regard. In addition, one Deputy Director-General (DDG): Special Adviser was moved from his position to the DDG: Macro Policy after following the correct recruitment, selection and appointment procedures. This explains precisely the reason for advertising one post of DDG on salary level 15 on the table below.

**Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2016 to 31 March 2017**

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	1	1	0
Salary Level 14	3	2	1
Salary Level 13	0	0	0
<b>Total</b>	<b>4</b>	<b>3</b>	<b>1</b>

**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 2016 to 31 March 2017**

Reasons for vacancies not advertised within six months
Not applicable - All vacant funded SMS posts, as approved by the Executive Council were advertised accordingly.

Reasons for vacancies not filled within twelve months
No suitably qualified candidate could be found during this period.

**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 2016 to 31 March 2017**

Reasons for vacancies not advertised within six months
Not applicable


**Reasons for vacancies not filled within six months**

None

### 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 2016 to 31 March 2017**

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)	0	0	0	0	0	0	0
02 Skilled (Levels 3-5)	56	0	0	5	0	0	0
03 Highly Skilled Production (Levels 6-8)	53	0	0	3	0	0	0
04 Highly Skilled Supervision (Levels 9-12)	87	6	6.9	8	133.33	1	16.67
05 Senior Management Service Band A	22	0	0	0	0	0	0
06 Senior Management Service Band B	5	0	0	0	0	0	0
07 Senior Management Service Band C	2	0	0	0	0	0	0
08 Senior Management Service Band D	1	0	0	0	0	0	0
11 Contract (Levels 3-5)	7	0	0	0	0	0	0
12 Contract (Levels 6-8)	1	0	0	0	0	0	0
13 Contract (Levels 9-12)	10	1	10	0	0	0	0
14 Contract Band A	2	0	0	0	0	0	0
15 Contract Band B	1	0	0	0	0	0	0
16 Contract Band C	2	0	0	0	0	0	0
17 Contract Band D	1	0	0	0	0	0	0
<b>TOTAL</b>	<b>250</b>	<b>7</b>	<b>2.80</b>	<b>16</b>	<b>228.57</b>	<b>1</b>	<b>14.29</b>

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 2016 to 31 March 2017**

Gender	African	Asian	Coloured	White	Total
Female	1	0	0	0	1
Male	6	0	0	0	6
<b>Total</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>

Employees with a disability	0
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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 2016 to 31 March 2017**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				<b>0</b>
<b>Percentage of total employed</b>				<b>0</b>

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 2016 to 31 March 2017**

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Employees with a disability	0	0	0	0	0
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Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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### 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 2016 to 31 March 2017**

Salary band	Number of employees at beginning of period-1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
01 Lower Skilled ( Levels 1-2)	0	0	0	0
02 Skilled (Levels 3-5) permanent	60	0	2	3.33
03 Highly Skilled Production (Levels 6-8) permanent	79	0	1	1.27
04 Highly Skilled Supervision (Levels 9-12) permanent	61	0	3	4.92
05 Senior Management Service Band A permanent	22	0	0	0
06 Senior Management Service Band B permanent	4	1	0	0
07 Senior Management Service Band C permanent	1	0	0	0
08 Senior Management Service Band D permanent	1	0	0	0
09 Other Permanent	1	0	0	0
11 Contract (Levels 3-5) permanent	6	0	0	0
12 Contract (Levels 6-8) Permanent	1	0	0	0
13 Contract (Levels 9-12) permanent	8	2	0	0
14 Contract Band A permanent	2	0	0	0
15 Contract Band B permanent	1	0	0	0
16 Contract Band C permanent	2	1	0	0
17 Contract Band D permanent	1	0	0	0
<b>TOTAL</b>	<b>250</b>	<b>4</b>	<b>6</b>	<b>2.4</b>



**Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2016 to 31 March 2017**

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related permanent	56	2	1	1.79
Cleaners in offices workshops hospitals etc. permanent	11	0	1	9.09
Client inform clerks(switchboard reception inform clerks) permanent	3	0	0	0.00
Communication and Information related permanent	22	0	2	9.09
Finance and Economics related permanent	14	0	1	7.14
Financial and related professionals permanent	1	0	0	0
Financial clerks and Credit controllers permanent	22	0	0	0
Head of Department/Chief Executive Officer permanent	1	0	0	0
Household food and laundry services related permanent	1	0	0	0
Human Resources & Organisational Development & related prof permanent	3	0	0	0
Human Resources Clerks permanent	7	0	0	0
Human Resources related permanent	17	0	0	0
Legal related permanent	1	0	0	0
Library Mail and related clerks permanent	6	0	0	0
Messengers porters and deliverers permanent	1	0	0	0
Motor vehicle drivers permanent	3	0	0	0
Other administration & related clerks and organisers permanent	27	0	0	0
Other Administrative Policy and related officers permanent	2	0	0	0
Other occupations permanent	5	1	0	0
Risk Management and Security Services permanent	1	0	0	0
Secretaries & other Keyboard Operating Clerks permanent	25	0	1	4
Senior Managers permanent	21	1	0	0
<b>TOTAL</b>	<b>250</b>	<b>4</b>	<b>6</b>	<b>2.4</b>



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 2016 to 31 March 2017**

Termination Type	Number	% of Total Resignations
Death	0	17.7
Resignation	1	17.7
Expiry of contract	0	0
Dismissal – operational changes		0
Dismissal – misconduct	1	17.7
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	3	50
Transfer to other Public Service Departments	1	17.7
Other	0	0
<b>Total</b>	<b>6</b>	<b>100</b>
<b>Total number of employees who left as a % of total employment</b>	<b>6</b>	<b>2.4</b>

It must be noted that there five officials whose contracts expired, and were renewed.

**Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 to 31 March 2017**

Occupation	Employees 1 April 2017	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	56	0	0	33	58.93
Cleaners in offices workshops hospitals etc.	11	0	0	5	45.45
Client inform clerks (switchboard reception inform clerks)	3	0	0	2	66.67
Communication and Information related	22	0	0	8	36.36
Finance and Economics related	14	0	0	12	85.71
Financial and related professionals	1	0	0	0	0
Financial Clerks and Credit Controllers	22	0	0	17	77.27
Head of Department/Chief Executive Officer	1	0	0	0	0



Occupation	Employees 1 April 2017	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
Household food and laundry services related	1	0	0	0	0
Human Resources & Organisational Development & related professionals	3	0	0	3	100
Human Resources Clerks	7	0	0	6	85.71
Human Resources related	17	0	0	16	94.12
Legal related	1	0	0	1	100
Library mail and related clerks	6	0	0	4	66.67
Messengers porters and deliverers	1	0	0	0	0
Motor vehicle drivers	3	0	0	3	100
Other administrative & related clerks and organisers	27	0	0	21	77.78
Other administrative policy and related officers	2	0	0	2	100
Other occupations	5	0	0	2	40
Risk Management and Security Services	1	0	0	1	100
Secretaries & other Keyboard Operating Clerks	25	0	0	14	56
Senior Managers	21	1	4.76	10	47.62
<b>TOTAL</b>	<b>250</b>	<b>1</b>	<b>0.4</b>	<b>160</b>	<b>64</b>

**Table 3.5.5 Promotions by salary band for the period 1 April 2016 to 31 March 2017**

Salary Band	Employees 1 April 2017	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
02 Skilled (Levels 3-5), permanent	60	0	0	43	71.67
03 Highly Skilled Production (Levels 6-8), permanent	79	0	0	38	48.1
04 Highly Skilled Supervision (Levels 9-12), permanent	61	0	0	64	104.92
05 Senior Management (Levels 13-16), permanent	28	1	3.57	15	53.57
09 Other, permanent	1	0	0	0	0.00
11 Contract (Levels 3-5), permanent	6	0	0	0	0.00
12 Contract (Levels 6-8), permanent	1	0	0	0	0.00
13 Contract (Levels 9-12), permanent	8	0	0	0	0.00
14 Contract (Levels 13-16), permanent	6	0	0	0	0.00
<b>TOTAL</b>	<b>250</b>	<b>1</b>	<b>0.4</b>	<b>160</b>	<b>64.00</b>



### 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 2017**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - Senior officials and managers	14	0	0	3	5	0	1	1	24
02 - Professionals	32	2	1	1	24	0	0	0	60
03 - Technicians and associate professionals	25	0	0	1	30	1	0	1	58
04 - Clerks	20	0	0	0	64	2	1	2	89
05 - Service shop and Market sales workers	0	0	0	0	2	0	0	0	2
08 - Plant and machine operators and assemblers	3	0	0	0	0	0	0	0	3
09 - Labourers and related workers	3	0	0	0	10	0	0	0	13
<b>TOTAL</b>	<b>97</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>135</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>249</b>
<b>Employees with disabilities</b>	5	1	0	1	1	1	0	0	9

**Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2017**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, permanent	3	0	0	0	0	0	0	0	3
02 Senior Management, Permanent	14	1	0	3	8	0	0	1	27
03 Professionally qualified and experienced specialists and mid-management, permanent	42	1	1	2	37	1	0	2	86
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	15	0	0	0	36	1	0	1	53
05 Semi-skilled and discretionary decision making, permanent	11	0	0	0	43	1	1	0	56
08 Contract (Top Management), permanent	3	0	0	0	0	0	0	0	3
09 Contract (Senior Management), permanent	2	0	0	0	0	0	1	0	3
10 Contract (Professionally Qualified), permanent	4	0	0	0	6	0	0	0	10
11 Contract (Skilled Technical), permanent	1	0	0	0	0	0	0	0	1
12 Contract (Semi-Skilled), permanent	2	0	0	0	5	0	0	0	7
<b>TOTAL</b>	<b>97</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>135</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>249</b>

**Table 3.6.3 Recruitment for the period 1 April 2016 to 31 March 2017**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, permanent	0	0	0	0	1	0	0	0	1
08 Contract (Top Management), permanent	1	0	0	0	0	0	0	0	1
10 Contract (Professionally qualified), permanent	0	0	0	0	2	0	0	0	2
<b>TOTAL</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>
<b>Employees with disabilities</b>	0	0	0	0	0	0	0	0	0

**Table 3.6.4 Promotions for the period 1 April 2016 to 31 March 2017**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, permanent	6	1	0	1	7	0	0	1	16
03 Professionally qualified and experienced specialists and mid-management, permanent	32	0	1	1	27	1	0	2	64
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	9	0	0	0	27	1	0	1	38
05 Semi-skilled and discretionary decision making, permanent	9	0	0	0	33	0	1	0	43
<b>TOTAL</b>	<b>56</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>94</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>161</b>
<b>Employees with disabilities</b>									

**Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
03 Professionally qualified and experienced specialists and mid-management, permanent	2	0	0	0	1	0	0	0	3
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	1	0	0	0	0	0	0	0	1
05 Semi-skilled and discretionary decision making, permanent	0	0	0	0	2	0	0	0	2
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>
<b>Employees with Disabilities</b>	0	0	0	0	0	0	0	0	0



**Table 3.6.6 Disciplinary action for the period 1 April 2016 to 31 March 2017**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Written warning	0	0	0	0	3	0	0	0	3
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>

**Table 3.6.7 Skills development for the period 1 April 2016 to 31 March 2017**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	13	0	0	3	6	0	1	1	24
Professionals	33	2	1	1	20	0	0	0	57
Technicians and associate professionals	26	0	0	1	32	2	0	3	64
Clerks	18	0	0	0	64	1	1	0	84
Service and sales workers	0	0	0	0	2	0	0	0	2
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	3	0	0	0	0	0	0	0	3
Elementary occupations	4	0	0	0	11	0	0	0	15
<b>Total</b>	<b>97</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>135</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>249</b>
<b>Employees with disabilities</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>9</b>

### 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 2017**

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	0	0	0	0
Salary Level 15	4	4	4	100
Salary Level 14	8	6	6	100
Salary Level 13	21	21	21	100
<b>Total</b>	<b>34</b>	<b>32</b>	<b>32</b>	<b>100</b>

**Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2017**

Reasons
Not applicable

**Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 20ZZ**

Reasons
Not applicable

### 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 2016 to 31 March 2017**

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	43	134	32.09	695.15	16 166.27
African, Male	20	91	21.98	387.63	19 381.46
Asian, Female	0	2	0	0	0
Asian, Male	1	1	100	39.07	39,072.60
Coloured, Female	1	3	33.33	19.88	19 878.12
Coloured, Male	0	1	0	0	0



Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
Total Blacks, Female	44	139	31.65	715.03	16 250.63
Total Blacks, Male	21	93	22.58	426.7	20 319.13
White, Female	1	4	25	37.93	37 926.18
White, Male	1	4	25	91.63	91 627.80
Employees with a disability	3	9	33.33	75.64	25 212.38
<b>TOTAL</b>	<b>70</b>	<b>249</b>	<b>28.11</b>	<b>1 346.92</b>	<b>19 241.72</b>

**Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017**

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	
02 Skilled (Levels 3-5)	28	56	50	289.78	10 349.4	0.1
03 Highly Skilled Production (Levels 6-8)	10.00	53.00	18.87	137.44	13 743.65	0.06
04 Highly Skilled Supervision (Levels 9-12)	27.00	86.00	31.40	782.88	28 995.68	0.36
11 Contract (Levels 3-5)	3.00	7.00	42.86	27.8	9 267.93	0.01
12 Contract (Levels 6-8)	0	1	0	0	0	0
13 Contract (Levels 9-12)	1	10.00	10.00	17.39	17 385.66	0.008
<b>TOTAL</b>	<b>69</b>	<b>213</b>	<b>32.39</b>	<b>1 255.29</b>	<b>18 192.65</b>	<b>0.58</b>



**Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017**

Critical occupation	Beneficiary Profile		Cost		
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	16	56	28.57	485.66	30 353.59
Cleaners in offices workshops hospitals etc.	6	10	60	56.21	9 368.85
Client inform clerks(switchboard reception inform clerks)	0	3	0	0	0
Communication and information related	1	19	5.26	14.62	14 624.82
Economists	0	1	0	0	0
Finance and Economics related	3	14	21.43	95.98	31 992.36
Financial and related professionals	0	1	0	0	0
Financial clerks and credit controllers	8	22	36.36	121.11	15 138.33
Head of department/chief executive officer	0	1	0	0	0
Household food and laundry services related	1	1	100	17.39	17 385.66
Human Resources & Organisational Development & relate prof	0	3	0	0	0
Human Resources clerks	3	6	50	29.69	9 895.90
Human resources related	7	18	38.89	172.43	24 632.51
Legal related	0	1	0	0	0
Library mail and related clerks	4	6	66.67	37.22	9 305.57
Messengers porters and deliverers	1	1	100	9.27	9 267.93
Motor vehicle drivers	3	3	100	37.51	12 504.04
Other administrative & related clerks and organisers	9	27	33.33	96.39	10 709.89
Other administrative policy and related officers	0	2	0	0	0
Other occupations	2	5	40	31.56	15 780.95
Risk management and security services	0	1	0	0	0
Secretaries & other keyboard operating clerks	5	25	20	50.26	10 051.86
Senior Managers	1	23	4.35	91.63	91 627.80
<b>TOTAL</b>	<b>70</b>	<b>249</b>	<b>28.11</b>	<b>1 346.92</b>	<b>19 241.72</b>



**Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017**

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	1	24	4.17	91.63	91 627.80	0.4
Band B	0	6	0	0	0	0
Band C	0	4	0	0	0	0
Band D	0	2	0	0	0	0
<b>Total</b>	<b>1</b>	<b>36</b>	<b>2.78</b>	<b>91.63</b>	<b>91 627.80</b>	<b>0.4</b>

### 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 2016 to 31 March 2017**

Salary band	01 April 2016		31 March 2017		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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 3.9.2 Foreign workers by major occupation for the period 1 April 2016 to 31 March 2017**

Salary band	01 April 2016		31 March 2017		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



Salary band	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 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 2016 to 31 December 2017**

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 3-5)	5	100	1	.66	5	4.00
Contract (Levels 9-12)	4	25	2	1.32	2	7.00
Highly skilled production (Levels 6-8)	302	51.99	34	22.52	8.88	373.00
Highly skilled supervision (Levels 9-12)	531	48.96	56	37.09	9.48	1136.00
Senior management (Levels 13-16)	162	56.17	19	12.58	8.53	600.00
Skilled (Levels 3-5)	423	57.21	39	25.83	10.85	313.00
<b>TOTAL</b>	<b>1427</b>	<b>52.98</b>	<b>151</b>	<b>100</b>	<b>9.45</b>	<b>2 433.00</b>

**Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2017**

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0



Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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 2016 to 31 December 2017**

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	65	3	21.67
Contract (Levels 3-5)	99	5	19.8
Contract (Levels 6-8)	20	1	20
Contract (Levels 9-12)	118	6	19.67
Highly skilled production (Levels 6-8)	1 284	64	20.06
Highly skilled supervision (Levels 9-12)	2 079	92	22.6
Senior management (Levels 13-16)	648	28	23.14
Skilled (Levels 3-5)	1 358	60	22.63
<b>TOTAL</b>	<b>5 671</b>	<b>259</b>	<b>21.9</b>

**Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016**

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 2017
Highly skilled production (Levels 6-8)	1	1	1	44
Highly skilled supervision (Levels 9-12)	0	0	0	51.23
Senior management (Levels 13-16)	0	0	0	72.24
Skilled (Levels 3-5)	0	0	0	45.81



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 2017
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>51.49</b>

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 2016 to 31 March 2017**

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2016/17 due to non-utilisation of leave for the previous cycle	1 808	4	452
Capped leave payout on termination of service for 2016/17	6 723	12	560
Current leave payout on termination of service for 2016/17	299	6	50
<b>Total</b>	<b>8 830</b>	<b>22</b>	

### 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
Not applicable	-

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position		NO	The position of Senior Manager: Transversal HRM Services has been filled by the Head of Youth Development, who does not deal with HIV/AIDS Programmes at all.



Question	Yes	No	Details, if yes
<p>2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose</p>	<p>YES</p>		<p>The Division: Transversal Human Resource Management Services has been entrusted with the responsibility of implementing the programme within the Office of the Premier and Co-ordinating the Programme implementation including HCT campaigns across the Mpumalanga Provincial Government</p> <p>The team has four staff members who facilitate the implementation of the Employee Health and Wellness (EH&amp;W) Strategic Plan and Occupational Health and Safety Plan to ensure the employee wellness, safety in the workplace and co-ordination of the services of Employee Health and Wellness across Departments within the Provincial Government in accordance with the relevant prescripts. There is however no budget specifically allocated for EH&amp;W. During the course of this Financial Year, an internal Employee Health and Wellness official was appointed, after having identified her from another unit. However, the desired results could not be achieved, owing to various factors attributed to the said official.</p>
<p>3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.</p>	<p>YES</p>		<p>Financial Management, Stress management, Home Visits, Health Screening, Physical Activities, Pre-Counselling HIV Counselling and Testing. The Key elements of the Programme are: HIV&amp;AIDS and TB management and mitigation; Prevention; Treatment; Care and Support; Wellness management; Safety Health Environment Risk and Quality Management; and Health Productivity Management in compliance with the National Policy Framework on Employee Health and Wellness.</p>





Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	YES		<p>The Office of the Premier co-ordinates the functioning of the Inter-Departmental Committee on EHW. There are measures in place to protect the infected and affected from discrimination which include the following:</p> <ul style="list-style-type: none"> <li>- Mainstreaming of HIV&amp;AIDS in all HRM functions and practices within the workplace;</li> <li>- Awareness campaigns and peer education on rights of the affected and the infected;</li> <li>- Adherence to Chapter 2 of the Constitution of the RSA;</li> <li>- Monitoring by all key stakeholders to ensure compliance with all prescripts and the Constitution;</li> <li>- Commemorations and information sharing sessions on the prevalence and the causes thereof;</li> <li>- HIV &amp; AIDS and TB policies;</li> <li>- identification of environmental risk factors; and</li> <li>-Employee Assistant Programme and support.</li> </ul>
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed	YES		<p>The Office of the Premier has reviewed its HIV/AIDS and TB Management Policy Framework, Wellness Management Policy and Bereavement policies. They are all awaiting approval by the Accounting Officer</p>
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	YES		<p>The Office of the Premier ensures that during its quarterly employee health and wellness programmes, it provides training on condom usage and condom distribution. In addition, there are policies in place that can be used as educational tools on important issues relating to HIV/AIDS.</p>



Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	YES		Only 25% of employees got tested in the previous Financial Year, i.e. employees on salary levels 3-12. During every Health and Wellness promotion event, employees are provided with the opportunity to undergo voluntarily counselling and testing including General and Physical Health assessment. To date 112 officials in the Office of the Premier have undergone VCT.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	YES		There are several Policies in place to guide the implementation of EH&W and the conduct of employees Quarterly Sick leave utilization profile; Reduction in absenteeism; behaviour and lifestyle modification; the levels of compliance to treatment and healthy lifestyles; and the improved level of attendance to EH&W programmes and HCT campaigns. The Annual Performance Plans that talks to the four Pillars, Implementation and Operation of the EH&W Management system and EH&W evaluation, corrective and preventative action makes provision for the effective monitoring and evaluation of the EH&W Programme.

### 3.12. Labour Relations

**Table 3.12.1 Collective agreements for the period 1 April 2016 to 31 March 2017**

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 2016 to 31 March 2017**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0



Outcomes of disciplinary hearings	Number	% of total
Verbal warning	0	0
Written warning	3	100
Final written warning	0	0
Suspended without pay	0	100
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
<b>Total</b>	<b>3</b>	<b>100</b>

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 to 31 March 2017**

Type of misconduct	Number	% of total
Absenteeism	3	100
<b>Total</b>	<b>3</b>	<b>100</b>

**Table 3.12.4 Grievances logged for the period 1 April 2016 to 31 March 2017**

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

**Table 3.12.5 Disputes logged with Councils for the period 1 April 2016 to 31 March 2017**

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
<b>Total number of disputes lodged</b>	<b>0</b>	<b>0</b>

**Table 3.12.6 Strike actions for the period 1 April 2016 to 31 March 2017**

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



**Table 3.12.7 Precautionary suspensions for the period 1 April 2016 to 31 March 2017**

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0

### **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 2016 to 31 March 2017**

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	0	Project Management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	
	Male	16	0	Project Management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	24



Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/Internships	Skills Programmes & other short courses	Other forms of training	Total
Professionals	Female	20	0	Financial Auditing for Internal Auditors in the Public Sector Project Management; Archives and records management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care	-	
	Male	40	0	Financial Auditing for Internal Auditors in the Public Sector Project Management; Archives and records management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care  Financial Auditing for Internal Auditors in the Public Sector	-	60



Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/Internships	Skills Programmes & other short courses	Other forms of training	Total
Technicians and associate professionals	Female	35	0	Project Management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	
	Male	25	0	Project Management; Archives and records management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	60



Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/Internships	Skills Programmes & other short courses	Other forms of training	Total
Clerks	Female	60	13	Archives and records management; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care	-	103
	Male	22	8	Archives and records management; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care	-	
Service and sales workers	Female	2	0	Customer Care; HIV and AIDS; Archives and records management;	-	2
	Male	0	0	-	-	
Skilled agriculture and fishery workers	Female	0	0	-	-	0
	Male	0	0	-	-	
Craft and related trades workers	Female	0	0	-	-	0
	Male	0	0	-	-	
Plant and machine operators and assemblers	Female	0	0	-	-	3
	Male	3	0	Customer Care; HIV and AIDS; Archives and records management;	-	





Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/Internships	Skills Programmes & other short courses	Other forms of training	Total
Elementary occupations	Female	11	0	Customer Care; HIV and AIDS; Archives and records management;	-	15
	Male	4	0	Customer Care; HIV and AIDS; Archives and records management;	-	
Sub Total	Female	136	13	-	-	149
	Male	110	8	-	-	118
<b>Total</b>		<b>246</b>	<b>21</b>	-	-	<b>267</b>



**Table 3.13.2 Training provided for the period 1 April 2016 to 31 March 2017**

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	0	Project Management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	
	Male	16	0	Project Management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	24



Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Professionals	Female	20	0	Financial Auditing for Internal Auditors in the Public Sector Project Management; Archives and records management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care	-	
	Male	40	0	Financial Auditing for Internal Auditors in the Public Sector Project Management; Archives and records management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	60



Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Technicians and associate professionals	Female	35	0	Project Management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	
	Male	25	0	Project Management; Archives and records management; Executive Management Programme; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care Financial Auditing for Internal Auditors in the Public Sector	-	60



Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Clerks	Female	60	13	Archives and records management; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care	-	103
	Male	22	8	Archives and records management; Business Communication and report writing; Protocol; Compulsory Induction Programme; Awareness on HIV and AIDS; Customer Care	-	
Service and sales workers	Female	2	0	Customer Care; HIV and AIDS; Archives and records management;	-	2
	Male	0	0	-	-	
Skilled agriculture and fishery workers	Female	0	0	-	-	0
	Male	0	0	-	-	
Craft and related trades workers	Female	0	0	-	-	0
	Male	0	0	-	-	



Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Plant and machine operators and assemblers	Female	0	0	-	-	3
	Male	3	0	Customer Care; HIV and AIDS; Archives and records management;	-	
Elementary occupations	Female	11	0	Customer Care; HIV and AIDS; Archives and records management;	-	15
	Male	4	0	Customer Care; HIV and AIDS; Archives and records management;	-	
Sub Total	Female	136	13	-	-	149
	Male	110	8	-	-	118
<b>Total</b>		<b>246</b>	<b>21</b>	-	-	<b>267</b>



### 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 2016 to 31 March 2017**

Nature of injury on duty	Number	% of total
Required basic medical attention only	2	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
<b>Total</b>	<b>2</b>	<b>100</b>

### 3.15. Utilisation of Consultants

**Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2016 to 31 March 2017**

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
0	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0

**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 to 31 March 2017**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
0	0	0	0

**Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2016 to 31 March 2017**

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
0	0	0	0



Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0

**Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 20YY to 31 March 2017**

Project title	Percentage ownership by HDI groups	Percentage man- agement by HDI groups	Number of consultants from HDI groups that work on the project
0	0	0	0

### 3.16. Severance Packages

**Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 to 31 March 2017**

Salary band	Number of applica- tions received	Number of appli- cations referred to the MPSA	Number of appli- cations support- ed by MPSA	Number of pack- ages approved by 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 supervi- sion(Levels 9-12)	0	0	0	0
Senior management (Lev- els 13-16)	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





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## **PART E: FINANCIAL INFORMATION**

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**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL  
LEGISLATURE ON VOTE 1: OFFICE OF THE PREMIER  
FOR THE YEAR ENDED 31 MARCH 2017**

**REPORT OF THE AUDITOR GENERAL**

This is the auditor's report as issued by AGSA.



**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL  
LEGISLATURE ON VOTE 1: OFFICE OF THE PREMIER  
FOR THE YEAR ENDED 31 MARCH 2017**



**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL  
LEGISLATURE ON VOTE 1: OFFICE OF THE PREMIER  
FOR THE YEAR ENDED 31 MARCH 2017**



**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL  
LEGISLATURE ON VOTE 1: OFFICE OF THE PREMIER  
FOR THE YEAR ENDED 31 MARCH 2017**



**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL  
LEGISLATURE ON VOTE 1: OFFICE OF THE PREMIER  
FOR THE YEAR ENDED 31 MARCH 2017**



**ANNUAL FINANCIAL STATEMENTS**

**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

Appropriation per programme											
Programme	2016/17				Variance	Expenditure as % of final appropriation	2015/16				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation			Actual Expenditure	Final Appropriation	Final Expenditure	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
<b>1. Administration</b>	127 035	-	8 350	135 385	32	100.0%	124 284	124 284	124 043		
<b>2. Institutional Development</b>	85 110	-	(4 939)	80 171	837	99.0%	85 458	85 458	84 968		
<b>3. Policy and Governance</b>	50 926	-	(3 411)	47 515	301	99.4%	57 216	57 216	52 691		
<b>Subtotal</b>	<b>263 071</b>	<b>-</b>	<b>-</b>	<b>263 071</b>	<b>1 170</b>	<b>99.6%</b>	<b>266 958</b>	<b>266 958</b>	<b>261 702</b>		
<b>Statutory Appropriation</b>											
Premier's salary											
<b>TOTAL</b>	<b>263 071</b>	<b>-</b>	<b>-</b>	<b>263 071</b>	<b>1 170</b>	<b>99.6%</b>	<b>266 958</b>	<b>266 958</b>	<b>261 702</b>		

	2016/17		2015/16	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
<b>TOTAL (brought forward)</b>				
<b>Reconciliation with statement of financial performance</b>				
<b>ADD</b>				
Departmental receipts	1 078	-	175	-
NRF Receipts	-	-	-	-
Donations	-	-	691	-
<b>Actual amounts per statement of financial performance (total revenue)</b>	<b>264 149</b>		<b>267 824</b>	
<b>ADD</b>				
Donations	-	-	-	691
Prior year unauthorised expenditure approved without funding				
<b>Actual amounts per statement of financial performance (total expenditure)</b>		<b>261 901</b>		<b>262 393</b>





**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

Appropriation per economic classification	2016/17						2015/16		
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>231 736</b>	-	<b>1 058</b>	<b>232 794</b>	<b>231 717</b>	<b>1 077</b>	<b>99.5%</b>	<b>243 834</b>	<b>238 627</b>
Compensation of employees	130 533	-	(1 485)	129 048	128 982	66	99.9%	122 795	122 680
Salaries and wages	111 906	-	279	112 185	112 219	(34)	100.0%	108 390	106 945
Social contributions	18 627	-	(1 764)	16 863	16 763	100	99.4%	14 405	15 735
Goods and services	101 203	-	2 543	103 746	102 735	1 011	99.0%	124 299	119 207
Administrative fees	852	498	428	1 778	1 772	6	99.7%	2 534	2 412
Advertising	800	10 030	50	10 880	10 880	-	100.0%	5 257	5 257
Minor assets	-	19	16	35	35	-	100.0%	311	111
Audit costs: External	3 140	-	660	3 800	3 800	-	100.0%	3 916	3 916
Catering: Departmental activities	1 635	2 164	(18)	3 781	3 741	40	98.9%	2 104	2 085
Communication	4 026	(35)	672	4 663	4 663	30	99.4%	3 370	3 349
Computer services	2 610	(1 344)	124	1 390	1 390	-	100.0%	1 259	1 259
Consultants: Business and advisory services	58 970	(13 531)	1 039	46 478	45 508	970	97.9%	65 046	61 355
Scientific and technological services	-	-	-	-	-	-	-	43	-
Legal services	-	102	-	102	102	-	100.0%	358	344
Contractors	180	(156)	7	31	31	-	100.0%	161	161
Fleet services	2 300	(148)	-	2 152	2 152	-	100.0%	2 480	2 480
Consumable supplies	500	(141)	48	407	407	-	100.0%	607	601
Consumable: Stationery, printing and office supplies	1 540	(218)	4	1 326	1 321	5	99.6%	1 862	1 862
Operating leases	500	94	-	594	594	-	100.0%	604	604
Property payments	4 700	248	-	4 948	4 948	-	100.0%	5 274	5 274
Transport provided: Departmental activity	800	722	-	1 522	1 522	-	100.0%	2 052	1 924



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Appropriation per economic classification	2016/17						2015/16		
	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	13 558	1 478	(155)	14 881	14 877	4	100.0%	18 150	17 599
Training and development	1 836	235	-	2 071	2 071	-	100.0%	855	706
Operating payments	756	(230)	12	538	532	6	98.9%	872	842
Venues and facilities	2 500	197	(344)	2 353	2 403	(50)	102.1%	7 063	6 945
Rental and hiring	-	16	-	16	16	-	100.0%	121	121
<b>Transfers and subsidies</b>	<b>6 775</b>	<b>-</b>	<b>(3 095)</b>	<b>3 680</b>	<b>3 673</b>	<b>7</b>	<b>99.8%</b>	<b>10 711</b>	<b>10 691</b>
Provinces and municipalities	20	-	-	20	17	3	85.0%	13	13
Provinces	-	-	-	-	-	-	-	13	13
Provincial agencies and funds	-	-	-	-	-	-	-	13	13
Municipalities	20	-	-	20	17	3	85.0%	-	-
Municipal agencies and funds	20	-	-	20	17	3	85.0%	-	-
Households	6 755	-	(3 095)	3 660	3 656	4	99.9%	10 698	10 678
Social benefits	233	-	(95)	138	134	4	97.1%	3 526	3 506
Other transfers to households	6 522	-	(3 000)	3 522	3 522	-	100.0%	7 172	7 172
<b>Payments for capital assets</b>	<b>24 560</b>	<b>-</b>	<b>2 024</b>	<b>26 584</b>	<b>26 498</b>	<b>86</b>	<b>99.7%</b>	<b>9 141</b>	<b>9 112</b>
Buildings and other fixed structures	30	-	(30)	-	-	-	-	-	-
Other fixed structures	30	-	(30)	-	-	-	-	-	-
Machinery and equipment	4 530	(352)	54	4 232	4 146	86	98.0%	3 880	3 851
Transport equipment	1 000	-	10	1 010	1 009	1	99.9%	-	-
Other machinery and equipment	3 530	(352)	44	3 222	3 137	85	97.4%	7 140	7 111
Software and other Intangible assets	20 000	352	2 000	22 352	22 352	-	100.0%	5 261	5 261
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>-</b>	<b>100.0%</b>	<b>12</b>	<b>12</b>
<b>TOTAL</b>	<b>263 071</b>	<b>-</b>	<b>-</b>	<b>263 071</b>	<b>261 901</b>	<b>1 170</b>	<b>99.6%</b>	<b>266 958</b>	<b>261 702</b>



**(MP: OFFICE OF THE PREMIER)  
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APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

	2016/17						2015/16		
	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
<b>Programme 1: [ADMINISTRATION]</b>									
<b>Sub programme</b>									
1. PREMIER SUPPORT	15 782	-	2 173	17 955	17 953	2	100.0%	17 591	17 553
2. EXECUTIVE COUNCIL	6 167	-	(495)	5 672	5 670	2	100.0%	5 860	5 816
3. DIRECTOR GENERAL	72 844	-	6 159	79 003	78 980	23	100.0%	69 875	69 731
4. FINANCIAL MANAGEMENT	32 242	-	513	32 755	32 750	5	100.0%	30 958	30 943
<b>Total for sub programmes</b>	<b>127 035</b>	<b>-</b>	<b>8 350</b>	<b>135 385</b>	<b>135 353</b>	<b>32</b>	<b>100.0%</b>	<b>124 284</b>	<b>124 043</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>105 328</b>		<b>6 570</b>	<b>111 898</b>	<b>111 875</b>	<b>23</b>	<b>100.0%</b>	<b>112 317</b>	<b>112 103</b>
Compensation of employees	54 289	-	(1 322)	52 967	52 950	17	100.0%	48 914	48 831
Salaries and wages	43 601	-	2 549	46 150	46 200	(50)	100.1%	42 652	42 637
Social contributions	10 688	-	(3 871)	6 817	6 750	67	99.0%	6 262	6 194
Goods and services	51 039	-	7 892	58 931	58 925	6	100.0%	66 663	66 532
Administrative fees	470	297	204	971	971	-	100.0%	991	975
Minor assets	-	10	16	26	26	-	100.0%	284	84
Audit costs: External	3 140	-	660	3 800	3 800	-	100.0%	3 916	3 916
Catering: Departmental activities	390	493	(18)	865	825	40	95.4%	691	691
Communication	3 283	(13)	742	4 012	4 012	-	100.0%	2 717	2 696
Computer services	2 610	(2 180)	124	554	554	-	100.0%	748	748
Consultants: Business and advisory services	23 660	418	5 663	29 741	29 741	-	100.0%	35 355	35 468
Contractors	20	-	7	27	27	-	100.0%	36	36
Fleet services	2 300	(148)	-	2 152	2 152	-	100.0%	2 480	2 480
Consumable supplies	450	(179)	47	318	318	-	100.0%	187	181
Consumable: Stationery, printing and office supplies	1 170	(235)	1	936	931	5	99.5%	1 527	1 527
Operating leases	500	94	-	594	594	-	100.0%	604	604
Property payments	4 700	248	-	4 948	4 948	-	100.0%	5 274	5 274



(MP: OFFICE OF THE PREMIER)  
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APPROPRIATION STATEMENT  
for the year ended 31 March 2017

Programme 1: [ADMINISTRATION]	2016/17						2015/16		
	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
Transport provided: Departmental activity	-	-	-	-	-	-	-	444	445
Travel and subsistence	6 876	1 265	578	8 719	8 714	5	99.9%	8 924	8 924
Training and development	-	6	-	6	6	-	100.0%	127	127
Operating payments	370	23	12	405	399	6	98.5%	313	313
Venues and facilities	1 100	(99)	(144)	857	907	(50)	105.8%	2 003	2 001
Rental and hiring	-	-	-	-	-	-	-	42	42
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>63</b>	-	(20)	<b>43</b>	<b>40</b>	<b>3</b>	<b>93.0%</b>	<b>813</b>	<b>797</b>
Provinces and municipalities	20	-	-	20	17	3	85.0%	13	13
Provinces	-	-	-	-	-	-	-	13	13
Provincial agencies and funds	-	-	-	-	-	-	-	13	13
Municipalities	20	-	-	20	17	3	85.0%	-	-
Municipal agencies and funds	20	-	-	20	17	3	85.0%	-	-
Households	43	-	(20)	23	23	-	100.0%	800	784
Social benefits	23	-	-	23	23	-	100.0%	800	784
Other transfers to households	20	-	(20)	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>21 644</b>	-	<b>1 787</b>	<b>23 431</b>	<b>23 425</b>	<b>6</b>	<b>100.0%</b>	<b>7 894</b>	<b>7 883</b>
Machinery and equipment	1 644	-	(213)	1 431	1 425	6	99.6%	2 633	2 611
Transport equipment	1 000	-	10	1 010	1 009	1	99.9%	-	-
Other machinery and equipment	644	-	(223)	421	416	5	98.8%	5 893	5 882
Software and Intangible assets	20 000	-	2 000	22 000	22 000	-	100.0%	5 261	5 261
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>127 035</b>	<b>-</b>	<b>8 350</b>	<b>135 385</b>	<b>135 353</b>	<b>32</b>	<b>100.0%</b>	<b>124 284</b>	<b>124 043</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

1.1 [PREMIER SUPPORT]	2016/17					2015/16			
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>15 382</b>	-	<b>2 264</b>	<b>17 646</b>	<b>17 644</b>	<b>2</b>	<b>100.0%</b>	<b>17 411</b>	<b>17 373</b>
Compensation of employees	10 808	-	780	11 588	11 586	2	100.0%	9 035	9 003
Salaries and Wages	9 297	-	1 005	10 302	10 302	-	100.0%	8 001	7 995
Social Contributions	1 511	-	(225)	1 286	1 284	2	99.8%	1 034	1 008
Goods and services	4 574	-	1 484	6 058	6 058	-	100.0%	8 376	8 370
Administrative Fees	217	-	190	407	407	-	100.0%	527	527
Minor Assets	-	-	16	16	16	-	100.0%	34	34
Catering : Departmental	250	-	(22)	228	228	-	100.0%	340	340
Communication (G&S)	190	-	(20)	170	170	-	100.0%	181	181
Computer services	360	-	124	484	484	-	100.0%	388	388
Consultants: Business and advisory services	-	-	288	288	288	-	100.0%	840	834
Contractors	20	-	(3)	17	17	-	100.0%	18	18
Consumable Supplies	-	-	47	47	47	-	100.0%	14	14
Consumable: Stationery, printing and office supplies	-	-	12	12	12	-	100.0%	115	115
Travel and Subsistence	3 487	-	762	4 249	4 249	-	100.0%	5 543	5 543
Operating Payments	-	-	12	12	12	-	100.0%	38	38
Venues and Facilities	50	-	78	128	128	-	100.0%	296	296
Rental Hiring	-	-	-	-	-	-	-	42	42
Interest and rent on land	-	-	-	-	-	-	-	9	8
<b>Transfers and subsidies</b>									
Provinces and municipalities	-	-	-	-	-	-	-	9	8
Households	-	-	-	-	-	-	-	9	8
Other transfers and subsidies	-	-	-	-	-	-	-	9	8
<b>Payments for capital assets</b>	<b>400</b>	-	<b>(91)</b>	<b>309</b>	<b>309</b>	-	<b>100.0%</b>	<b>180</b>	<b>180</b>
Machinery and equipment	400	-	(91)	309	309	-	100.0%	180	180
Other machinery and equipment	400	-	(91)	309	309	-	100.0%	180	180
<b>Payments for financial assets</b>									
<b>TOTAL</b>	<b>15 782</b>	-	<b>2 173</b>	<b>17 955</b>	<b>17 953</b>	<b>2</b>	<b>100.0%</b>	<b>17 591</b>	<b>17 553</b>



**(MP: OFFICE OF THE PREMIER)  
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for the year ended 31 March 2017**

1.2 [EXECUTIVE COUNCIL SUPPORT]	2016/17					2015/16			
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>6 167</b>	-	<b>(495)</b>	<b>5 672</b>	<b>5 670</b>	<b>2</b>	<b>100.0%</b>	<b>5 778</b>	<b>5 734</b>
Compensation of employees	4 731	-	(78)	4 653	4 651	2	100.0%	4 633	4 591
Salaries and Wages	4 186	-	(167)	4 019	4 069	(50)	101.2%	4 041	4 041
Social Contributions	545	-	89	634	582	52	91.8%	592	550
Goods and services	1 436	-	(417)	1 019	1 019	-	100.0%	1 145	1 143
Administrative Fees	104	(44)	-	60	60	-	100.0%	64	64
Minor Assets	-	-	-	-	-	-	-	22	22
Catering : Departmental	140	37	-	177	137	40	77.4%	139	139
Communication (G&S)	67	3	-	70	70	-	100.0%	66	64
Consumable Supplies	-	4	-	4	4	-	100.0%	11	11
Consumable: Stationery, printing and office supplies	20	-	(11)	9	4	5	44.4%	4	4
Travel and Subsistence	405	-	(184)	221	216	5	97.75%	320	320
Venues and Facilities	700	-	(222)	478	528	(50)	110.5%	519	519
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>82</b>	<b>82</b>
Machinery and equipment	-	-	-	-	-	-	-	<b>82</b>	<b>82</b>
Intangible assets	-	-	-	-	-	-	-	-	-
Other Machinery and Equipment	-	-	-	-	-	-	-	<b>82</b>	<b>82</b>
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>6 167</b>	-	<b>(495)</b>	<b>5 672</b>	<b>5 670</b>	<b>2</b>	<b>100.0%</b>	<b>5 860</b>	<b>5 816</b>



**(MP: OFFICE OF THE PREMIER)  
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for the year ended 31 March 2017**

1.3 [DIRECTOR GENERAL SUPPORT]	2016/17					2015/16			
	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
<b>Current payments</b>	<b>52 677</b>	-	<b>4 191</b>	<b>56 868</b>	<b>56 850</b>	<b>18</b>	<b>100.0%</b>	<b>58 522</b>	<b>58 394</b>
Compensation of employees	23 388	-	(1 184)	22 204	22 192	12	99.9%	21 499	21 490
Salaries and Wages	17 717	-	1 666	19 383	19 383	-	100.0%	18 761	18 752
Social Contributions	5 671	-	(2 850)	2 821	2 809	12	99.6%	2 738	2 738
Goods and services	29 289	-	5 375	34 664	34 658	6	100.0%	40 283	40 164
Administrative Fees	120	341	-	461	461	-	100.0%	358	342
Minor Assets	-	10	-	10	10	-	100.0%	212	17
Catering : Departmental	-	427	-	427	427	-	100.0%	185	185
Communication (G&S)	323	(16)	-	307	307	-	100.0%	329	310
Computer services	2 150	(2 150)	-	-	-	-	-	256	256
Consultants: Business and advisory services	23 600	454	5 375	29 429	29 429	-	100.0%	34 479	34 598
Contractors	-	-	-	-	-	-	-	2	2
Consumable Supplies	-	1	-	1	1	-	100.0%	6	6
Consumable: Stationery, printing and office supplies	-	4	-	4	4	-	100.0%	130	130
Transport provided: Departmental Activity	-	-	-	-	-	-	-	445	445
Travel and Subsistence	2 606	1 026	-	3 632	3 632	-	100.0%	2 486	2 486
Training and Development	-	6	-	6	6	-	100.0%	96	96
Operating Payments	140	(4)	-	136	130	6	95.6%	111	111
Venues and Facilities	350	(99)	-	251	251	-	100.0%	1 188	1 186
<b>Transfers and subsidies</b>	<b>23</b>	-	-	<b>23</b>	<b>23</b>	-	<b>100.0%</b>	<b>800</b>	<b>784</b>
Households	23	-	-	23	23	-	100.0%	800	784
Social Benefits	23	-	-	23	23	-	100.0%	800	784
<b>Payments for capital assets</b>	<b>20 144</b>	-	<b>1 968</b>	<b>22 112</b>	<b>22 107</b>	<b>5</b>	<b>100.0%</b>	<b>7 293</b>	<b>7 293</b>
Machinery and equipment	144	-	(32)	112	107	5	95.5%	2 032	2 032
Other Machinery and Equipment	144	-	(32)	112	107	5	95.5%	5 292	5 292
Software and other Intangible assets	20 000	-	2 000	22 000	22 000	-	100.0%	5 261	5 261



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1.3 [DIRECTOR GENERAL SUPPORT]	2016/17						2015/16		
	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	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>72 844</b>	<b>-</b>	<b>6 159</b>	<b>79 003</b>	<b>78 980</b>	<b>23</b>	<b>100.0%</b>	<b>69 875</b>	<b>69 731</b>





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1.4 [FINANCIAL SUPPORT]	2016/17						2015/16		
	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
<b>Current payments</b>	31 102	-	610	31 712	31 711	1	100.0%	30 606	30 602
Compensation of employees	15 362	-	(840)	14 522	14 521	1	100.0%	13 747	13 747
Salaries and Wages	12 401	-	45	12 446	12 446	-	100.0%	11 849	11 849
Social Contributions	2 961	-	(885)	2 076	2 075	1	100.0%	1 898	1 898
Goods and services	15 740	-	1 450	17 190	17 190	-	100.0%	16 859	16 855
Administrative Fees	29	-	14	43	43	-	100.0%	42	42
Minor Assets	-	-	-	-	-	-	-	16	11
Audit costs: External	3 140	-	660	3 800	3 800	-	100.0%	3 916	3 916
Catering : Departmental	-	29	4	33	33	-	100.0%	27	27
Communication (G&S)	2 703	-	762	3 465	3 465	-	100.0%	2 141	2 141
Computer services	100	(30)	-	70	70	-	100.0%	104	104
Consultants: Business and advisory services	60	(36)	-	24	24	-	100.0%	36	36
Contractors	-	-	10	10	10	-	100.0%	16	16
Fleet Services	2 300	(148)	-	2 152	2 152	-	100.0%	2 480	2 480
Consumable Supplies	450	(184)	-	266	266	-	100.0%	156	156
Consumable: Stationery, printing and office supplies	1 150	(239)	-	911	911	-	100.0%	1 278	1 278
Operating leases	500	94	-	594	594	-	100.0%	604	604
Property Payments	4 700	248	-	4 948	4 948	-	100.0%	5 274	5 274
Transport provided: Departmental Activity	-	-	-	-	-	-	-	(1)	-
Travel and Subsistence	378	239	-	617	617	-	100.0%	575	575
Training Development	-	-	-	-	-	-	-	31	31
Operating Payments	230	27	-	257	257	-	100.0%	164	164
<b>Transfers and subsidies</b>	<b>40</b>	-	<b>(20)</b>	<b>20</b>	<b>17</b>	<b>3</b>	<b>85.0%</b>	<b>13</b>	<b>13</b>
Provinces and municipalities	20	-	-	20	17	3	85.0%	13	13
Provincial Agency Funds	-	-	-	-	-	-	-	13	13
Provinces	-	-	-	-	-	-	-	13	13



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Municipalities	20	-	20	17	3	85.0%	-	-
Municipalities and Agencies	20	-	20	17	3	85.0%	-	-
Funds								
Households	20	-	-	-	-	-	-	-
Other transfers and subsidies	20	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 100</b>	<b>(90)</b>	<b>1 010</b>	<b>1 009</b>	<b>1</b>	<b>99.9%</b>	<b>339</b>	<b>328</b>
Machinery and equipment	1 000	(90)	1 010	1 009	1	99.9%	339	328
Transport Equipment	1000	10	1 010	1 009	1	99.9%	-	-
Other Machinery and Equipment	100	(100)	-	-	-	-	339	328
<b>Payments for financial assets</b>	<b>-</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>32 242</b>	<b>513</b>	<b>32 755</b>	<b>32 750</b>	<b>5</b>	<b>100.0%</b>	<b>30 958</b>	<b>30 943</b>



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	Programme 2: [INSTITUTIONAL DEVELOPMENT]									
	2016/17					2015/16				
	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	
<b>Sub programme</b>										
1. STRATEGIC HUMAN RESOURCE	41 490	-	1 410	42 900	42 584	316	99.3%	38 716	38 347	
2. INFORMATION COMMUNICATION TECHNOLOGY	8 799	-	(413)	8 386	7 920	466	94.4%	9 865	9 817	
3. LEGAL ADVISORY SERVICES	3 649	-	(121)	3 528	3 524	4	99.9%	3 392	3 378	
4. COMMUNICATION SERVICES	24 313	-	(947)	23 366	23 321	45	99.8%	31 161	31 108	
5. PROGRAMME SUPPORT	6 859	-	(4 868)	1 991	1 985	6	99.7%	2 324	2 318	
<b>Total for sub programmes</b>	<b>85 110</b>	<b>-</b>	<b>(4 939)</b>	<b>80 171</b>	<b>79 334</b>	<b>837</b>	<b>99.0%</b>	<b>85 458</b>	<b>84 968</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>77 158</b>	<b>-</b>	<b>(1 814)</b>	<b>75 344</b>	<b>74 569</b>	<b>775</b>	<b>99.0%</b>	<b>77 035</b>	<b>76 563</b>	
Compensation of employees	47 470	-	(931)	46 539	46 524	15	100.0%	44 011	43 999	
Salaries and wages	42 513	-	(2 153)	40 360	40 353	7	100.0%	38 124	38 122	
Social contributions	4 957	-	1 222	6 179	6 171	8	99.9%	5 887	5 877	
Goods and services	29 688	-	(883)	28 805	28 045	760	97.4%	33 024	32 564	
Administrative fees	157	93	229	479	473	6	98.7%	280	280	
Advertising	800	8 635	50	9 485	9 485	-	100.0%	1 155	1 155	
Minor assets	-	1	-	1	1	-	100.0%	11	11	
Catering: Departmental activities	320	898	-	1 218	1 218	-	100.0%	97	78	
Communication	378	13	(59)	332	302	30	91.0%	277	277	
Computer services	-	836	-	836	836	-	100.0%	511	511	
Consultants: Business and advisory services	22 310	(11 348)	(324)	10 638	9 915	723	93.2%	25 376	25 376	



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	2016/17					2015/16			
	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
Scientific and technological services	-	-	-	-	-	-	-	43	-
Legal services	-	102	-	102	102	-	100.0%	358	344
Contractors	-	2	-	2	2	-	100.0%	45	45
Consumable supplies	50	38	1	89	89	-	100.0%	45	45
Consumable: Stationery, printing and office supplies	370	17	3	390	390	-	100%	303	303
Transport provided: Departmental activity	200	720	-	920	920	-	100.0%	-	-
Travel and subsistence	2 525	742	(583)	2 684	2 683	1	100.0%	2 603	2 400
Training and development	1 836	(651)	-	1 185	1 185	-	100.0%	624	475
Operating payments	292	(206)	-	86	86	-	100%	396	396
Venues and facilities	450	92	(200)	342	342	-	100.0%	877	845
Rental and hiring	-	16	-	16	16	-	100.0%	23	23
<b>Transfers and subsidies</b>	<b>6 712</b>	-	<b>(3 075)</b>	<b>3 637</b>	<b>3 633</b>	<b>4</b>	<b>99.9%</b>	<b>7 707</b>	<b>7 707</b>
Households	6 712	-	(3 075)	3 637	3 633	4	99.9%	7 707	7 707
Social benefits	210	-	(95)	115	111	4	96.5%	535	535
Other transfers to households	6 502	-	(2 980)	3 522	3 522	-	100.0%	7 172	7 172
<b>Payments for capital assets</b>	<b>1 240</b>	-	<b>(50)</b>	<b>1 190</b>	<b>1 132</b>	<b>58</b>	<b>95.1%</b>	<b>704</b>	<b>686</b>
Machinery and equipment	1 240	(352)	(50)	838	780	58	93.1%	-	686
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 240	(352)	(50)	838	780	58	93.1%	704	686
Software and other Intangible assets	-	352	-	352	352	-	100.0%	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>12</b>
<b>Total</b>	<b>85 110</b>	<b>-</b>	<b>(4 939)</b>	<b>80 171</b>	<b>79 334</b>	<b>837</b>	<b>99.0%</b>	<b>85 458</b>	<b>84 968</b>



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2.1 [STRATEGIC HUMAN RESOURCE]	2016/17					2015/16			
	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
<b>Current payments</b>	34 678	-	4 485	39 163	38 852	311	99.2%	30 770	30 403
Compensation of employees	24 133	-	4 496	28 629	28 624	5	100.0%	26 634	26 634
Salaries and Wages	22 925	-	1 771	24 696	24 696	-	100.0%	22 836	22 834
Social Contributions	1 208	-	2 725	3 933	3 928	5	99.9%	3 800	3 800
Goods and services	10 545	-	(11)	10 534	10 228	306	97.1%	4 134	3 769
Administrative Fees	118	93	-	211	211	-	100.0%	215	215
Advertising	-	258	-	258	258	-	100.0%	321	321
Catering : Departmental	-	63	-	63	63	-	100.0%	59	40
Communication (G&S)	149	32	-	181	181	-	100.0%	171	171
Computer services	-	836	-	836	836	-	100.0%	-	-
Consultants: Business and advisory services	7 310	(1 443)	(11)	5 856	5 550	306	94.8%	3	3
Contractors	-	2	-	2	2	-	100.0%	45	45
Legal Services	-	102	-	102	102	-	100.0%	358	344
Consumable Supplies	50	(27)	-	23	23	-	100.0%	35	35
Consumable: Stationery, printing and office supplies	-	20	-	20	20	-	100.0%	-	-
Travel and Subsistence	811	631	-	1 442	1 442	-	100.0%	1 620	1 437
Training and Development	1 836	(670)	-	1 166	1 166	-	100.0%	600	451
Operating Payments	21	2	-	23	23	-	100.0%	19	19
Venues and Facilities	250	92	-	342	342	-	100.0%	665	665
Rental Hiring	-	9	-	9	9	-	100.0%	23	23
<b>Transfers and subsidies</b>	<b>6 712</b>	-	<b>(3 075)</b>	<b>3 637</b>	<b>3 633</b>	<b>4</b>	<b>99.9%</b>	<b>7 707</b>	<b>7 707</b>
Households	6 712	-	(3 075)	3 637	3 663	4	99.9%	7 707	7 707
Social Benefits	210	-	(95)	115	111	4	96.5%	535	535
Other transfers and subsidies	6 502	-	(2 980)	3 522	3 522	-	100.0%	7 172	7 172
<b>Payments for capital assets</b>	<b>100</b>	-	-	<b>100</b>	<b>99</b>	<b>1</b>	<b>99.0%</b>	<b>227</b>	<b>225</b>
Machinery and equipment	100	-	-	100	99	1	99.0%	227	225



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		2016/17						2015/16		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Other machinery and equipment		100	-	-	100	99	1	99.0%	227	225
Payments for financial assets		-	-	-	-	-	-	-	12	12
<b>TOTAL</b>		<b>41 490</b>	<b>-</b>	<b>1 410</b>	<b>42 900</b>	<b>42 584</b>	<b>316</b>	<b>99.3%</b>	<b>38 716</b>	<b>38 347</b>



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2.2 [INFORMATION COMMUNICATION TECHNOLOGY]	2016/17						2015/16		
	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
<b>Current payments</b>	<b>7 689</b>	-	<b>(363)</b>	<b>7 326</b>	<b>6 919</b>	<b>407</b>	<b>94.4%</b>	<b>9 418</b>	<b>9 372</b>
Compensation of employees	2 519	-	(50)	2 469	2 468	1	100.0%	2 218	2 215
Salaries and Wages	2 095	-	97	2 192	2 191	1	100.0%	1 956	1 956
Social Contributions	424	-	(147)	277	277	-	100.0%	262	259
Goods and services	5 170	-	(313)	4 857	4 451	406	91.6%	7 200	7 157
Administrative Fees	3	-	-	3	2	1	66.7%	1	1
Minor Assets	-	1	-	1	1	-	100.0%	5	5
Catering : Departmental	-	8	-	8	8	-	100.0%	5	5
Communication (G&S)	37	15	-	52	22	30	42.3%	14	14
Computer services	-	-	-	-	-	-	-	511	511
Consultants: Business and advisory services	5 000	(148)	(313)	4 539	4 164	375	91.7%	6 506	6 506
Scientific and Technological services	-	-	-	-	-	-	-	43	-
Consumable Supplies	-	65	-	65	65	-	100.0%	1	1
Consumable: Stationery, printing and office supplies	-	3	-	3	3	-	100.0%	2	2
Travel and Subsistence	130	5	-	135	135	-	100.0%	112	112
Training and Development	-	11	-	11	11	-	100.0%	-	-
Operating Payments	-	40	-	40	40	-	100.0%	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
Other transfers and subsidies	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 110</b>	-	<b>(50)</b>	<b>1 060</b>	<b>1 001</b>	<b>59</b>	<b>94.4%</b>	<b>447</b>	<b>445</b>
Machinery and equipment	1 110	(352)	(50)	708	649	59	91.7%	447	445
Other Machinery and Equipment	1 110	(352)	(50)	708	649	59	91.7%	447	445
Software and other Intangible assets	-	352	-	352	352	-	100.0%	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>8 799</b>	-	<b>(413)</b>	<b>8 386</b>	<b>7 920</b>	<b>466</b>	<b>94.4%</b>	<b>9 865</b>	<b>9 817</b>



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2.3 [LEGAL SERVICES]	2016/17						2015/16		
	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
<b>Current payments</b>	3 649	-	(121)	3 528	3 524	4	99.9%	3 392	3 378
Compensation of employees	3 450	-	(23)	3 427	3 425	2	99.9%	3 274	3 274
Salaries and Wages	2 947	-	113	3 060	3 059	1	100.0%	2 925	2 925
Social Contributions	503	-	(136)	367	366	1	99.7%	349	349
Goods and services	199	-	(98)	101	99	2	98.0%	118	104
Administrative Fees	2	-	1	3	1	2	33.3%	4	4
Communication (G&S)	29	-	(23)	6	6	-	100.0%	3	3
Consumable: Stationery, printing and office supplies	70	-	3	73	73	-	100.0%	81	81
Travel and Subsistence	98	-	(79)	19	19	-	100.0%	30	16
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>3 649</b>	<b>-</b>	<b>(121)</b>	<b>3 528</b>	<b>3 524</b>	<b>4</b>	<b>99.9%</b>	<b>3 392</b>	<b>3 378</b>





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2.4 [COMMUNICATION SERVICES]	2016/17						2015/16		
	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
<b>Current payments</b>	24 283	-	(947)	23 336	23 289	47	99.8%	31 131	31 092
Compensation of employees	11 421	-	(1 225)	10 196	10 191	5	100.0%	9 759	9 752
Salaries and Wages	8 832	-	(70)	8 762	8 759	3	100.0%	8 424	8 424
Social Contributions	2 589	-	(1 155)	1 434	1 432	2	99.9%	1 335	1 328
Goods and services	12 862	-	278	13 140	13 098	42	99.7%	21 372	21 340
Administrative Fees	30	-	228	258	258	-	100.0%	56	56
Advertising	800	8 377	50	9 227	9 227	-	100.0%	834	834
Audit External	-	-	-	-	-	-	-	6	6
Catering : Departmental	320	827	-	1 147	1 147	-	100.0%	31	31
Communication (G&S)	95	(34)	-	61	61	-	100.0%	58	58
Consultants: Business and advisory services	10 000	(9 757)	-	243	201	42	82.7%	18 867	18 867
Consumable Supplies	-	-	-	-	-	-	-	9	9
Consumable: Stationery, printing and office supplies	300	(6)	-	294	294	-	100.0%	220	220
Transport Provided Departmental Activity	200	720	-	920	920	-	100.0%	-	-
Travel and Subsistence	846	106	-	952	952	-	100.0%	678	678
Training and Development	-	8	-	8	8	-	100.0%	24	24
Operating Payments	271	(248)	-	23	23	-	100.0%	377	377
Venues and Facilities	-	-	-	-	-	-	-	212	180
Rental Hiring	-	7	-	7	7	-	100.0%	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	30	-	-	30	32	(2)	106.7%	30	16
Machinery and equipment	30	-	-	30	32	(2)	106.7%	30	16
Other Machinery and equipment	30	-	-	30	32	(2)	106.7%	30	16
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>24 313</b>	<b>-</b>	<b>(947)</b>	<b>23 366</b>	<b>23 321</b>	<b>45</b>	<b>99.8%</b>	<b>31 161</b>	<b>31 108</b>



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2.5 [PROGRAMME SUPPORT]	2016/17						2015/16		
	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
<b>Current payments</b>	6 859	-	(4 868)	1 991	1 985	6	99.7%	2 324	2 318
Compensation of employees	5 947	-	(4 129)	1 818	1 816	2	99.9%	2 124	2 124
Salaries and Wages	5 714	-	(4 064)	1 650	1 648	2	99.9%	1 983	1 983
Social Contributions	233	-	(65)	168	168	-	100.0%	141	141
Goods and services	912	-	(739)	173	169	4	97.7%	200	194
Administrative Fees	4	-	-	4	1	3	25.0%	4	4
Catering : Departmental	-	-	-	-	-	-	-	2	2
Communication (G&S)	68	-	(36)	32	32	-	100.0%	31	31
Computer services	-	-	-	-	-	-	-	-	-
Consumable Supplies	-	-	1	1	1	-	100.0%	-	-
Travel and Subsistence	640	-	(504)	136	135	1	99.3%	163	157
Operating Payments	-	-	-	-	-	-	-	-	-
Venues and Facilities	200	-	(200)	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>6 859</b>	<b>-</b>	<b>(4 868)</b>	<b>1 991</b>	<b>1 985</b>	<b>6</b>	<b>99.7%</b>	<b>2 324</b>	<b>2 318</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

	2016/17						2015/16		
	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
<b>Sub programme</b>									
6. SPECIAL PROGRAMME	10 223	-	(2 226)	7 997	7 763	234	97.1%	8 972	8 894
7. INTERGOVERNMENTAL RELATIONS	6 466	-	(1 400)	5 066	5 066	-	100.0%	6 017	5 995
8. PROVINCIAL AND POLICY MANAGEMENT	32 441	-	893	33 334	33 270	64	99.8%	39 673	35 415
9. PROGRAMME SUPPORT	1 796	-	(678)	1 118	1 115	3	99.7%	2 554	2 387
<b>Total for sub programmes</b>	<b>50 926</b>	<b>-</b>	<b>(3 411)</b>	<b>47 515</b>	<b>47 214</b>	<b>301</b>	<b>99.4%</b>	<b>57 216</b>	<b>52 691</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>49 250</b>	<b>-</b>	<b>(3 698)</b>	<b>45 552</b>	<b>45 273</b>	<b>279</b>	<b>99.4%</b>	<b>54 482</b>	<b>49 961</b>
Compensation of employees	28 774	-	768	29 542	29 508	34	99.9%	29 870	29 850
Salaries and wages	25 792	-	(117)	25 675	25 666	9	100.0%	27 614	26 186
Social contributions	2 982	-	885	3 867	3 842	25	99.4%	2 256	3 664
Goods and services	20 476	-	(4 466)	16 010	15 765	245	98.5%	24 612	20 111
Administrative fees	225	108	(5)	328	328	-	100.0%	1 263	1 157
Advertising	-	1 395	-	1 395	1 395	-	100.0%	4 102	4 102
Minor assets	-	8	-	8	8	-	100.0%	16	16
Catering: Departmental activities	925	773	-	1 698	1 698	-	100.0%	1 316	1 316
Communication	365	(35)	(11)	319	319	-	100.0%	376	376
Consultants: Business and advisory services	13 000	(2 601)	(4 300)	6 099	5 852	247	96.0%	4 315	511
Contractors	160	(158)	-	2	2	-	100.0%	80	80
Consumable supplies	-	-	-	-	-	-	-	375	375
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	32	32
Transport provided: Departmental activity	600	2	-	602	602	-	100.0%	1 608	1 479



(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017

	2016/17					2015/16			
	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	4 157	(529)	(150)	3 478	3 480	(2)	100.1%	6 623	6 275
Training and development	-	880	-	880	880	-	100.0%	104	104
Operating payments	94	(47)	-	47	47	-	100.0%	163	133
Venues and facilities	950	204	-	1 154	1 154	-	100.0%	4 183	4 099
Rental and hiring	-	-	-	-	-	-	-	56	56
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	<b>2 191</b>	<b>2 187</b>
Households	-	-	-	-	-	-	-	2 191	2 187
Social benefits	-	-	-	-	-	-	-	2 191	2 187
<b>Payments for capital assets</b>	<b>1 676</b>	-	<b>287</b>	<b>1 963</b>	<b>1 941</b>	<b>22</b>	<b>98.9%</b>	<b>543</b>	<b>543</b>
Buildings and other fixed structures	30	-	(30)	-	-	-	-	-	-
Other fixed structures	30	-	(30)	-	-	-	-	-	-
Machinery and equipment	1 646	-	317	1 963	1 941	22	98.9%	543	543
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 646	-	317	1 963	1 941	22	98.9%	543	543
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>50 926</b>	-	<b>(3 411)</b>	<b>47 515</b>	<b>47 214</b>	<b>301</b>	<b>99.4%</b>	<b>57 216</b>	<b>52 691</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

3.1[SPECIAL PROGRAMME]	2016/17					2015/16			
	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
<b>Current payments</b>	10 198	-	(2 226)	7 972	7 738	234	97.1%	8 782	8 705
Compensation of employees	3 230	-	(40)	3 190	3 165	25	99.2%	2 964	2 957
Salaries and Wages	2 308	-	403	2 711	2 706	5	99.8%	2 563	2 563
Social Contributions	922	-	(443)	479	459	20	95.8%	401	394
Goods and services	6 968	-	(2 186)	4 782	4 573	209	95.6%	5 818	5 748
Administrative Fees	62	134	-	196	196	-	100.0%	677	677
Minor Assets	-	1	-	1	1	-	100.0%	4	4
Catering : Departmental	235	(46)	-	189	189	-	100.0%	91	91
Communication (G&S)	31	10	-	41	41	-	100.0%	33	33
Consultants: Business and advisory services	5 000	(526)	(2 186)	2 288	2 079	209	90.9%	-	-
Contractors	60	(58)	-	2	2	-	100.0%	-	-
Consumable Supplies	-	-	-	-	-	-	-	1	1
Transport provided: Departmental Activity	600	2	-	602	602	-	100.0%	505	505
Travel and Subsistence	563	(137)	-	426	426	-	100.0%	2 450	2 450
Operating Payments	17	(17)	-	-	-	-	-	17	17
Venues and Facilities	400	637	-	1 037	1 037	-	100.0%	2 038	1 968
Rental Hiring	-	-	-	-	-	-	-	2	2
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	25	-	-	25	25	-	100.0%	190	189
Machinery and equipment	25	-	-	25	25	-	100.0%	190	189
Other Machinery and equipment	25	-	-	25	25	-	100.0%	190	189
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>10 223</b>	<b>-</b>	<b>(2 226)</b>	<b>7 997</b>	<b>7 763</b>	<b>234</b>	<b>97.1%</b>	<b>8 972</b>	<b>8 894</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

3.2 [INTERGOVERNMENTAL RELATIONS]	2016/17						2015/16		
	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
<b>Economic classification</b>									
<b>Current payments</b>	6 434	-	(1 400)	5 034	5 035	(1)	100.0%	5 566	5 545
Compensation of employees	4 774	-	(415)	4 359	4 356	3	99.9%	4 794	4 787
Salaries and Wages	4 176	-	(425)	3 751	3 748	3	99.9%	4 121	4 121
Social Contributions	598	-	10	608	608	-	100.0%	673	666
Goods and services	1 660	-	(985)	675	679	(4)	100.0%	772	758
Administrative Fees	18	7	-	25	25	-	100.0%	34	34
Catering : Departmental									
Communication (G&S)	82	(39)	-	43	43	-	100.0%	48	48
Computer services									
Consultants: Business and advisory services	1 000	(15)	(985)	-	-	-	-	-	-
Travel and Subsistence	510	97	-	607	611	(4)	100.7%	654	654
Operating Payments	50	(50)	-	-	-	-	-	17	17
Venues and Facilities	-	-	-	-	-	-	-	14	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	451	450
Households	-	-	-	-	-	-	-	451	450
Social Benefits	-	-	-	-	-	-	-	451	450
<b>Payments for capital assets</b>	32	-	-	32	31	1	96.9%	-	-
Machinery and equipment	32	-	-	32	31	1	96.9%	-	-
Other Machinery and equipment	32	-	-	32	31	1	96.9%	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>6 466</b>	<b>-</b>	<b>(1 400)</b>	<b>5 066</b>	<b>5 066</b>	<b>-</b>	<b>100.0%</b>	<b>6 017</b>	<b>5 995</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

3.3 [PROVINCIAL AND POLICY MANAGEMENT]	2016/17						2015/16		
	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
<b>Current payments</b>	<b>30 852</b>	-	<b>576</b>	<b>31 428</b>	<b>31 385</b>	<b>43</b>	<b>99.9%</b>	<b>37 580</b>	<b>33 324</b>
Compensation of employees	19 257	-	1 705	20 962	20 957	5	100.0%	19 858	19 853
Salaries and Wages	18 393	-	(82)	18 311	18 311	-	100.0%	18 845	17 417
Social Contributions	864	-	1 787	2 651	2 646	5	99.8%	1 013	2 436
Goods and services	11 595	-	(1 129)	10 466	10 428	38	99.6%	17 722	13 471
Administrative Fees	140	(33)	-	107	107	-	100.0%	550	444
Advertising	-	1 395	-	1 395	1 395	-	100.0%	4 102	4 102
Minor Assets	-	7	-	7	7	-	100.0%	12	12
Catering : Departmental	690	819	-	1 509	1 509	-	100.0%	1 220	1 220
Communication (G&S)	224	(6)	-	218	218	-	100.0%	237	237
Consultants: Business and advisory services	7 000	(2 060)	(1 129)	3 811	3 773	38	99.0%	4 315	511
Contractors	100	(100)	-	-	-	-	-	80	80
Fleet Services	-	-	-	-	-	-	-	374	374
Consumable Supplies	-	-	-	-	-	-	-	32	32
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	1 103	974
Transport provided: Departmental Activity	-	-	-	-	-	-	-	-	-
Travel and Subsistence	2 864	(489)	-	2 375	2 375	-	100.0%	3 309	3 097
Training and Development	-	880	-	880	880	-	100.0%	104	104
Operating Payments	27	20	-	47	47	-	100.0%	99	99
Venues and Facilities	550	(433)	-	117	117	-	100.0%	2 131	2 131
Rental Hiring	-	-	-	-	-	-	-	54	54
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	<b>1 740</b>	<b>1 737</b>
Households	-	-	-	-	-	-	-	1 740	1 737



(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017

3.3 [PROVINCIAL AND POLICY MANAGEMENT]	2016/17						2015/16		
	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
Social Benefits	-	-	-	-	-	-	-	1 740	1 737
Other transfers and subsidies									
<b>Payments for capital assets</b>	<b>1 589</b>	-	<b>317</b>	<b>1 906</b>	<b>1 885</b>	<b>21</b>	<b>98.9%</b>	<b>353</b>	<b>354</b>
Machinery and equipment	1 589	-	317	1 906	1 885	21	98.9%	353	354
Other Machinery and Equipment	1 589	-	317	1 906	1 885	21	98.9%	353	354
<b>Payments for financial assets</b>									
<b>TOTAL</b>	<b>32 441</b>	-	<b>893</b>	<b>33 334</b>	<b>33 270</b>	<b>64</b>	<b>99.8%</b>	<b>39 673</b>	<b>35 415</b>





**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

3.4 [PROGRAMME SUPPORT]	2016/17						2015/16		
	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
<b>Current payments</b>	1 766	-	(648)	1 118	1 115	3	99.7%	2 554	2 387
Compensation of employees	1 513	-	(482)	1 031	1 030	1	99.9%	2 254	2 253
Salaries and Wages	915	-	(13)	902	901	1	99.9%	2 085	2 085
Social Contributions	598	-	(469)	129	129	-	100.0%	169	168
Goods and services	253	-	(166)	87	85	2	97.7%	300	134
Administrative Fees	5	-	(5)	-	-	-	-	2	2
Communication (G&S)	28	-	(11)	17	17	-	100.0%	58	58
Travel and Subsistence	220	-	(150)	70	68	2	97.1%	210	74
Operating Payments	-	-	-	-	-	-	-	30	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	30	-	(30)	-	-	-	-	-	-
Buildings and other fixed structures	30	-	(30)	-	-	-	-	-	-
Other Fixed Structures	30	-	(30)	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>1 796</b>	<b>-</b>	<b>(678)</b>	<b>1 118</b>	<b>1 115</b>	<b>3</b>	<b>99.1%</b>	<b>2 554</b>	<b>2 387</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
APPROPRIATION STATEMENT  
for the year ended 31 March 2017**

**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	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	135 385	135 353	32	0.02%
Institutional Development	80 171	79 334	837	1.04%
Policy and Governance	47 515	47 214	301	0.63%
4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>	<b>232 794</b>	<b>231 717</b>	<b>1 077</b>	<b>99.54%</b>
Compensation of employees	129 048	128 982	66	0.05%
Goods and services	103 746	102 735	1 011	0.97%
Interest and rent on land				
<b>Transfers and subsidies</b>	<b>3 680</b>	<b>3 673</b>	<b>7</b>	<b>99.81%</b>
Provinces and municipalities	20	17	3	15.00%
Departmental agencies and accounts	-	-	-	-
Households	3 660	3 656	4	0.11%
<b>Payments for capital assets</b>	<b>26 584</b>	<b>26 498</b>	<b>86</b>	<b>0.32%</b>
Buildings and other fixed structures	-	-	-	-
Machinery and equipment	4 232	4 146	86	2.03%
Software and other Intangible assets	22 352	22 352	-	0.00%
<b>Payments for financial assets</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>0.00%</b>

*The variance of 0.4% can be attributed to the slow implementation of planned targets.*



**(MP: OFFICE OF THE PREMIER)**  
**VOTE 1**  
**STATEMENT TO FINANCIAL PERFORMANCE**  
**for the year ended 31 March 2017**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
<b>REVENUE</b>			
Annual appropriation	<u>1</u>	263 071	266 958
Departmental revenue	<u>2</u>	1 078	175
Transfers received Donations		-	691
<b>TOTAL REVENUE</b>		<b>264 149</b>	<b>267 824</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	<u>3</u>	128 982	122 680
Goods and services	<u>4</u>	102 735	119 207
<b>Total current expenditure</b>		<b>231 717</b>	<b>241 887</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	<u>6</u>	3 673	10 691
Donations		-	691
<b>Total transfers and subsidies</b>		<b>3 673</b>	<b>11 382</b>
<b>Expenditure for capital assets</b>			
Tangible assets	<u>7</u>	4 180	3 851
Intangible assets	<u>7</u>	22 317	5 261
<b>Total expenditure for capital assets</b>		<b>26 497</b>	<b>9 112</b>
<b>Payments for financial assets</b>	<u>5</u>	13	12
<b>TOTAL EXPENDITURE</b>		<b>261 900</b>	<b>262 393</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>2 249</b>	<b>5 431</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		1 170	5 256
Annual appropriation		<b>1 170</b>	<b>5 256</b>
Departmental revenue and NRF Receipts	<u>12</u>	1 078	175
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>2 249</b>	<b>5 431</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
STATEMENT TO FINANCIAL POSITION  
for the year ended 31 March 2017**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>2 655</b>	<b>5 881</b>
Cash and cash equivalents	<u>8</u>	1 182	4 592
Prepayments and advances	<u>9</u>	141	-
Receivables	<u>10</u>	1 332	1 289
<b>TOTAL ASSETS</b>		<b>2 655</b>	<b>5 881</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>2 655</b>	<b>5 881</b>
Voted funds to be surrendered to the Revenue Fund	<u>11</u>	1 170	5 256
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>12</u>	79	91
Payables	<u>13</u>	1 406	534
<b>TOTAL LIABILITIES</b>		<b>2 655</b>	<b>5 881</b>
<b>NET ASSETS</b>		<b>-</b>	<b>-</b>



**(MP: OFFICE OF THE PREMIER)  
VOTE 1  
CASH FLOW STATEMENT  
for the year ended 31 March 2017**

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>263 865</b>	<b>268 277</b>
Annual appropriated funds received	<i>1.1</i>	263 071	266 958
Departmental revenue received	<i>2</i>	214	249
Interest received	<i>2.2</i>	580	379
Transfers received Donations		-	691
Net (increase)/decrease in working capital		688	(1 216)
Surrendered to Revenue Fund		(6 346)	(6 251)
Current payments		(231 717)	(241 887)
Payments for financial assets		(13)	(12)
Transfers and subsidies paid		(3 673)	(11 382)
<b>Net cash flow available from operating activities</b>	<i>14</i>	<b>22 804</b>	<b>7 529</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	<i>7</i>	(26 498)	(9 112)
Proceeds from sale of capital assets	<i>2.3</i>	284	333
<b>Net cash flows from investing activities</b>		<b>(26 214)</b>	<b>(8 779)</b>
Net increase/(decrease) in cash and cash equivalents		(3 410)	(1 250)
Cash and cash equivalents at beginning of period		4 592	5 842
<b>Cash and cash equivalents at end of period</b>	<i>8</i>	<b>1 182</b>	<b>4 592</b>



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**Summary of significant accounting policies**

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

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

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

<b>1</b>	<b>Basis of preparation</b>  The financial statements have been prepared in accordance with the Modified Cash Standard.
<b>2</b>	<b>Going concern</b>  The financial statements have been prepared on a going concern basis.
<b>3</b>	<b>Presentation currency</b>  Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
<b>4</b>	<b>Rounding</b>  Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).



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<b>5</b>	<p><b>Foreign currency translation</b></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>
<b>6</b>	<p><b>Comparative information</b></p>
<b>6.1</b>	<p><b>Prior period comparative information</b></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>
<b>6.2</b>	<p><b>Current year comparison with budget</b></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>
<b>7</b>	<p><b>Revenue</b></p>
<b>7.1</b>	<p><b>Appropriated funds</b></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>
<b>7.2</b>	<p><b>Departmental revenue</b></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>



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<b>7.3</b>	<p><b>Accrued departmental revenue</b></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"> <li><input type="checkbox"/> it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li><input type="checkbox"/> the amount of revenue can be measured reliably.</li> </ul> <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>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<b>Salaries and wages</b>
	Salaries and wages are recognised in the statement of financial performance on the date of payment.
<b>8.1.2</b>	<b>Social contributions</b>
	<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>
<b>8.2</b>	<b>Other expenditure</b>
	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.
<b>8.3</b>	<b>Accruals and payables not recognised</b> Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.
	Accruals and payables not recognised are measured at cost.
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<b>Operating leases</b>
	Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.
	The operating lease commitments are recorded in the notes to the financial statements.





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<b>8.4.2</b>	<p><b>Finance leases</b></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.</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"> <li><input type="checkbox"/> cost, being the fair value of the asset; or</li> <li><input type="checkbox"/> the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>9</b>	<p><b>Aid Assistance</b></p>
<b>9.1</b>	<p><b>Aid assistance received</b></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>
<b>9.2</b>	<p><b>Aid assistance paid</b></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>
<b>10</b>	<p><b>Cash and cash equivalents</b></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>



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<b>11</b>	<b>Prepayments and advances</b>  Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.  Prepayments and advances are initially and subsequently measured at cost.  <Indicate when prepayments are expensed and under what circumstances.>
<b>12</b>	<b>Loans and receivables</b>  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.
<b>13</b>	<b>Investments</b>  Investments are recognised in the statement of financial position at cost.
<b>14</b>	<b>Financial assets</b>
<b>14.1</b>	<b>Financial assets (not covered elsewhere)</b>  A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.  At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
<b>14.2</b>	<b>Impairment of financial assets</b>  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.



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<b>15</b>	<p><b>Payables</b></p> <p>Loans and payables are recognised in the statement of financial position at cost.</p>
<b>16</b>	<p><b>Capital Assets</b></p>
<b>16.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at fair value for recording in the asset register.</p> <p>Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.</p>
<b>16.2</b>	<p><b>Movable capital assets</b></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 is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>



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<b>16.3</b>	<b>Intangible assets</b>  Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.  Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.  Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.  All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.  Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.  Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.
<b>17</b>	<b>Provisions and Contingents</b>
<b>17.1</b>	<b>Provisions</b>  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.
<b>17.2</b>	<b>Contingent liabilities</b>  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.
<b>17.3</b>	<b>Contingent assets</b>  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.



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<b>17.4</b>	<p><b>Commitments</b></p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
<b>18</b>	<p><b>Unauthorised expenditure</b></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"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>19</b>	<p><b>Fruitless and wasteful expenditure</b></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 for recovery.</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>



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<b>20</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</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>
<b>21</b>	<p><b>Changes in accounting policies, accounting estimates and errors</b></p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</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>
<b>22</b>	<p><b>Events after the reporting date</b></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>



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<b>23</b>	<p><b>Principal-Agent arrangements</b></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>
<b>24</b>	<p><b>Departures from the MCS requirements</b></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>
<b>25</b>	<p><b>Capitalisation reserve</b></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>
<b>26</b>	<p><b>Recoverable revenue</b></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>
<b>27</b>	<p><b>Related party transactions</b></p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>



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<b>28</b>	<p><b>Inventories (<i>Effective from date determined in a Treasury Instruction</i>)</b></p> <p>At the date of acquisition, inventories are recorded at cost price in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.</p> <p>Subsequent measurement of the cost of inventory is determined on the weighted average basis.</p>
<b>29</b>	<p><b>Public-Private Partnerships</b></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>
<b>30</b>	<p><b>Employee benefits</b></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>





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## 1. Annual Appropriation

### 1.1 Annual Appropriation

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

	Final Ap- propriation	2016/17	Funds not requested/not received	2015/16	Appro- priation received
		Actual Funds Received		Final Appropriation	
	R'000	R'000	R'000	R'000	R'000
Administration	135 385	135 385	-	124 284	124 284
Institutional Develop- ment	80 171	80 171	-	85 458	85 458
Policy and Governance	47 515		-	57 216	57 216
		47 515			
<b>Total</b>	<b>263 071</b>	<b>263 071</b>	<b>-</b>	<b>266 958</b>	<b>266 958</b>

## 2. Departmental revenue

	Note	2016/17	2015/16
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	193	185
Interest, dividends and rent on land	2.2	580	379
Sales of capital assets	2.3	284	333
Transactions in financial assets and liabilities	2.4	21	64
<b>Total revenue collected</b>		<b>1 078</b>	<b>961</b>
Less: Own revenue included in appropriation	12	-	786
<b>Departmental revenue collected</b>		<b>1 078</b>	<b>175</b>



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**b.1 Sales of goods and services other than capital assets**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	2	<b>R'000</b>	<b>R'000</b>
Sales of goods and services produced by the department		<b>193</b>	<b>185</b>
Sales by market establishment		193	185
<b>Total</b>		<b>193</b>	<b>185</b>

**b.2 Interest, dividends and rent on land**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	2	<b>R'000</b>	<b>R'000</b>
Interest		580	379
<b>Total</b>		<b>580</b>	<b>379</b>

**b.3 Sale of capital assets**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	2	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>		<b>284</b>	<b>333</b>
Machinery and equipment	23	284	333
<b>Total</b>		<b>284</b>	<b>333</b>

**b.4 Transactions in financial assets and liabilities**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	2	<b>R'000</b>	<b>R'000</b>
Other Receipts including Recoverable Revenue		21	64
<b>Total</b>		<b>21</b>	<b>64</b>

Other Receipts including Recoverable Revenue consist of domestic service and previous year expenditure



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### 3. Compensation of employees

#### 3.1 Salaries and Wages

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Basic salary		88 516	81 905
Performance award		1 304	2 309
Service Based		534	158
Compensative/circumstantial		1 652	2 856
Other non-pensionable allowances		20 212	19 716
<b>Total</b>		<b>112 218</b>	<b>106 944</b>

*Other non-pensionable allowance comprises of Capital remuneration, Housing allowances and Service Bonus.*

#### 3.2 Social contributions

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
<b>Employer contributions</b>			
Pension		11 615	10 851
Medical		5 130	4 867
Bargaining council		19	18
<b>Total</b>		<b>16 764</b>	<b>15 736</b>
<b>Total compensation of employees</b>		<b>128 982</b>	<b>122 680</b>
Average number of employees		<b>249</b>	<b>246</b>



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**4. Goods and services**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Administrative fees		1 774	2 411
Advertising		10 880	5 257
Minor assets	4.1	34	111
Catering		3 742	1 866
Communication		4 634	3 359
Computer services	4.2	1 390	1 260
Consultants: Business and advisory services		45 509	61 551
Legal services		102	345
Contractors		32	161
Audit cost – external	4.3	3 799	3 916
Fleet services		2 152	2 480
Consumables	4.4	1 728	2 475
Operating leases		594	604
Property payments	4.5	4 948	5 274
Rental and hiring		16	121
Transport provided as part of the departmental activities		1 522	1 924
Travel and subsistence	4.6	14 875	17 598
Venues and facilities		2 402	6 944
Training and development		2 071	706
Other operating expenditure	4.7	531	844
<b>Total</b>		<b>102 735</b>	<b>119 207</b>

**4.1 Minor assets**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>		<b>34</b>	<b>111</b>
Machinery and equipment		34	111
<b>Total</b>		<b>34</b>	<b>111</b>

**4.2 Computer services**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
SITA computer services	4	1 390	492
External computer service providers		-	768
<b>Total</b>		<b>1 390</b>	<b>1 260</b>



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**4.3 Audit cost – External**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	<i>4</i>	<b>R'000</b>	<b>R'000</b>
Regularity audits		3 799	3 916
<b>Total</b>		<b>3 799</b>	<b>3 916</b>

**4.4 Consumables**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	<i>4</i>	<b>R'000</b>	<b>R'000</b>
Consumable supplies		407	600
Uniform and clothing		38	402
Household supplies		283	167
IT consumables		19	15
Other consumables		67	16
Stationery, printing and office supplies		<b>1 321</b>	<b>1 875</b>
<b>Total</b>		<b>1 728</b>	<b>2 475</b>

**4.5 Property payments**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	<i>4</i>	<b>R'000</b>	<b>R'000</b>
Municipal services		4 605	4 945
Property Maintenance and repairs		343	329
<b>Total</b>		<b>4 948</b>	<b>5 274</b>

**4.6 Travel and subsistence**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	<i>4</i>	<b>R'000</b>	<b>R'000</b>
Local		13 017	16 839
Foreign		1 858	759
<b>Total</b>		<b>14 875</b>	<b>17 598</b>



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**4.7 Other operating expenditure**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
	4	<b>R'000</b>	<b>R'000</b>
Professional bodies, membership and subscription fees		118	43
Resettlement costs		37	38
Other		376	763
<b>Total</b>		<b>531</b>	<b>844</b>

*Other operating expenditure comprises of the following: a) Laundry services b) Courier and delivery of services c) Printing and Publication d) Life Insurance.*

**5. Payments for financial assets**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Debt take overs		-	12
Theft and losses		13	-
<b>Total</b>		<b>13</b>	<b>12</b>

**6. Transfers and subsidies**

		<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Departmental agencies and accounts	<i>Note</i>		
	<i>Annex 1B</i>	17	13
Households	<i>Annex 1G</i>	3 656	11 369
<b>Total</b>		<b>3 673</b>	<b>11 382</b>



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**7. Expenditure for capital assets**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
<b>Tangible assets</b>		<b>4 180</b>	<b>3 851</b>
Machinery and equipment	<i>7.1</i>	4 180	3 851
<b>Intangible assets</b>		<b>22 317</b>	<b>5 261</b>
Software	<i>7.1</i>	22 317	5 261
<b>Total</b>		<b>26 497</b>	<b>9 112</b>

**a.1 Analysis of funds utilised to acquire capital assets – 2016/17**

	Voted funds R'000	Aid assis- tance R'000	Total R'000
<b>Tangible assets</b>	<b>4 180</b>	-	<b>4 180</b>
Machinery and equipment	4 180	-	4 180
<b>Intangible assets</b>	<b>22 317</b>	-	<b>22 317</b>
Software	22 317	-	22 317
<b>Total</b>	<b>26 497</b>	-	<b>26 497</b>

**7.2 Analysis of funds utilised to acquire capital assets – 2015/16**

	Voted funds R'000	Aid assis- tance R'000	Total R'000
<b>Tangible assets</b>	<b>9 112</b>	-	<b>9 112</b>
Machinery and equipment	9 112	-	9 112
<b>Total</b>	<b>9 112</b>	-	<b>9 112</b>



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**8. Cash and cash equivalents**

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Consolidated Paymaster General Account		1 182	4 592
<b>Total</b>		<b>1 182</b>	<b>4 592</b>

**9. Prepayment and Advances**

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Travel and Subsistence		1 41	-
<b>Total</b>		<b>141</b>	<b>-</b>

**10. Receivables**

		2016/17		2015/16		
		Current R'000	Total R'000	Current R'000	Total R'000	Total R'000
Claims recoverable	<i>Note 10.1</i>	872	872	1 013	1 013	1 013
Trade receivables	<i>10.2</i>					
Recoverable expenditure	<i>10.3</i>	319	319	180	180	180
Staff debt	<i>10.4</i>	71	71	24	24	24
Other debtors	<i>10.5</i>	70	70	72	72	72
<b>Total</b>		<b>1 332</b>	<b>1 332</b>	<b>1 289</b>	<b>1 289</b>	<b>230</b>





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**10.1 Claims recoverable**

	<i>Note</i> <i>10 and</i> <i>Annex 4</i>	<b>2016/17</b> <b>R'000</b>	<b>2015/16</b> <b>R'000</b>
Provincial departments		872	1 013
<b>Total</b>		<b>872</b>	<b>1 013</b>

**10.2 Recoverable expenditure (disallowance accounts)**

	<i>Note</i> <i>10</i>	<b>2016/17</b> <b>R'000</b>	<b>2015/16</b> <b>R'000</b>
Sal Income Tax		314	176
Sal Med Aid		5	4
Other Debtors		-	-
<b>Total</b>		<b>319</b>	<b>180</b>

**b.3 Staff debt**

	<i>Note</i> <i>10</i>	<b>2016/17</b> <b>R'000</b>	<b>2015/16</b> <b>R'000</b>
(Group major categories, but list material items)			
Employees		7	5
Ex-Employees		64	19
<b>Total</b>		<b>71</b>	<b>24</b>

**b.4 Other debtors**

	<i>Note</i> <i>10</i>	<b>2016/17</b> <b>R'000</b>	<b>2015/16</b> <b>R'000</b>
RA Moss		70	70
WM Theys		-	2
<b>Total</b>		<b>70</b>	<b>72</b>



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**11. Voted funds to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		5 256	5 234
Prior period error	11.2	-	-
As restated		5 256	5 234
Transfer from statement of financial performance (as restated)		1 170	5 256
Add: Unauthorised expenditure for current year	11	-	-
Voted funds not requested/not received	1.1	-	-
Transferred to retained revenue to defray excess expenditure (PARLIAMENT/LEGISLATURES ONLY)	11.1	-	-
Paid during the year		(5 256)	(5 234)
<b>Closing balance</b>		<b>1 170</b>	<b>5 256</b>

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

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		91	147
Prior period error	12.1	-	-
As restated		91	147
Transfer from Statement of Financial Performance (as restated)		1 078	175
Own revenue included in appropriation		-	786
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	12.1	-	-
Paid during the year		(1 090)	(1 017)
<b>Closing balance</b>		<b>79</b>	<b>91</b>



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**13. Payables – current**

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Advances Received	13.1	1 406	-
Clearing accounts	13.2		5
Other payables	13.3	-	529-
<b>Total</b>		<b>1 406</b>	<b>534</b>

*Advances received consist of Capital Contributions by other government unit which is money from PSETA*

**d.1 Advances received**

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Other Institutions	13	1 406	-
<b>Total</b>		<b>-</b>	<b>-</b>

**d.2 Clearing accounts**

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Description	13		
SAL: Bargaining Council		-	5
<b>Total</b>		<b>-</b>	<b>5</b>

**d.3 Other payables**

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Description	13		
Capital contribution other government units		-	529
<b>Total</b>		<b>-</b>	<b>529</b>



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**14. Net cash flow available from operating activities**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Net surplus/(deficit) as per Statement of Financial Performance		2 248	5 431
Add back non cash/cash movements not deemed operating activities		20 556	5 358
(Increase)/decrease in receivables – current		(43)	(1 059)
(Increase)/decrease in prepayments and advances		(141)	-
Increase/(decrease) in payables – current		872	(157)
Proceeds from sale of capital assets		(284)	(333)
Expenditure on capital assets		26 498	12 372
Surrenders to Revenue Fund		(6 346)	(6 251)
Own revenue included in appropriation		-	786
<b>Net cash flow generated by operating activities</b>		<b>22 804</b>	<b>10 789</b>

**15. Reconciliation of cash and cash equivalents for cash flow purposes**

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Consolidated Paymaster General account		1 182	4 592
<b>Total</b>		<b>1 182</b>	<b>4 592</b>



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## 16. Contingent liabilities and contingent assets

### 16.1 Contingent liabilities

<b>Liable to</b>	<b>Nature</b>	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Claims against the department		<i>Annex 3B</i>	17 551	17 551
Intergovernmental payables (unconfirmed balances)		<i>Annex 5</i>	368	193
<b>Total</b>			<b>17 919</b>	<b>17 744</b>

*Timing and amounts of outflow cannot be reasonably estimated as these are legal matters.  
The possibility of reimbursement will only be known with certainty at the conclusion of the case.*

## 17. Commitments

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
<b>Current expenditure</b>			
Approved and contracted		72 532	25 719
Approved but not yet contracted			
<b>Total Commitments</b>		<b>72 532</b>	<b>25 719</b>

### The following commitments exceed one year:

JORDIMIX (PTY) LTD	14 257 700.00
BM GLOBAL CONSORTIUM	13 310 308.26
GENIUS MANAGEMENT SOLUTIONS	7 193 400.00



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**18. Accruals and payables not recognised**

**12.1 Accruals**

	2016/17			2015/16
	R'000			R'000
<b>Listed by economic classification</b>	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	16	-	16 541	4 462
	541			
Interest and rent on land	-	-	-	-
Transfers and subsidies	3	-	3 447	-
	447			
Capital assets		-	-	764
Other				
<b>Total</b>	<b>19 988</b>	<b>-</b>	<b>19 988</b>	<b>5 226</b>

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
<b>Listed by programme level</b>			
Goods and Services- Administration		11	3 256
Goods and Services- Institutional Development		061	1 675
Goods and Services- Policy and Administration		6	295
		842	
		2	
		085	
<b>Total</b>		<b>19 988</b>	<b>5 226</b>

**a. Payables not recognised**

	2016/17			2015/16
	R'000			R'000
<b>Listed by economic classification</b>	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services				
Interest and rent on land	16	-	16 721	-
	721			
Transfers and subsidies	-	-	-	-
Capital assets	28	-	28 160	-
	160			
Other	-	-	-	-
<b>Total</b>	<b>44 881</b>	<b>-</b>	<b>44 881</b>	<b>-</b>



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	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
<b>Listed by programme level</b>			
Goods & Services-Administration		16 721	-
Capital Assets-Administration		28 160	
<b>Total</b>		<b>44 881</b>	<b>-</b>

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
<b>Included in the above totals are the following:</b>			
Confirmed balances with other departments	<i>Annex 5</i>	656	73
Confirmed balances with other government entities	<i>Annex 5</i>		
<b>Total</b>		<b>656</b>	<b>73</b>

## 19. Employee benefits

	<i>Note</i>	<b>2016/17 R'000</b>	<b>2015/16 R'000</b>
Leave entitlement		7 117	5 902
Service bonus (Thirteenth cheque)		3 462	3 033
Performance awards		1 347	2 277
Capped leave commitments		7 002	6 723
Other		99	316
<b>Total</b>		<b>19 027</b>	<b>18 251</b>

*Accruals comprises of leave entitlement and service bonus,*

*Provision comprises of performance awards, capped leave, commitments and long term service awards.*

*Other comprises of long term service awards to be paid in the financial year 2016/17.*

*The non-current portion benefit could not be reliable estimate by management because of high level of uncertainty and the complexity of the calculation.*

*Leave entitlement includes negative leave balances*



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**20 Lease commitments**

**20.1 Operating leases expenditure**

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2016/17</b>					
Not later than 1 year				585	585
Later than 1 year and not later than 5 years				209	209
Later than five years				-	-
<b>Total lease commitments</b>	-	-	-	<b>794</b>	<b>794</b>

**2015/16**

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2016/17</b>					
Not later than 1 year	-	-	-	454	454
Later than 1 year and not later than 5 years	-	-	-	491	491
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	-	-	-	<b>945</b>	<b>945</b>

*Konika Minolta and Bytes Documents Solutions have a renewal option at discretion of the end user upon the completion of the Contracts.*

*Lowveld Office automation (PTY) LTD in case the Office is intending to dispose the asset concerned a prior written notice should be written within 3 months before the actual sale.*





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## 21 Irregular expenditure

### 21.1 Reconciliation of irregular expenditure

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		147 390	92 700
Prior period error		-	-
As restated		147 390	92 700
Add: Irregular expenditure – relating to prior year		64 694	54 690
Add: Irregular expenditure – relating to current year		-	-
<b>Closing balance</b>		<b>212 084</b>	<b>147 390</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		64 694	54 690
Prior years		147 390	92 700
<b>Total</b>		<b>212 084</b>	<b>147 390</b>

**Prior years irregular expenditure is still under investigation**

### 21.2 Details of irregular expenditure – added current year (relating to current and prior years)

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2016/17</b>
		<b>R'000</b>
Non-compliance with supply chain management	Under investigation	64 694
<b>Total</b>		<b>64 694</b>



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## 22 Fruitless and wasteful expenditure

### 22.1 Reconciliation of fruitless and wasteful expenditure

	<i>Note</i>	<b>2016/17</b>	<b>2015/16</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		5 083	-
Prior period error		-	-
As restated		5 083	-
Fruitless and wasteful expenditure – relating to prior year		-	5 083
Fruitless and wasteful expenditure – relating to current year		-	-
Less: Amounts resolved		-	-
Less: Amounts transferred to receivables for recovery	10.6	-	-
<b>Closing balance</b>		<b>5 083</b>	<b>5 083</b>

### 22.2 Analysis of awaiting resolution per economic classification

	<b>2016/17</b>	<b>2015/16</b>
	<b>R'000</b>	<b>R'000</b>
Current	5 083	5 083
Capital	-	-
Transfers and subsidies	-	-
<b>Total</b>	<b>5 083</b>	<b>5 083</b>



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23. List of related party transactions

*List related party relationships*

*All departments under the common control of the Mpumalanga Provincial Legislature are related parties.*

*During the year under review the Office of the Premier received free accommodation services free of charge from the Department of Public Works, roads and Transport which is a related party for the year under review to the Office due to being under the common control of the Mpumalanga Provincial Legislature.*

*Pursuant to a determination and approval by the Provincial Treasury, for the year under review. The Office of the Premier provide services for the Audit Committee and Internal Audit through the shared services in the Office of the Premier, to the following provincial cluster departments:*

*Department of Human Settlements;*

*Department of Culture, Sports & Recreation;*

*Department of Community Safety, Security and Liason: and*

*Department of Co-Operative Governance and Traditional Affairs.*

*The Department was responsible for funding the operations of the shared services, however, the services were provided free of charge to the above mentioned cluster departments,*

*The Office receivables IT services from the Department of Finance free of charge.*



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**24. Key management personnel**

	No. of Individuals	2016/17  R'000	2015/16  R'000
Political office bearers (provide detail below)	1	1 854	2 173
Officials:			
Level 15 to 16	5	6 327	7 332
Level 14 (incl. CFO if at a lower level)	8	6 752	8 287
Family members of key management personnel	1	250	236
		<b>15 183</b>	<b>18 028</b>

**25 Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance  R'000	Value ad- justments  R'000	Additions  R'000	Disposals  R'000	Closing Balance  R'000
<b>HERITAGE ASSETS</b>	-	-	-	-	-
Heritage assets	-	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>	<b>34 206</b>	-	<b>3 152</b>	<b>1 672</b>	<b>35 686</b>
Transport assets	9 676	-	1 009	1 672	9 013
Computer equipment	13 491	-	309	-	13 800
Furniture and office equipment	6 221	-	563	-	6 784
Other machinery and equipment	4 818	-	1 271	-	6 089
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>34 206</b>	-	<b>3 152</b>	<b>1 672</b>	<b>35 686</b>



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**25.1 Additions**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Cash*	Non-cash**	(Capital Work in Progress current costs and finance lease pay- ments)	Received current, not paid (Paid current year, re- ceived prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	-	-	-	-	-
Heritage assets	-	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>	<b>4 181</b>	-	-	<b>(1 029)</b>	<b>3 152</b>
Transport assets	1 009	-	-	-	1 009
Computer equipment	1 073	-	-	(764)	309
Furniture and office equipment	654	-	-	(91)	563
Other machinery and equipment	1 445	-	-	(174)	1 271
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>4 181</b>	-	-	<b>(1 029)</b>	<b>3 152</b>



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**25.2 Disposals**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Sold for cash	Non-cash disposal	Total dis- posals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	-	-	-	-
Heritage assets	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>	<b>1 672</b>	-	<b>1 672</b>	<b>284</b>
Transport assets	1 672	-	1 672	284
Computer equipment	-	-	-	-
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	-	-	-
<b>SPECIALISED MILITARY ASSETS</b>	-	-	-	-
Specialised military assets	-	-	-	-
<b>BIOLOGICAL ASSETS</b>	-	-	-	-
Biological assets	-	-	-	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>1 672</b>	-	<b>1 672</b>	<b>284</b>



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**25.3 Movement for 2015/16**

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

	Opening balance	Prior peri- od error	Additions	Disposals	Closing Balance
<b>MACHINERY AND EQUIPMENT</b>	<b>32 099</b>	<b>(3 377)</b>	<b>8 102</b>	<b>2 618</b>	<b>34 206</b>
Transport assets	11 385	-	-	1 709	9 676
Computer equipment	11 349	730	2 282	870	13 491
Furniture and office equipment	5 262	(4 644)	5 603	-	6 221
Other machinery and equipment	4 103	537	217	39	4 818
Biological assets					
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>32 099</b>	<b>(3 377)</b>	<b>8 102</b>	<b>2 618</b>	<b>34 206</b>

**25.3.1 Prior period error**

*Note*

2015/16

R'000

**Nature of prior period error**

Relating to 2015/16 [affecting the opening balance]  
Computer Equipment

**(3 377)**

Furniture and Office Equipment

730

(4 644)

537

Other machinery Equipment

Machinery and Equipment-minor

**Total prior period errors**

**(3 377)**

*This was as a result of prior year incorrect accounting of assets in the asset register*



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25.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military as- sets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Opening balance	-	2	-	5 689	-	5 691
Additions	-	-	-	34	-	34
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>5 723</b>	<b>-</b>	<b>5 725</b>

	Specialised military as- sets	Intangible assets	Heritage assets	Machinery and equip- ment	Biological assets	Total
Number of minor assets at cost	-	-	-	4 718	-	4 718
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 718</b>	<b>-</b>	<b>4 718</b>





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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	5 720	-	5 720
Prior period error	-	-	-	(161)	-	(161)
Additions	-	2	-	216	-	218
Disposals	-	-	-	86	-	86
<b>TOTAL MINOR AS- SETS</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>5 689</b>	<b>-</b>	<b>5 691</b>

	Specialised military as- sets	Intangible assets	Heritage assets	Machinery and equip- ment	Biological assets	Total
Number of minor assets at cost	-	-	-	4 988	-	4 988
<b>TOTAL NUMBER OF MI- NOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 988</b>	<b>-</b>	<b>4 988</b>

**25.4.1 Prior period error**

Note	2016/17 R'000
<b>Nature of prior period error</b>	
Relating to 2015/16 <i>[affecting the opening balance]</i>	(161)
Machinery and equipment	(161)
Relating to 2015/16	-
<b>Total prior period errors</b>	<b>(161)</b>

*This was as a result of prior year incorrect accounting of assets in the asset register*



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**26 Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance R'000	Value ad- justments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>SOFTWARE</b>	5 371	-	50 477	-	55 848
<b>Capital Work-in-progress</b> ( <i>Effective 1 April 2016</i> )	-	-	-	-	-
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>5 371</b>	<b>-</b>	<b>50 477</b>	<b>-</b>	<b>55 848</b>

**26.1 Additions**

**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Cash R'000	Non-Cash R'000	(Develop-ment work in prog- ress – current costs) R'000	Received cur- rent year, not paid (Paid current year, received prior year) R'000	Total R'000
<b>SOFTWARE</b>	22 317	-	-	28 160	50 477
<b>TOTAL ADDITIONS TO INTANGI- BLE CAPITAL ASSETS</b>	<b>22 317</b>	<b>-</b>	<b>-</b>	<b>28 160</b>	<b>50 477</b>



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**26.2 Movement for 2015/16**

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	110	-	5 261	-	5 371
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>110</b>	<b>-</b>	<b>5 261</b>	<b>-</b>	<b>5 371</b>

**III.1 Prior period error**

	Note	2015/16 R'000
<b>Expenditure:</b>		
IT Consumables		(7)
Consultants: Business and Advisory services		(3 260)
<b>Net Effect</b>		<b>(3 267)</b>
<b>Nature of prior period error</b>		<b>(3 377)</b>
Relating to 2015/16 <i>[affecting the opening balance]</i>		
Computer Equipment		730
		(4 644)
		537
Furniture and Office Equipment		(2 388)
		2 388
Other machinery Equipment		
Contingent Assets		
Unconfirmed balances Outstanding		
Other machinery Equipment		
<b>Total prior period errors</b>		<b>(3 377)</b>

*This was as a result of prior year incorrect accounting of assets in the asset register*



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## ANNEXURE 1B

## STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2015/16
	Adjusted Appropriation	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Department of Safety and Security	25	-	(5)	20	17	85%	13
<b>TOTAL</b>	<b>25</b>	<b>-</b>	<b>(5)</b>	<b>20</b>	<b>17</b>	<b>-</b>	<b>13</b>



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**ANNEXURE 1G**  
**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
<b>HOUSEHOLDS</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>
<b>Transfers</b>							
Injury on duty	20	-	3	23	23	100%	20
Leave Gratuity	228	-	(113)	115	111	97%	3 506
Bursaries- Non Employees	6 502	-	(2 980)	3 522	3 522	100%	7 863
Gifs and Donations							
	<b>6 750</b>	<b>-</b>	<b>(3 090)</b>	<b>3 660</b>	<b>3 656</b>	<b>-</b>	<b>11 389</b>
<b>Subsidies</b>							
<b>TOTAL</b>	<b>6 750</b>	<b>-</b>	<b>(3 090)</b>	<b>3 660</b>	<b>3 656</b>	<b>-</b>	<b>11 389</b>



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**ANNEXURE 3B**  
**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2017**

Nature of Liability	Opening Balance  1 April 2016 R'000	Liabilities incurred during the year  R'000	Liabilities paid/can- celled/re- duced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance  31 March 2017 R'000
Claims against the department	2 111	-	-	-	2 111
Standard Bank	2 595	-	-	-	2 595
Sithole Computers	470	-	-	-	470
Valozone 268 cc	22	-	-	-	22
Markohill Media	12 353	-	-	-	12 353
Riena Charles		-	-	-	
<b>TOTAL</b>	<b>17 551</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 551</b>



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**ANNEXURE 4  
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2016/17 *	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
Department of Health	-	274	-	-	-	274	-	-
Department of Public Works and Transport	-	4	-	-	-	4	-	-
Department of Economic Development	181	48	249	-	68	48	-	-
Department of Finance	691	-	-	-	691	-	-	-
Department of Agriculture, rural development, Land and environmental Affairs	-	-	2 388	2 388	2 388	2388	-	-
	<b>872</b>	<b>326</b>	<b>2 637</b>	<b>2 388</b>	<b>3 147</b>	<b>2 714</b>	-	-
<b>TOTAL</b>	<b>872</b>	<b>326</b>	<b>2 637</b>	<b>2 388</b>	<b>3 147</b>	<b>2 714</b>	-	-



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**ANNEXURE 5  
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2016/17	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		

**DEPARTMENTS**

**Current**

Department of Education	-	73	-	-	-	73	-	-
Department of Public Works	487	-	24	-	511	-	-	-
Department of Justice and Constitutional Development	-	-	-	193	-	193	-	-
Department of Health	157	-	-	-	157	-	-	-
Government Printing	12	-	-	-	12	-	-	-
School of Governance			344	-	344			
<b>Subtotal</b>	<b>656</b>	<b>73</b>	<b>368</b>	<b>193</b>	<b>1 024</b>	<b>266</b>	-	-

**Non-current**

**Subtotal**

**TOTAL DEPARTMENTS**

<b>656</b>	<b>73</b>	<b>368</b>	<b>193</b>	<b>1 024</b>	<b>266</b>
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**Subtotal**

**TOTAL**

<b>656</b>	<b>73</b>	<b>368</b>	<b>193</b>	<b>1 024</b>	<b>266</b>
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**ANNEXURE 8B**  
**INTER-ENTITY ADVANCES RECEIVED (note 13)**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
<b>OTHER ENTITIES</b>						
<b>Current</b>						
PSETA	1 406	-	-	-	1 406	-
<b>Subtotal</b>	<b>1 406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 406</b>	<b>-</b>
<b>Non-current</b>						
<b>Subtotal</b>						
<b>TOTAL</b>	<b>1 406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 406</b>	<b>-</b>





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