

ANNUAL REPORT 2019/20



office of the premier
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



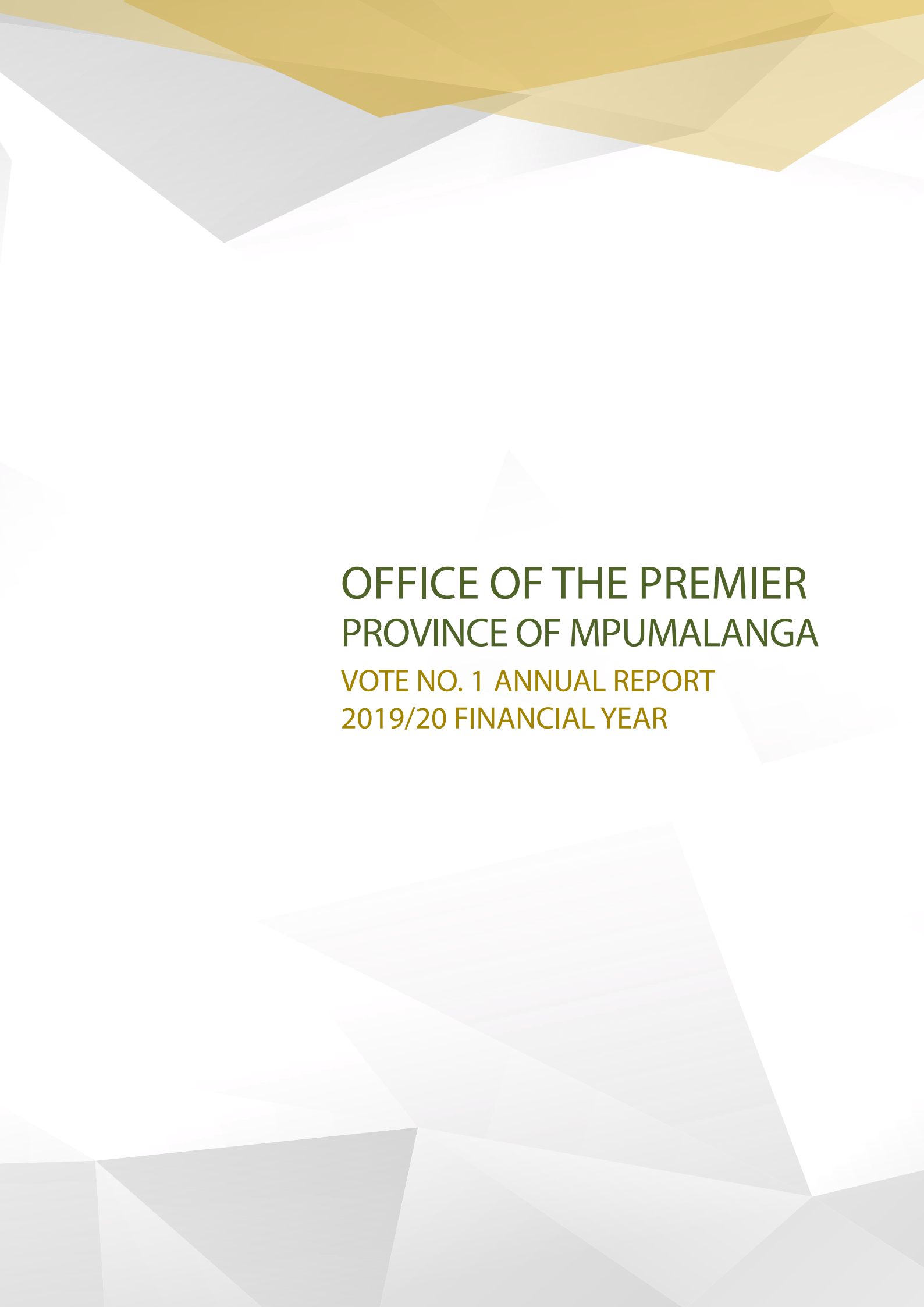
Mpumalanga Office of the Premier
No. 7 Government Boulevard
Makhonjwa Building
Riverside Park,
Extension 2
Mbombela
1200

Tel: +27 13 766 2473

Website: www.mpumalanga.gov.za

Email: info@mpg.gov.za

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**OFFICE OF THE PREMIER
PROVINCE OF MPUMALANGA**
VOTE NO. 1 ANNUAL REPORT
2019/20 FINANCIAL YEAR

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PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS	:	No. 7 Government Boulevard Makhonjwa Building Riverside Park, Extension 2 Mbombela 1200
POSTAL ADDRESS	:	Private Bag X11291 Mbombela 1200
TELEPHONE NUMBER/S	:	+27 13 766 2473
FAX NUMBER	:	013 766 2500
EMAIL ADDRESS	:	info@mpg.gov.za
WEBSITE ADDRESS	:	www.mpumalanga.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General South Africa	HIV	Human Immunodeficiency Virus
AIDS	Acquired Immune Deficiency Syndrome	HOD	Head of Department
APPs	Annual Performance Plans	HRM	Human Resource Management
APSD	Africa Public Service Day	HRPI	Human Resource Planning and Implementation
BBBEE	Broad Based Black Economic Empowerment	ICT	Information and Communication Technology
CFO	Chief Financial Officer	MANCOM	Management Committee
COGTA	Cooperative Government and Traditional Affairs	MEC	Member of Executive Council
COVID-19	Corona Virus Disease of 2019	MISS	Minimum Information Security Standards
DCSR	Department of Culture, Sport and Recreation.	MMS	Middle Management Service
DCSSL	Department of Community Safety, Security and Liaison	MOU	Memorandum of Understanding
DHS	Department of Human Settlements	MPAC	Mpumalanga Provincial Aids Council
DORA	Division of Revenue Act	MPC	Mpumalanga Planning Commission
DPME	Department of Planning, Monitoring and Evaluation	MPSA	Minister of Public Service Administration
DTPS	Department of Telecommunications and Postal Services	MTEF	Medium Term Expenditure Framework
EEA	Employment Equity Act	MTSF	Medium Term Strategic Framework
EH&W	Employee Health and Wellness	NACH	National Anti-Corruption Hotline
EMC	Executive Management Committee	OTP	Office of the Premier
EU	European Union	PCF	Provincial Coordinating Forum
EXCO	Executive Council	PFMA	Public Finance Management Act
FDI	Foreign Direct Investment	PMC	Provincial Management Committee
GEWE	Gender Equality and Women Empowerment	PMDS	Performance Management and Development System
GPS	Global Positioning System	POA	Programme of Action
HDI	Historically Disadvantaged Individuals	PPC	Provincial Planning Commission

PPOA	Provincial Programme of Action	SDIP	Service Delivery Improvement Plan
PRIME	Planning, Research, Information, Monitoring and Evaluation	SITA	State Information Technology Agency
PSCBC	Public Service Co-ordinating Bargaining Council	SMME	Small Medium and Micro Enterprises
PEP	Provincial Evaluation Programme	SMS	Senior Management Service
PSEA	Public Service Excellence Awards	SSA	State Security Agency
ROP	Rights of Older Persons	STIs	Sexually Transmitted Infections
RPL	Recognition of Prior Learning	TR	Treasury Regulations
SBD	Standard Bid Document	WSP	Workplace Skills Plan
SCM	Supply Chain Management		



MS RM MTSHWENI-TSIPANE
PREMIER OF MPUMALANGA PROVINCE

3. FOREWORD BY THE PREMIER

While 2019 marked the end of the 5th Administration, continuity of service delivery remained an imperative of the Provincial Government, which does not end with each term of office. The Office of the Premier was tasked with overseeing the programmes by evaluating the progress that had been achieved and facilitate continuity of those programmes that had the greatest impact on our citizens during the 5th Administration whilst also developing strategic plans for the implementation during the 6th Administration. This enabled the Office to implement the final phase of the 2015-20 Strategic Plan and the 2019-20 Annual Performance Plan the contents of which are set out more fully the Annual Report.

The Office had to contend with, among others, challenges with labour unrest, instability of power supply, a high vacancy rate etc, which challenges remain a threat to the efficient delivery of services but also presents an opportunity for the Office to better understand areas of improvement in its administrative oversight role. Despite these challenges the Office continued to fulfil its mandate to the best of its abilities which mandate includes strategic coordination, monitoring and providing direction to the Mpumalanga Provincial Administration in the following areas:

- Provided guidance and direction to the Provincial Administration by facilitating intergovernmental decision-making through Provincial Management Committee, Executive Council, Premier's Coordinating Forum, the Executive Council Makgotla as well as the Budget and Finance Committee;

- Approved the concept document to institutionalise long-term planning and by considering various options to support implementation of the District Development Model;
- Created and supported accessible Government through the Satise Silalele platform in which the public continued to enjoy improved direct access to Government. The Satise Silalele project was nominated by the Centre for Public Service Innovation to be show cased in Kenya at a conference attended by officials and politicians from thirty-three African countries. The project was seen as an innovative contribution in improving service delivery. It was one of six projects representing South Africa, and of the two from Mpumalanga;
- Ensured access and effective public services through monitoring tools such as the Frontline Service Delivery and Batho Pele Programmes that were implemented and which improvement plans had been developed to ensure continuity; and
- Facilitated the vetting process, to attract and retain accountable and ethical public servants.

During the last month of the financial year, the Country had its first cases of COVID-19 that impacted negatively on the process of finalising of some planned targets.

I would like to express my gratitude to the Executive Council and the resilient administration under the auspices of the Director-General who did not drop the ball. Instead the Director-General and the Senior Management of the Office outdid themselves in addressing all the challenges that confronted the entire administration in general and the Office of the Premier in particular.



MS RM MTSHWENI-TSIPANE
PREMIER OF MPUMALANGA PROVINCE
DATE: 23 NOVEMBER 2020



MS SP XULU
DIRECTOR-GENERAL:
OFFICE OF THE PREMIER OF MPUMALANGA

4. REPORT OF THE ACCOUNTING OFFICER

4.1 Overview of the operations of the OTP

The operations of the Department are underpinned by the National and Provincial policy and strategy documents such as the National Development Plan and the Mpumalanga Provincial Vision 2030 Strategic Implementation Framework, the National and the Provincial MTSF, and in particular Outcomes 11 and 12 as well as the 2015-20 Strategic Plan. The 2019/20 Annual Performance Plan for the OTP articulated specific objectives for implementation.

The set targets of the 2019/20 APP, were carried out as follows:

- In terms of strengthening Governance and Compliance Management in the Province, special focus was placed on improving audit outcomes, clearing irregular expenditure. No significant improvement was, however, attained in respect of the Audit results, and the OTP is still awaiting feedback from the National Treasury as regards its request for the condonation of irregular expenditure.
- Strengthening of the Community Engagement and Feedback platforms, namely, Satise Silalele APP, Community Based Monitoring, Frontline Service Delivery Monitoring, Presidential Hotline, Presidential Siyahlola, as well as the development of an Integrated Service Delivery Monitoring Model which is still under discussion.

- The Provincial ICT Master Plan has been developed and approved. The OTP continues to monitor implementation of ICT related projects. Discussions regarding the Provincial ICT strategy and ICT hub as well as E-Government have been initiated with the Provincial Treasury. The OTP is championing the rolling out of the *Satise Silalele* APP project initiated in partnership with Vodacom, intending to bridge the gap between government and ordinary citizens. The *Satise Silalele* APP is being utilized by the communities of Mpumalanga to report service delivery challenges.
- To institutionalise long-term planning, the Concept Document was approved, considering various options to support the implementation of the District Development Model.
- The institutionalization of the PRIME Framework to improve integration and coordination within the Provincial Government. The PRIME Framework is still under consideration by the Executive Council for alignment with the Regional Service Delivery Model, Financial Viability Report, and the District Development Model.

During the implementation of the 2019/20 APP, the following challenges were experienced:

- The vacancy rate of 20.4% remains a challenge in the OTP, and this had a negative impact on organisational performance. During the year under review, 5 officials (Director-General, Deputy Directors-General: Institutional Development and Policy and Governance, General Manager: Strategic Human Resource Management as well as Manager: Community Outreach Services) left the OTP and these posts were considered critical.
- The impact of the moratorium on new appointments, which was, amongst others, meant to control the wage bill in the entire Provincial Administration is still imposing a strain on the performance of the OTP, especially in key areas where officials are performing their duties in acting capacities.
- Power outages caused by load-shedding due to reduced energy generating capacity of ESKOM.
- Labour unrest experienced by the OTP.
- Towards the end of the financial year, the Country was heavily hit by the COVID-19 pandemic. The rapid increase of its infections led to the National Lockdown pronounced by the President during March 2020 as a precautionary measure to flatten the curve, while the government was building its capacity to contain and manage this scourge. This impacted negatively on the finalization of some of the planned targets such as the Cheka Impilo Campaign, finalization / approval of the 2019-2024 MTSF as well as Youth Development targets.

Despite the challenges experienced during the course of the year, some significant events and projects were realized as follows:

- Supported COGTA in the development and finalisation of the Provincial Spatial Development Framework (PSDF);

- Nomination of the *Satise Silalele* project by the Centre for Public Service Innovation as one of the 6 projects that represented South Africa to show case innovation in Kenya at a conference attended by officials and politicians from thirty three African countries. The project was found to be an innovative contribution in improving service delivery; and
- Following the team building session conducted in the previous year, the Office initiated a process to develop the business model and standard operating procedures for the Office which informed the strategic direction for the next five years.

During the 2019/20 Financial Year, the OTP achieved an average of **62.5%** of its planned targets in the APP. It also spent **91.3%** of the adjusted appropriation for the said Financial Year.

4.2 Overview of the financial results of the OTP

4.2.1 Departmental receipts

Departmental receipts	2019/2020			2018/2019		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	189	195	(6)	179	197	(18)
Interest, dividends and rent on land	211	901	(690)	200	1 006	(806)
Sale of capital assets	153	96	57	145	19	126
Financial transactions in assets and liabilities	-	878	(878)	-	85	(85)
TOTAL	553	2 070	(1 517)	524	1 307	(783)

The OTP collected total revenue amounting to **R2 070 000** against the projected revenue estimate of **R553 000**. This resulted in an over-collection of **R1 517 000** during the 2019/2020 financial year. The reason for the over-collection can be attributed mainly to interest earned due to a favourable bank balance in the Paymaster General Account and amounts received for financial transactions in assets and liabilities.

The revenue received from the sale of capital assets was due to the disposal of motor vehicles due to them being written-off.

4.2.2 Programme Expenditure

Programme Name	2019/2020			2018/2019		
	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	143 238	133 742	9 496	177 195	171 815	5 380
Institutional Development	85 412	79 562	5 850	70 293	67 685	2 608
Policy and Governance	65 649	55 484	10 165	71 304	63 087	8 217
TOTAL	294 299	268 788	25 511	318 792	302 587	16 205

The OTP has spent **R268 788 000**, which equates to 91.3% expenditure of the final appropriation budget of R294 299 000 for the 2019/2020 financial year resulting in 8.7% under-expenditure. The under-expenditure is due to the non-utilization of the budget which provided for the filling of identified critical funded vacant posts in the current financial year and the slow progress in the implementation of planned cost drivers priority targets.

4.2.3 Virements/roll overs

- There were no roll-overs granted for the 2019/2020 financial year.
- There was no need to utilize savings in the amounts appropriated under any Programme since there was no excess expenditure incurred by any of the Programmes within the main vote. Consequently, there were no virements done in terms of section 43 of the PFMA.
- The OTP shifted funds within Programmes to defray excess expenditure between the economic classifications within the Programmes.

4.2.4 Future plans of the OTP

The OTP has prioritised the following:

- Prioritisation of the appointment of women in Senior Management posts to reach the 50% quota including adequate mainstreaming of gender equality across the Province;
- Develop an integrated plan to monitor the participation and mainstreaming of women, disabled persons, older persons and youth into the economy;
- Develop and pilot a Provincial Performance Monitoring System that will create a virtual status quo report for all Provincial Departments;
- Strengthen the Youth Desk to oversee the Provincial variation of the Presidential Youth Employment intervention initiatives;

- Development of the Communication Strategy for the Province to communicate the performance of the Provincial Government to the people;
- To institutionalize the ethical culture in the Province, the OTP will review the Provincial Anti-corruption Strategy and monitor the implementation thereof;
- To ensure effective control, security assessments will be conducted Province-wide;
- Strengthening the research function in the Province;
- To improve audit outcomes, the OTP will continue to support Departments, regarding on performance information;
- Commissioning of a research study to establish the public perception index on Government; and
- Increased FDI to rebuild and restructure the economy of the Province.

4.2.5 Public Private Partnerships

- The OTP did not engage in any Public-Private Partnerships during the 2019/2020 financial year as well as in the previous financial year.

4.2.6 Discontinued activities / activities to be discontinued

- There are no activities that were discontinued or are planned to be discontinued within the OTP for the 2019/2020 financial year.

4.2.7 New or proposed activities

- There are no new or proposed activities for the OTP for the 2019/2020 financial year.

4.2.8 Supply chain management

There were no unsolicited bid proposals which were received or concluded during the period under review

The following SCM processes were in place and implemented to mitigate the risk and prevent the incurring of irregular expenditure

- Procurement of goods and services was done in accordance with the threshold values prescribed by the National Treasury.
- Procurement delegations were implemented and monitored regularly.
- The invitation of competitive bids for threshold values above R500 000 were 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 AGSA.

- Due diligence was exercised when checking the completeness of the SBD4 forms, to ensure that service providers declared their interests and verified the Identity Numbers of the Directors on the PERSAL system.
- The VAT registration status of suppliers was verified on the SARS website to ensure that the status is active before any awards were made.
- Systems to ensure the proper safekeeping and management of contract records were in place and ensured that awards are made in accordance with the requirements of SCM legislation and prescripts.
- Implementation and monitoring of the SCM compliance checklists to ensure compliance with relevant prescripts.

4.2.9 Gifts and Donations received in kind from non-related parties

- The OTP did not receive any gifts and donations for the 2019/2020 financial year.

4.2.10 Exemptions and deviations received from the National Treasury

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

4.2.11 Events after the reporting date

- Following the declaration of the COVID-19 as a pandemic by the World Health Organisation, the President of the Republic of South Africa announced a national state of disaster and imposed an initial National lockdown until 30 April 2020.
- The Department of Public Service and Administration issued Circular 07 of 2020, which provided guidelines for the containment and management of the COVID-19 in the Public Service. Around the same time, the National Treasury moved swiftly and issued Circular No 08 of 2019/20 to facilitate the emergency procurement to deal with the COVID-19 pandemic, which had been declared a national state of disaster as mentioned above.

4.2.12 Other

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

4.2.13 Acknowledgement/s or Appreciation

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

4.2.14 Conclusion

I would like to take this opportunity to express words of appreciation to all staff members in the OTP for the work undertaken in the interest of better service delivery for the public in general and the inhabitants of the Mpumalanga Province in particular.



MS SP XULU

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA

DATE: 23 NOVEMBER 2020

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

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

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

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standards 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 OTP for the financial year ended 31 March 2020.

Yours faithfully



MS SP XULU
DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA
DATE: 23 NOVEMBER 2020

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, coordination of Government programmes and institutional development.

6.3 Values

The staff and management of the OTP are guided in their work by the following values:

- Professionalism;
- Competence;
- Accountability;
- Responsiveness;
- Innovation;
- Integrity;
- Punctuality; and
- Diligence.

7. LEGISLATIVE AND OTHER MANDATES

There have been no significant changes to the OTP's legislative mandates.

7.1 Constitutional Mandates

The OTP derives its Constitutional mandates primarily from the provisions of the Constitution. Section 125(2) and (f) of the Constitution, 1996, mandates the OTP 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 OTP's legislative mandates. There is sufficient capacity within the OTP to ensure compliance with all legal responsibilities that relate to its mandate.

The OTP 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 in order 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 RSA;

- **Public Service Regulations, 2016;**

These Regulations provide comprehensive detail regarding the organisation and administration of the Public Service, including issues of ethics and integrity;

- **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;

- **Electronic Communications Act, 2005 (Act No. 36 of 2005);**

This Act provides for the convergence in the broadcasting, broadcasting signal distribution and telecommunications sector;

- **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.

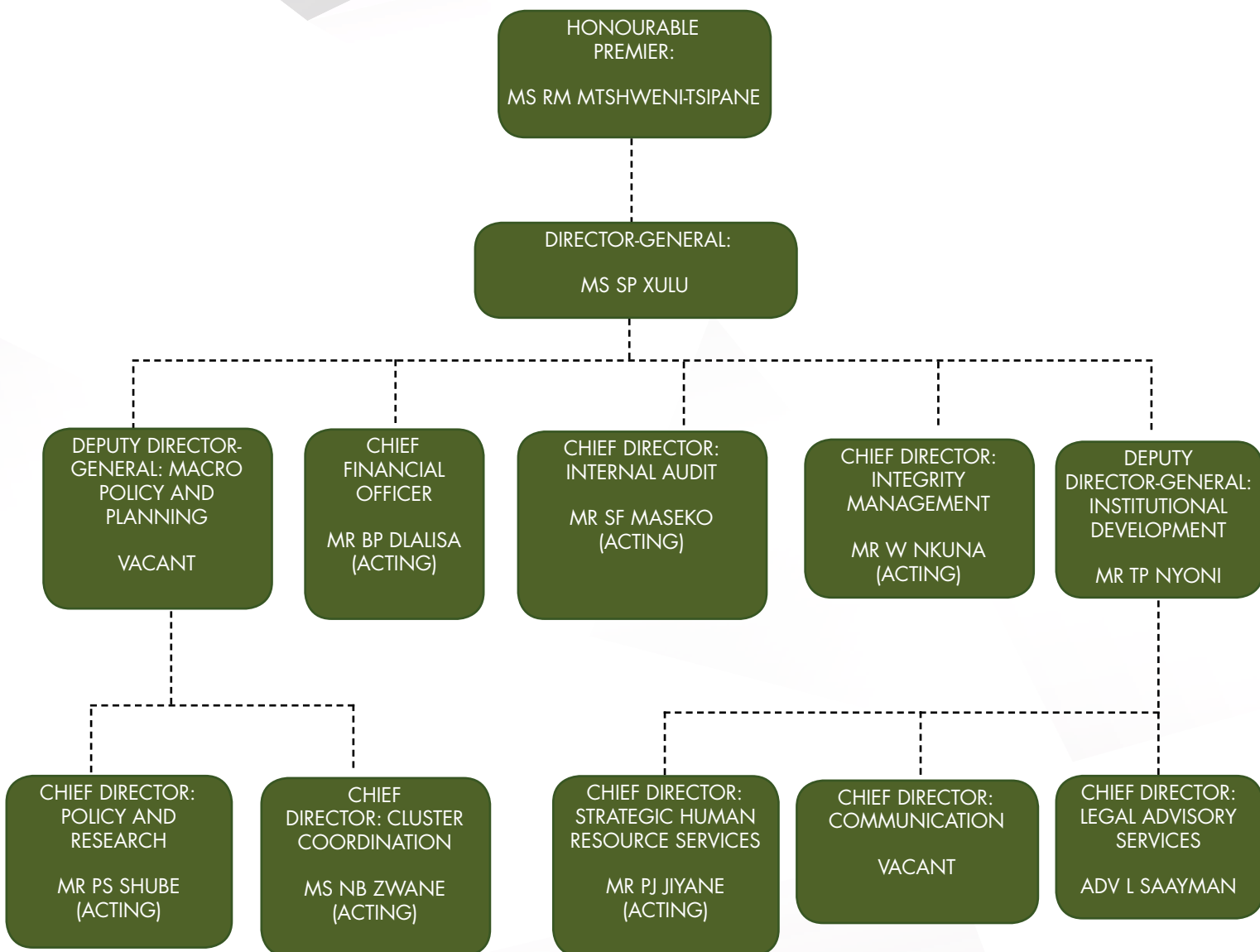
7.3 Policy Mandates

The OTP, 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** (2019/20);
- The annual **State of the Province Address** (2019/20);
- The annual Premier's **Budget and Policy Speech** (2019/20);
- The National and the Provincial **Medium Term Strategic Framework** (2019-2024);
- 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 for **HIV and AIDS, TB and STIs** (2017–2022);
- 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);
- Policy Frameworks of the **National Department of Public Service and Administration on Gender Equality, Disability and Youth in the Public Service;**
- **National Development Plan** (2012);
- **Mpumalanga Vision 2030 Strategic Implementation Framework** (2013-2030)
- The Policy Framework for **Government Wide Monitoring and Evaluation** (2007);
- The Revised Framework for **Strategic Plans and Annual Performance Plans** (2019);
- The National Treasury **Framework for Managing Programme Performance Information** (2007);

- The Green Paper on **National Performance Management** (2009);
- The **Revised National Evaluation Policy Framework** (2019-2024);
- Electronic Communications Act, 2005 (Act No. 36 of 2005);
- National Integrated ICT Policy White Paper (2016);
- DPSA Directive on Public Administration and Management Delegations (2014) and
- National Action Plan to combat Racism, Racial Discrimination, Xenophobia and Related Intolerance.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE OFFICE OF THE PREMIER

There are no entities reporting to the OTP.



PART B:

**PERFORMANCE
INFORMATION**

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 131 of the Report of the Auditor-General, published as Part E: Financial Information.

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 Provincial MTSF, outcomes 11 and 12, the White Paper on Transforming Public Service Delivery 1997, the Batho Pele Revitalising Strategy and the Public Service Regulations 2016 are the key systems shaping the service delivery environment in the OTP.

The core business of the OTP provides the foundation for further strategic planning and has been encapsulated as follows:

- **Support the Premier** in executing the executive functions of the Province to achieve integrated social development and economic growth;
- **Support the executive decision-making processes** of the Premier-in-Executive Council to inculcate good governance and effective public service delivery;
- **Monitor and evaluate performance** of all Provincial executive functions and strategic programmes for Provincial growth and development to enable the Premier to be accountable for the overall executive performance of the Province.
- **Coordinate strategic alignment and integration** of sectorial and sub-sectorial strategies, policies and programmes to facilitate social transformation and development and economic growth.
- Support the Premier to **implement Provincial public service transformation**, reform and **service delivery improvement** to build the capability of the Provincial government to fulfil its Constitutional obligations.

The Office improved direct public access to government through the use of the *Satise Silalele* App. The App did not only afford the public direct interaction with Government regarding service delivery issues but it also enabled the Office to monitor the response time from line Departments and Municipalities to respond to issues raised. However, initially, the App could not give a precise location of where the services were required within a local municipality. It now has a GPS function that allows it to zoom down to ward and street level, a function that enables the monitoring

team to follow up or conduct monitoring visits with precision.

In June 2019, the Satise Silalele project was nominated by the Centre for Public Service Innovation to be show cased in Kenya at a conference attended by officials and politicians from thirty three African countries. The project was seen as an innovative contribution in improving service delivery. It was one of six projects representing South Africa.

The project was further recognized nationally and scooped the Silver Award (second place) from the Centre for Public Service Innovation, in November 2019.

Other services delivered by the Office directly to the public include the Presidential Hotline and the Frontline Service Delivery Model (FSDM).

The OTP encountered challenges in filling vacant positions due to the moratorium that was put in place by the Executive Council. This affected the performance of certain directorates such as the Integrity Management Unit and the Communication Unit. Other directorates had to cope with the shifting of personnel from one directorate to the other, as well as acting personnel. The moratorium also affected the meeting of the target of achieving 50 percent representation of women in SMS positions.

The OTP was not spared from the impact of the COVID-19 pandemic that affected the Country in the Fourth Quarter of the 2019/20 Financial Year. This had a negative impact on the finalization of the 5 Year Medium Term Strategic Framework 2019/20 – 2023/24 and the 25 Year (1994 to 2019) Performance Review Report of the Province since officials had to stay at home due to the National Lockdown measures that were announced by the President of the Republic of South Africa in March 2020.

2.2 Service Delivery Improvement Plan

The department has completed a Service Delivery Improvement Plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Coordinate, workshop and monitor the implementation of Batho Pele Change Management Engagement Programme in 11 Departments, OTP and 20 Municipalities	OTP /Sector Departments and Municipalities	Monitored the implementation of Batho Pele Change Management Engagement Programme and produced 8 reports for Departments, OTP, and 8 reports for the Municipalities	Deepened understanding of Batho Pele as a service delivery policy through workshops/ training	11 Departments, OTP and 20 Municipalities were monitored on Batho Pele Change Management Engagement Programme and reports were produced

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Produce reports on Batho Pele Engagement Programmes.	Produce 8 reports for Departments, OTP, and 8 reports for the Municipalities on Batho Pele programmes.	APSD report Khaedu Report SDIP report

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Coordinate, workshop and monitor the implementation of Batho Pele Programmes in 11 Departments, OTP and 20 Municipalities	Monitoring reports on Batho Pele Programmes produced	Status reports compiled on the monitoring of implementation of Batho Pele Programmes Khaedu reports produced Report on APSD celebration produced Report on Public Service Month celebration produced Service Delivery Improvement Plan report produced

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Satise Silalele APP, Presidential Hotline and TLPs	Monitor complaints from Presidential hotline and Satise Silalele APP. Resolution rate to be at least 70% by end of 2019/20 financial year	85% complaints resolved on Presidential Hotline and Satise Silalele

2.3 Organisational environment

The core mandate of the OTP is to “co-ordinate and monitor performance of Government at the provincial and the local sphere”. Without effective co-ordination and monitoring, it is impossible for effective and meaningful service delivery to take place. During the period under review, the OTP successfully coordinated intergovernmental structures i.e. PMC and EXCO meetings. These meetings are key in enabling the Premier to execute her statutory responsibilities. It is also important to note that audit outcomes and the action plan on addressing shortcomings as well as stepping up the co-ordination of the local sphere on service delivery, were given special focus during these meetings.

The OTP is currently operating using the organogram that was reviewed, approved and implemented in June 2014. No changes to the organogram were effected during the course of the financial year 2019/2020. It must however, be noted that the OTP has undertaken the process of reviewing its organogram, as per the directive of the Executive Council and the PMC.

The OTP has a balance of generic administration, junior management, middle management and senior management skills across its various units. The element of over-working employees whose units have several vacant posts as per the approved organogram still keeps manifesting itself. The said practice demoralizes the affected employees in most instances, which was evidenced by Organised Labour raising this matter with the employer on several occasions. There were 43 employees, who were appointed to act in higher positions and were remunerated and/or compensated accordingly. Thus, they have to juggle between their actual work and that of a post in which they are acting in. Furthermore, some of the posts became vacant as part of the response to the request by the Presidency, the OTP has seconded and subsequently transferred three staff members to its ranks.

An analysis of human resources indicates that the OTP has made few appointments during the course of the Financial Year 2019/2020. The afore mentioned few appointments were made in terms of Section 12A of the Public Service Act, 1994, as amended in 2007, with the purpose to support the Premier. The main reason for making no appointments of permanent staff, i.e. in terms of Section 9 of the Public Service Act, 1994, is due to the moratorium that was placed since February 2015, until further notice. However, Departments under serious pressure may seek approval of the Executive Council for special exemption in respect of critical posts to be filled. During the course of this Financial Year, only one approval was obtained from the Executive Council for the post of Director-General and the post was filled by 1st March 2020.

Based on the critical posts, as identified and agreed upon between the employer and organized labour, the occupancy rate stood at 211 posts (79.6%), while the vacancy rate was 54 posts (20.4%) at the end of the Financial Year. Overall, the OTP had a total of 265 approved posts (211 filled and 54 vacant funded and regarded as critical), excluding the posts of Interns, which do not form part of the approved organogram, as well as the Premier.

According to the Oversight Report, the OTP's occupancy rate stands at 90.2% (211), the vacancy rate stands at 9.8% (23 posts) on the PERSAL establishment. The above figures are informed by the fact that most of those vacant funded posts that are regarded as critical were abolished, subject to them being resuscitated once an approval has been obtained from the Executive Council, as per the moratorium on filling of vacant funded posts.

The vacant funded posts in which appointed officials are acting in, were kept on the PERSAL establishment to facilitate the payment of their acting allowances. 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, as well as the fact that the proposed (reviewed) organogram is still to be adopted. The approved organogram has 384 posts, of which 211 (54.9%) are filled and 172 (45.1%) are vacant.

The OTP has, in addition to the above, co-ordinated and conducted several skills development programmes in which 247 attendees participated in, among others, Women Empowerment Conference; Coaching and mentoring; Project Management; Customer Care in the Public Sector; Compulsory Induction Programme for the Public Service (CIP); Executive Development Programme; Advanced Management Development Programme; Management Development Programme and KHAEDU, team building and capacity building workshops and exercises, with the aim of improving

staff competencies, shaping and upholding organizational values and culture of the OTP.

The Workplace Skills Development, as well as the Employee Health and Wellness Programmes and activities were used in this regard to achieve this objective. The said activities were aimed at enhancing the following among the employees in particular: Professionalism; Competence; Accountability; Responsiveness; Innovation; and Integrity.

2.4 Key policy developments and legislative changes

There were no significant policy developments or legislative changes that affected the operation of the OTP during the period under review.

3. STRATEGIC OUTCOME ORIENTED GOALS

The OTP 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 2019/20 progress for this outcome:

SUB-OUTCOMES	KEY ACTIVITIES	PROGRESS
A sustainable, developed and economically integrated Africa	2019/20 Status report on the implementation of Memoranda of Understanding compiled	Status report on the implementation of Memoranda of Understanding with Ural Association of Tourism of the Russian Federation, Sverdlovsk Region of the Russian Federation, SA-Russia agreement on international study programme and Maputo Province of Mozambique.
	Finalise 3 MoUs	Technical visits to Kenya and Cameroon meant to negotiate MoUs and action plans were rescheduled to take place in the first quarter of 2020/21, following a delay in the finalisation of the research study.

Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship.

Presented in the table below is the 2019/20 progress for this outcome:

SUB-OUTCOMES	KEY ACTIVITIES	PROGRESS
A stable political-administrative interface	Finalise all disciplinary processes within 90 days	0% (0 of 15) disputes dealt with within 90 days, however, 2 were dealt with beyond 90 days of receipt in 11 Departments as well as the OTP
	Co-ordinate the recruitment process for vacant HOD positions in all Departments	During the reporting period, four vacant posts of HoDs were advertised, namely, Departments of Education, Finance, Community Safety Security and Liaison as well as the Office of the Premier. The selection processes were finalised and appointments were made in all these posts except for that of the Department of Education. The recruitment and selection process for the post of the HoD for Education will be finalised in the next financial year
	Mainstream targeted groups (women, youth and older persons) into Government Programmes and Projects	Monitoring the target groups (Women, Youth and Older persons) into government programmes coordinated. Quarterly mainstreaming reports produced

SUB-OUTCOMES	KEY ACTIVITIES	PROGRESS
Increased responsiveness of public servants and accountability to citizens	Monitor implementation of Batho Pele Programmes in 12 departments and 12 Municipalities	The implementation of Batho Pele Programmes by 20 Municipalities, 11 Departments and the Office of the Premier monitored
	Monitor the implementation of site improvement plans at frontline service delivery sites	<p>12 facilities were monitored namely;</p> <p>Department of Home Affairs in Mbombela Office Lekwa and Msukaligwa Local Municipalities within Gert Sibande District</p> <p>Department of Health included 5 clinics and 4 hospitals namely: Nthorane, Paulina Morapedi, Bhuga, Siphosentsimbi and Hlalanikahle Clinics, Bongani TB Hospital Witbank Hospital, Mapulaneng and Tintswalo Hospitals-</p>
	Visit and assess frontline service delivery sites and facilitate the development of improvement plans	<p>3 new facilities monitored during the 2019/2020 financial year and improvement plans were developed namely;</p> <p>Themba Hospital, Govan Mbeki and Dipaleseng Local Municipalities</p>
Improved inter-departmental co-ordination	Provide technical support and advice to Departments on Macro Policies through Cluster Committees and Makgotla	Provided technical support and advice to Departments on Macro Policies through Cluster Committees and Makgotla
	Compile Annual 2014-19 MTSF Performance Progress Report and provide feedback to departments	Compiled Annual 2014-19 MTSF Performance Progress Report and provide feedback to departments

SUB-OUTCOMES	KEY ACTIVITIES	PROGRESS
Improved mechanisms to promote ethical behaviour in the Public Service	100% financial disclosures for HODs and SMS members electronically submitted within the prescribed period	100% (28 out of 28 SMS members and the DG) financial disclosures achieved. The financial disclosures were verified and successfully submitted to PSC within the prescribed period, being before 31 May
	Coordinate Anti-Corruption Awareness Campaigns on Anti-Corruption Strategy and National Whistleblowing	06 Anti-Corruption workshops were conducted during the current financial year
	100% fraud and corruption cases investigated	44% (4 of 9) current fraud and corruption cases investigated 54% (6 of 11) backlog fraud and corruption cases investigated
	Coordinate vetting of all officials in prioritized offices	100% (17 of 17) officials' forms submitted to State Security for vetting

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

Purpose of the Programme

The Programme is responsible for the appropriate and effective coordination and monitoring of administrative and strategic matters, both within the OTP and the Provincial Government. The Programme consists of the following Sub-Programmes:

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

Strategic objectives, performance indicators, planned targets and actual achievements

The Programme had one strategic objective indicator relating to Audit Outcomes namely; number of Departments with unqualified audit outcomes.

The Programme, through the Office of the Director-General, provided strategic support and direction to all Departments in the Provincial Administration and the intergovernmental structures such as the PMC, PCF, EXCO, Budget and Finance Committee and Makgotla.

To track progress in implementing departmental plans, as well as the general operations of the Office, EMC as well as MANCOM meetings were coordinated and held.

The Programme ensured that the OTP remains compliant to Treasury Regulations, through the Risk Management Committee, Auditor-General Action Plan and its implementation as well as payment of valid invoices within 30 days of receipt.

With the help of SSA the Programme continued to conduct vetting as a means to ensure credible public servants in the employ of Government. All departments as well as the OTP were monitored in compliance with MISS.

Through the shared audit services function, the Programme was able to provide internal audit services to the five cluster Departments, namely; DHS, DCSR, DCSSL, OTP and COGTA.

Strategic objectives

Programme 1: Administration						
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Provide Strategic Leadership to improve governance	Number of Departments with unqualified audit outcomes	9 Departments with unqualified audit opinions	11 Departments with unqualified audit opinions	Not achieved 9 Departments with unqualified audit opinions	2 of 11 Departments with qualified audit opinions	Continue to provide support to departments with qualified audit opinions

Reasons for all deviations

Audit Outcomes

- The 2 Departments with qualified audit opinions had significant and material findings against their Financial Statements.

Strategy to overcome areas of under performance

Audit Outcomes

- Continue to provide support to departments with qualified audit opinions

Performance indicators

Sub Programme: Director-General Support - Internal Audit							
Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
% of completed audit engagements in the Annual Internal Audit Plans	71 audit reports issued	A total of 82 of 78 (105%) audit project/engagements in the Annual Audit plans were completed for the 2017/18 Financial Year	132%, that is a total of 66 Audit engagements completed out of 50 that were planned as per the Annual Internal Audit of 2019/20 Financial Year	100% completed audit engagements in the Annual Internal Audit Plans	Achieved 100% (51 of 51) completed audit engagements in the Annual Internal Audit Plans	None	None

Sub Programme: Director-General Support - Security Management							
Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Number of Departments compliant to Minimum Information Security Standards	Security management function monitored as planned	4 monitoring reports on security management submitted	4 monitoring reports on security management submitted	11 departments and the Office of the Premier compliant to Minimum Information Security Standards (MISS)	Achieved 11 departments and the OTP compliant to MISS	None	None

Sub Programme: Director-General Support: Forensic Audit Services and Integrity Management

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
% of fraud and corruption cases investigated	12 status reports produced on 120 finalised cases	4 reports on fraud and corruption cases produced	4 reports on fraud and corruption cases produced	100% fraud and corruption cases investigated	Not achieved 44% (4 of 9) current fraud and corruption cases investigated 54% (6 of 11) backlog fraud and corruption cases investigated	Cases received have not reached finalization stage	The process of finalising cases differ according to their nature and complexity
Number of analysis reports on the trends of litigations cases compiled	4 reports produced on 21 finalised pieces of litigations	4 reports on litigation cases produced	4 reports on litigation cases produced	4 analysis reports on the trends of litigation cases compiled	Not achieved However, 1 analysis report on the trends and 3 reports on litigation cases compiled	3 analysis reports on the trends of litigation cases not compiled	Due to capacity constraints within Integrity Management
% of calls from Presidential Hotline resolved	90.74% of the calls from were resolved	95.17% calls from the Presidential Hotline resolved	97.18% (6 381 of 6 566) calls from the Presidential Hotline resolved	95% calls from the Presidential Hotline resolved	Achieved 97.28% (6 536 of 6 719) calls from the Presidential Hotline resolved	2.28% more calls from the Presidential Hotline resolved	Over achievement was due to the number of cases related to MEGA Business Funding resolved by the Department of Economic Development and Tourism

Sub Programme: Director-General Support: Forensic Audit Services and Integrity Management

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of Anti-Corruption and Whistleblowing Strategy compiled	10 Awareness Workshops / training conducted in: 2x Nkangala DM 1x Ehlanzeni DM 1x Gert Sibande DM 2x Thaba Chweu 1x Chief Albert Luthuli 1x Mbombela	4 reports on the implementation of the Anti-Corruption and Whistleblowing Strategy produced	4 reports on the implementation of the Anti-Corruption and Whistleblowing Strategy produced	2019/20 Status report on the implementation of Anti-Corruption and Whistleblowing Strategy compiled	Achieved 2019/20 status report on the implementation of Anti-Corruption and Whistleblowing Strategy compiled	None	None

Sub Programme: Financial Management

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Percentage of invoices paid within 30 days of receipt	100% (3 643) of unopposed invoices paid within 30 days of receipt	100% (3 535) of unopposed invoices paid within 30 days of receipt	100% (4 084) of unopposed invoices paid within 30 days of receipt	100% of invoices paid within 30 days of receipt	Not achieved 99.80% (3 060 of 3 066) invoices paid within 30 days of receipt	0.20% (6 of 3 066) invoices not paid within 30 days of receipt	6 invoices were not processed by 31 March 2020 due to the shutting down of the system, and the unavailability of staff following COVID-19 risks and its effects

Reasons for all deviations

Director-General Support: Forensic Audit Services and Integrity Management

- Cases received have not reached finalization stage.

- Three analysis reports on trends of litigation cases not compiled due to capacity constraints within Integrity Management

Financial Management

- 6 invoices were not processed by 31 March 2020 due to the shutting down of the system, and the unavailability of staff following COVID-19 risks and its effects

Strategy to overcome areas of under performance

Director-General Support: Forensic Audit Services and Integrity Management

- Finalise cases under investigation
- To be prioritised as part of critical posts to be filled.

Financial Management

- Outstanding invoices to be processed in the 1st quarter of 2020-21

Changes to planned targets

There were no changes to the planned target during the year under review.

Linking performance with budgets

The Programme spent **R133 742 000**, which equates to **93.4%** of the final appropriation budget of **R143 238 000** in the 2019/20 Financial Year. The Programme has underspent by **R9 496 000**, which translates to **6.6%**. The Programme had seven (7) planned targets during the reporting period and it managed to achieve four (4) targets which translate to a **57.14%** achievement rate.

Sub-programme expenditure

Sub- Programme Name	2019/2020			2018/2019		
	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	28 219	27 291	928	26 574	26 574	-
Executive Council Support	6 185	5 968	217	6 468	6 466	2
Director-General Support	59 288	52 251	7 037	98 640	93 663	4 977
Financial Management	49 546	48 232	1 314	45 513	45 112	401
TOTAL	143 238	133 742	9 496	177 195	171 815	5 380

4.2 Programme 2: Institutional Development

Purpose of the Programme

To provide institutional development services, advice, strategic support, coordination and development of policies to ensure operational 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 Resources;
- Public Service Transformation and Service Delivery Improvement;
- Information Communication Technology;
- Legal Advisory Services; and
- Government Communication and Information Services.

Strategic objectives, performance indicators, planned targets and actual achievements

Programme 2: Institutional Development contributes towards the achieving of the two strategic objectives, namely:

- Improve public access to Government services;
- Improve information dissemination and efficient workflow solutions.

The OTP, through Institutional Development ensured 86.76% service delivery complaints raised by the public were resolved. During the year under review, 5 beneficiaries were funded in the following fields: 3x Medicine; 1x Degree in Economics; and 1x BSC Honours: Microbiology and Biotechnology through the Premier's Discretionary Bursary Fund.

The implementation of Batho Pele Programmes in all Departments and the Municipalities was monitored to improve service delivery. Senior Managers from various Departments were deployed to the coalface of service delivery. This is significant in increasing the responsiveness of public servants and accountability to the public.

Institutional Development helps to ensure legally sound governance by providing legal advisory services to the Provincial Government in general and the OTP in particular, through the drafting of, *inter alia*, formal legal opinions, Provincial legislation, memoranda, reports, letters, MOUs, service level agreements and employment contracts. Human resource policy frameworks were developed in order to maintain guidance and consistency in the implementation of human resource prescripts throughout the Provincial Government.

Strategic objectives

Programme 2: Institutional Development						
Strategic objectives	Strategic objectives Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Improve public access to government services	Resolution rate of complaints from public on access to Government services	The average resolution rate is 55%	100% complaints resolved	Not achieved 86.76% (9 582 of 11 043) complaints resolved	13.24% complaints unresolved	Some of the complaints take 3 to 5 years to achieve e.g. infrastructure projects
Improve Information dissemination and efficient workflow solutions	Average percent- age systems uptime and availability (SOI3.1)	Systems and applications reliability and availability maintained at 100% throughout the period. There was no down time due to maintenances issues	Maintain systems and applications reliability and availability at 99%	Not achieved 33.33% reliability and availability of systems and applications maintained	65.66% not measured as the Intranet and Web Portal are not live	Intranet and Web Portal to go live in 2020/2021
	Number of viewer- ship on the Provincial Web Portal	The user requirements specifications (URSs) for all department except Social Development have been completed	Re-design and maintain Provincial Website portal	Not achieved Provincial Website Portal redesigned but not launched for public access	The Provincial Website Portal could not be launched in 2019/20 due to technical complications on the hosting	Technical issues to be cleared with SITA and new hosting agreement to be signed

Reasons for all deviations

Improve public access to government services

- Some of the complaints in respect of Government initiatives take three to five years to achieve e.g. infrastructure projects.

Improve Information dissemination and efficient workflow solutions

- Intranet and Web Portal are not live
- The Provincial Website Portal could not be launched in 2019/20 due to technical complications in its hosting.

Strategy to overcome areas of under performance

Improve public access to government services

- Departments to prioritise issues raised by communities.

Improved Information dissemination and efficient workflow solutions

- Intranet and Web Portal to go live in 2020/2021
- Technical issues to be cleared with SITA and new hosting agreement to be signed.

Performance indicators

Sub Programme: Strategic Human Resource – Internal Human Resources Management and Development							
Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement for 2019/2020	Comment on Deviation
Status report on the implementation of WSP compiled	4 Quarterly Monitoring reports (QMR) produced and submitted to PSETA Develop and submit WSP for 2016/17 to PSETA	4 quarterly reports on the implementation of WSP developed	4 quarterly report on the implementation of WSP prepared and submitted	2019/20 status report on the implementation of WSP compiled	Achieved 2019/20 status report on the implementation of WSP compiled	None	None
Status report on the implementation of the Premier's Discretionary Bursary fund compiled	4 monitoring reports developed	4 quarterly reports compiled on the implementation of Premier's Bursary Fund	4 quarterly reports on the implementation of the Premier's Bursary fund submitted	2019/20 status report on the implementation of the Premier's Discretionary Bursary Fund compiled	Achieved 2019/20 status report on the implementation of the Premier's Discretionary Bursary Fund compiled	None	None

Sub Programme: Strategic Human Resource – Organizational Design and Job Evaluation

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement for 2019/2020	Comment on Deviation
Status report on the implementation of Effective Regional Service Delivery Model compiled	New indicator	4 monitoring reports on the development and implementation of the Effective Regional Service Delivery Model compiled	Not achieved, However, 2 reports on the development of the Effective Regional Service Delivery Model were compiled	2019/20 status report on the implementation of Effective Regional Service Delivery Model compiled	Not achieved	No status report on the implementation of Effective Regional Service Delivery Model has been compiled	The Effective Regional Service Delivery Model is still to be considered and approved by EXCO
Percentage of posts evaluated in Provincial Departments as per requests	101 posts evaluated for the 11 Provincial Departments and the Office of the Premier within 30 working days after receipt of the request	100% (261 of 261) posts evaluated in Provincial Departments within 30 working days after receipt of the request	100% (3 of 3) of posts evaluated in Provincial Departments within 30 working days after receipt of the request In addition, 104 posts from the backlog list were evaluated and finalized however, not within 30 days	100% of posts evaluated in Provincial Departments as per requests	Not achieved 46.6% (34 of 73) posts evaluated in Provincial Departments as per requests	53.4% posts not evaluated 2 of the 34 posts evaluated from the backlog project	Based on the outcome of the revised provincial organizational structures, some posts might be redesigned or abolished. Therefore such posts (on the backlog list) cannot be evaluated. The job evaluation will resume by 2021/22 Financial Year after receiving concurrence from the Minister for Public Service and Administration

Sub Programme: Strategic Human Resource – Labour Relations

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement for 2019/2020	Comment on Deviation
Percentage of disputes dealt with within 90 days of receipt in 11 Department as well as the Office of the Premier	22% (2/9) disputes dealt with within 90 days of receipt in 11 Departments as well as the OTP	100% (16 of 16) disputes dealt with within 90 days of receipt in 11 Departments as well as the OTP	-	100% of disputes dealt with within 90 days of receipt in 11 Departments as well as the Office of the Premier	Not achieved 0% (0 of 15) disputes dealt with within 90 days, however, 2 were dealt with beyond 90 days of receipt in 11 Departments as well as the OTP	100% (15 of 15) disputes not dealt with within 90 days of receipt in 11 Departments as well as the OTP	Amongst the 22 disputes recorded in the register it should be noted that 7 of these are disputes relating to other Provincial and National Departments wherein the OTP Senior Manager was requested to preside over these disputes.

Sub Programme: Strategic Human Resource – Transversal Human Resource Services

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Number of Provincial HRM policy frameworks reviewed	100% (26) HRM Policies within the Office of the Premier were reviewed and approved	34 Provincial HRM policy frameworks reviewed/ developed	Reviewed/ amended 30 policies	8 Provincial HRM policy frameworks reviewed	Achieved 8 Provincial HRM policy frameworks reviewed	None	None
Status report on the implementation of EEA, EH&W, HRP&I and PMDS by 11 Departments and the Office of the Premier compiled	Co-ordinated and facilitated three 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	4 monitoring reports on the implementation of HRM prescripts developed	4 Monitoring reports on the implementation of HRM prescripts developed	2019/20 status report on the implementation of EEA, EH&W, HRP&I and PMDS by 11 Departments and the Office of the Premier compiled	Achieved 2019/20 status report on the implementation of EEA, EH&W, HRP&I and PMDS by 11 Departments and the OTP compiled	None	None

Sub Programme: Strategic Human Resource – Public Service Transformation and Service Delivery Improvement (PST & SDI)

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of Batho Pele Programmes by 20 Municipalities, 11 Departments and the Office of the Premier compiled	12 reports for Departments, Office of the Premier and 12 Reports for the Municipalities developed	8 monitoring reports on the implementation of Batho Pele Programme in 12 Departments and 12 Municipalities developed	8 Monitoring reports on the implementation of Batho Pele Programmes in Departments and Municipalities produced	2019/20 status report on the implementation of Batho Pele Programmes by 20 Municipalities, 11 Departments and the Office of the Premier compiled	Achieved 2019/20 status report on the implementation of Batho Pele Programmes by 20 Municipalities, 11 Departments and the OTP compiled	None	None
Number of Batho Pele Projects co-ordinated	Compiled Khaedu Deployment Report and Conducted feedback session in Thaba Chweu Local Municipality	3 Batho Pele Projects co-ordinated (Africa Public Service Day, Service Delivery Improvement Plans and Khaedu deployments)	Coordinated 3 Batho Pele Projects coordinated (Africa Public Service Day, Service Delivery Improvement Plans and Khaedu deployments)	4 Batho Pele Projects co-ordinated (Africa Public Service Day, Public Service Month, Service Delivery Improvement Plans and Khaedu deployments)	Achieved 4 Batho Pele Projects co-ordinated (APSD, Public Service Month, Service Delivery Improvement Plans and Khaedu deployments)	None	None

Sub Programme: Legal Advisory Services

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Percentage of legal advisory services provided	100% (7) legal opinions of the 7 requested were drafted and submitted to the clients	100% (6 of 6) formal, written legal opinions requested were drafted and submitted to clients	100% - 2 legal opinions of the 2 requests received were drafted and submitted to the clients, 114 memoranda, reports, letters, MOUs, Service Level Agreements, employment contracts and other documents with a legal bearing of the 114 requests received were prepared, the Unit held 192 legal consultations of the 192 request received and also dealt with various aspects pertaining to 8 Provincial Bills	100% of requested legal advisory services provided	Achieved 100% (3 of 3) legal opinions requested were drafted, (137 of 137) letters and other documents with a legal bearing as requested were drafted, (141 of 141) legal consultations as requested were held and various aspects pertaining to six Provincial Bills were dealt with	None	None

Sub Programme: Government Communication and Information Services

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Integrated Communication Strategy and Communication Plan developed	4 quarterly progress reports produced and drafted the 2017/18 Provincial Communication Action Plan	1 Plan and 4 reports on the Implementation of the Communication Plan developed	4 monitoring reports produced	2020/21 Integrated Communication Strategy and Communication Plan developed	Not achieved	2020/21 Integrated Communication Strategy and Communication Plan has not been developed	Due to the lack of capacity in Communications to interact with Municipalities

Sub Programme: Government Communication and Information Services

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of the Integrated Provincial Communication Plan by 11 Departments, Office of the Premier and District Municipalities compiled	Monitored the implementation of the Provincial Communication Framework by 11 Departments, 3 District municipalities and the Office of the Premier	1 Plan and 4 reports on the Implementation of the Communication Plan developed	4 implementation reports produced	Status report on the implementation of the 2019/2020 Integrated Provincial Communication Plan by 11 Departments, Office of the Premier and District Municipalities	Not achieved However, status report on the implementation of the 2019/2020 Provincial Communication Plan by 11 Departments, Office of the Premier developed	Integrated Provincial Communication Plan not developed, only the Provincial Communication Plan is, and as a result 3 District Municipalities were not contained in plan	Strengthen capacity within Communications by finalizing the process of filling the post of General Manager: Communications

Sub Programme Name: Office of the Provincial Government Information Technology

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on Broadband rollout in the Gert Sibande District Municipality compiled	New indicator	New indicator	4 monitoring reports on the rollout of Broadband in 54 sites across the Gert Sibande District Municipality produced	2019/20 status report on Broadband rollout in the Gert Sibande District Municipality compiled	Not achieved 2019/20 status report on Broadband rollout in the Gert Sibande District Municipality compiled	Broadband could not be rolled out in 2019/20	The project was halted (due to insufficient funds) by DTSP at a meeting with all Provinces held on 22 November 2019

Sub Programme Name: Office of the Provincial Government Information Technology

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the management of the performance of the Transactional Advisor compiled	The performance of the Transactional Advisor was monitored and reports were submitted regarding the Transactional Advisor	4 reports to monitor the performance of Transactional Advisor developed	-	2019/20 status report on the management of the performance of the Transactional Advisor compiled	Achieved 2019/20 status report on the management of the performance of the Transactional Advisor compiled	None	None

Reasons for all deviations

Organisational Design and Job Evaluation

- The Effective Regional Service Delivery Model is still to be considered and approved by EXCO.
- There was a directive from the Director-General to prioritise the review of all Organisational Structures.

Labour Relations

- Disputes received have not reached finalization stage.

Government Communication and Information Services

- 2020/21 Integrated Communication Strategy and Communication Plan were not developed due to the lack of capacity in the Communications Directorate to interact with Municipalities.
- Status report on the implementation of the 2019/2020 Integrated Provincial Communication Plan by 11 Departments, OTP and 3 District Municipalities not compiled due to the lack of capacity in Communications to interact with Municipalities.

Office of the Provincial Government Information Technology

- 2019/20 status report on Broadband rollout in the Gert Sibande District Municipality compiled, however the broadband roll-out was halted by the DTSPS due to budgetary constraints.

Strategy to overcome areas of under performance

Organisational Design and Job Evaluation

- The Premier has appointed a Task Team of Executive members to deal with the development of the Effective Regional Service Delivery Model.

- The evaluation of posts will resume in the 2020/21 Financial Year.

Labour Relations

- Ensure that disputes are dealt with within stipulated period and approved.

Government Communication and Information Services

- A Task team will be established to develop the Integrated Provincial Communication Plan.
- Strengthen capacity within the Communications Directorate by finalizing the process of filling the post of General Manager: Communications.

Office of the Provincial Government Information Technology

- Awaiting direction from the DTPS regarding funding of Broadband rollout in the Gert Sibande District Municipality.

Changes to planned targets

There were no changes to the planned targets during the year under review.

Linking performance with budgets

The Programme spent **R79 562 000**, which equates to **93.2%** of the final appropriation budget of **R85 412 000** in the 2019/20 Financial Year. The Programme has underspent by **R5 850 000**, which translates to **6.8%**. The Programme had fourteen (14) planned targets during the reporting period and it achieved eight (8) targets, which translate to a **57.14%** achievement rate.

Sub-programme expenditure

Sub- Programme Name	2019/2020			2018/2019		
	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
Strategic Human Resource	39 570	37 057	2 513	39 466	38 229	1 237
Information Communication Technology	13 243	11 821	1 422	5 973	5 411	562
Legal Advisory Services	4 543	4 196	347	4 239	4 121	118
Communication Services	26 041	24 636	1 405	18 285	17 674	611
Programme Support	2 015	1 852	163	2 330	2 250	80
TOTAL	85 412	79 562	5 850	70 293	67 685	2 608

4.3 Programme 3: Policy and Governance

Purpose of the Programme

To provide effective macro policy advice, coordination and monitoring in the following key focus areas:

- Provincial Planning;
- Implementation of Provincial programmes;
- Mainstreaming of gender, youth and older persons' issues;
- Regional and International cooperation;
- Research and information management;
- Advisory services to the Premier, EXCO, EXCO committees and MPAC; and
- Coordinate key strategic interventions to improve Departmental performance.

The programme consists of the following sub-programmes:

- Sub-Programme: Intergovernmental Relations
- Sub-Programme: Provincial Policy Management, which consists of the following Units:
 - Special Programmes;
 - Macro Planning;
 - Monitoring and Evaluation;
 - Research Services;
 - Cluster Management;
 - Mpumalanga Provincial Aids Council; and
 - Youth Development.

Strategic objectives, performance indicators, planned targets and actual achievements

Programme 3 is aimed at providing effective macro policy advice, strengthening co-ordination, planning, monitoring and evaluation across the Provincial Administration. The development and institutionalization of the Planning, Research, Information, Monitoring and Evaluation Framework, through the Monitoring and Evaluation Unit ensures improved integration and coordination within the Provincial Administration.

To Strengthen Community Engagement and Feedback platforms the programme facilitated the implementation and management of M&E tools such as FSDM, Satise Silalele. Strategic support to the Cluster Committees (Governance and Criminal Justice, Economy and Social Cluster) and the Executive Council (Makgotla and meetings) was provided throughout the year under review. Through the Makgotla presentations, the EXCO was apprised on the overall performance of the Priority projects reflected in the PPOA.

Strategic objectives

Programme 3: Policy and Governance						
Strategic objectives	Strategic Objectives Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Provide strategic support and advisory services to the Premier and the Executive Council to improve public access to quality services	Number of Senior and Middle managers trained on the implementation of the Provincial Planning, Research, Information, Monitoring and Evaluation (PRIME) Framework	PRIME Framework presented to all levels of EXCO decision making systems	200 Senior and Middle managers trained on the implementation of the Provincial Planning, Research, Information, Monitoring and Evaluation (PRIME)	Not achieved	100% deviation – No Senior or Middle Manager has been trained on PRIME Framework implementation	The PRIME Framework together with related instruments such as Regional Service Delivery Model, District Development Model and Financial Viability Report, are still under consideration for alignment, hence the training has been put on hold

Reasons for all deviations

Provide strategic support and advisory services to the Premier and the Executive Council to improve public access to quality services

- The PRIME Framework together with related instruments such as Regional Service Delivery Model, District Development Model and Financial Viability Report, are still under consideration for alignment and consequently the training has been put on hold.

Strategies to overcome areas of under performance

Provide strategic support and advisory services to the Premier and the Executive Council to improve public access to quality services

- Training sessions will be conducted once the PRIME Framework has been approved.

Performance Indicators

Sub Programme: International Relations							
Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of memoranda of Understanding compiled	New indicator	4 high-level reports on international engagements and resulting partnerships for trade, investment, technical skills & ODA as part of implementing the IR Framework developed	5 reports on international engagements developed	2019/20 status report on the implementation of Memoranda of Understanding compiled	Achieved 2019/20 status report on the implementation of Memoranda of Understanding compiled	None	None

Sub-Programme: Policy and Planning - Macro Planning							
Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
A draft concept document on institutionalizing long term planning in the Province developed	New indicator	Mpumalanga Planning Commission Bill 2018 developed	4 reports on finalization of establishment of Mpumalanga Planning Commission (MPC) developed	Draft concept document on institutionalising long term planning in the Province	Achieved Draft Concept document on the institutionalization of long term planning in the Province approved	None	None

Sub-Programme: Policy and Planning - Macro Planning

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
A 5 Year Medium Term Strategic Framework 2019/20 – 2023/24 developed	-	-	-	A 5 Year Medium Term Strategic Framework 2019/20 – 2023/24 developed	Not achieved However, a Final draft 5 Year Medium Term Strategic Framework 2019/20 – 2023/24 developed	Final draft 5 Year Medium Term Strategic Framework 2019/20 – 2023/24 developed but not yet approved	Cancellation of meetings as per National Lockdown measures to help prevent the spread of COVID- 19

Sub Programme: Cluster Management

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of the PPOA compiled	2 reports (6 and 9 months PPOA Assessment Report) was developed for <i>Makgotla</i>	Three PPOA assessment reports for <i>Makgotla</i> & other Provincial strategic fora developed	Three PPOA assessment reports developed for 2018/19	Status report on the implementation of the 2019/20 PPOA compiled	Achieved Status report on the implementation of the 2019/20 PPOA compiled	None	None

Sub Programme Name: Monitoring and Evaluation

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
A Performance Review Report on service delivery by Mpumalanga Provincial Government compiled	-	-	-	A 25 year (1994 to 2019) Performance Review Report on service delivery by Mpumalanga Provincial Government compiled	Not achieved However a draft 25 year (1994 to 2019) Performance Review Report on service delivery by Mpumalanga Provincial Government compiled	The 25 year (1994 to 2019) Performance Review Report on service delivery by Mpumalanga Provincial Government is still in its draft form, and not finalized	The service provider to finalize, edit and quality assure the report was only appointed end of February 2020, and progress on his side has since been affected by the COVID 19 Lockdown
Status report on the implementation of the Provincial Evaluation Plan compiled	2 Annual evaluation information sessions were held with Departments Draft PEP presented for consideration and inputs	Not achieved	2018-2020 Provincial Evaluation Plan (PEP) and Mid-Year progress Report on implementation of the Provincial Evaluation Plan (2018/19) compiled	Status report on the implementation of the 2019/20 Provincial Evaluation Plan compiled	Achieved A 12 months status report on the implementation of the 2019/20 Provincial evaluation Plan compiled	None	None

Sub Programme: Research Services

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of the Provincial Research Agenda compiled	New Indicator	4 monitoring reports on the implementation of the Provincial Research Agenda produced	4 monitoring reports on implementation of the Provincial Research Agenda in 11 Departments and the Office of the Premier developed	2019/20 status report on the implementation of the Provincial Research Agenda compiled	Achieved 2019/20 status report on the implementation of the Provincial Research Agenda compiled	None	None

Sub Programme: Mpumalanga Provincial AIDS Council

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of the Provincial Integrated Plan on HIV/AIDS, STIs and TB compiled	2 quarterly reports developed	4 quarterly reports on the implementation of the Provincial Strategic Plan for HIV and AIDS, STI and TB compiled in line with the PIP	4 quarterly reports on the Provincial Implementation Plan for HIV, STIs and TB of AIDS Councils in 20 Municipalities and 1 Annual Report (2017/18) developed	2019/20 status report on the implementation of the 2017 to 2022 Provincial Integrated Plan on HIV/AIDS, STIs and TB compiled	Achieved 2019/20 status report on the implementation of the 2017 to 2022 Provincial Integrated Plan on HIV/AIDS, STIs and TB compiled	None	None

Sub Programme: Special Programmes

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of the Gender Equality and Women Empowerment (GEWE)-compiled	2 POAs for GEWE and Older Persons developed	4 quarterly monitoring reports on the implementation of 2017/18 Gender Equality and Women Empowerment (GEWE) POA produced	4 monitoring reports on Gender Equality and Women Empowerment developed	2019/20 status report compiled on the implementation of the Gender Equality and women Empowerment (GEWE) compiled	Achieved 2019/20 status report compiled on the implementation of the Gender Equality and women Empowerment (GEWE) compiled	None	None

Sub Programme: Special Programmes

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of the Rights of Older Person Integrated Plan of Action compiled		4 quarterly monitoring reports on the implementation of 2017/18 (ROP) POA produced	4 quarterly monitoring reports on the Rights of Older Persons developed	2019/20 status report on the implementation of the Rights of Older Persons Integrated Plan of Action compiled	Achieved 2019/20 status report on the implementation of the Rights of Older Persons Integrated Plan of Action compiled	None	None

Sub Programme: Youth Development

Performance Measure/ Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from the planned target to actual achievement 2019/20	Comment on Deviation
Status report on the implementation of the youth Development Programme compiled	4 quarterly mainstreaming reports on the implementation of the Youth Development PoA compiled	Not achieved	4 monitoring reports on Youth Development Programmes in 11 Departments and the Office of the Premier developed	2019/20 Status report on the implementation of the Youth Development Programme compiled	Not achieved However, 3 quarterly Status reports on the implementation of the Youth Development Programme compiled	2019/20 status report on the implementation of the Youth Development Programme not compiled	Non submission of information by departments due to National Lock-down measures to help prevent the spread of COVID- 19

Reasons for all deviations

Macro Planning

- A 5 Year Medium Term Strategic Framework 2019/20 – 2023/24 could not be finalised due to the cancelation of meetings as per National Lockdown measures to help prevent the spread of Covid-19.

Monitoring and Evaluation

- A 25 year (1994 to 2019) Performance Review Report on service delivery by the Mpumalanga Provincial Government could not be finalised because the service provider identified to finalise, edit and quality assure the report was only appointed at the end of February 2020, and progress on his side has since been affected by the COVID-19 Lockdown.

Youth Development

- The 2019/20 Status report on the implementation of the Youth Development Programme could not be compiled due to non-submission of information by departments because of the National Lockdown measures to help prevent the spread of COVID- 19.

Strategy to overcome areas of under performance

Macro Planning

- Present draft 5 Year Medium Term Strategic Framework 2019/20 – 2023/24 to 1st EXCO with 2021 PPOA after the National Lockdown measures are lifted.

Monitoring and Evaluation

- The delivery timeframes for the service provider will be revised.

Youth Development

- Information will be collated from departments after the National Lockdown measures are lifted.

Changes to planned targets

There were no changes to the planned targets during the year under review.

Linking performance with budgets

The Programme spent **R55 484 000**, which equates to **84.5%** of the final appropriation budget of **R65 649 000** in the 2019/20 Financial Year. The Programme has underspent by **R10 131 000**, which translates to **15.4%**. The Programme had eleven (11) planned targets during the reporting period and it managed to achieve eight (8) targets which translate to a **72.8%** achievement rate.

Sub-programme expenditure

Sub- Programme Name	2019/2020			2018/2019		
	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 Programmes	10 201	7 893	2 308	13 731	12 769	962
Intergovernmental Relations	10 854	7 803	3 051	9 046	8 434	612
Provincial and Policy Management	43 039	38 881	4 158	46 394	40 016	6 378
Programme Support	1 555	907	648	2 133	1 868	265
TOTAL	65 649	55 484	10 165	71 304	63 087	8 217

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The OTP did not make transfer payments to public entities.

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2019 to 31 March 2020

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Mbombela Municipality	Municipality	Renewal of vehicle licence discs	N/A	29	N/A	N/A

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

There were no conditional grants and earmarked funds paid during the 2019/20 Financial Year.

6.2. Conditional grants and earmarked funds received

The OTP did not receive any conditional grants and earmarked funds during the 2019/20 Financial Year.

7. DONOR FUNDS

7.1. Donor Funds Received

The OTP did not receive any donor funds during the 2019/20 Financial Year.

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Infrastructure projects	2019/2020			2018/2019		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	6 464	6 479	(15)	6 536	6 196	340
Total	6 464	6 479	(15)	6 536	6 196	340





PART C:

GOVERNANCE

1. INTRODUCTION

To ensure that the highest standards of governance are maintained, the OTP established governance structures such as the Risk Management Committee, the Audit Committee and Management Committees. The Mpumalanga Provincial Legislature through the Portfolio Committee as well as SCOPA holds the OTP accountable through reports and during oversight meetings on how public finances and resources are managed through reports and during meetings.

2. RISK MANAGEMENT

The OTP understands that risk management is a strategic imperative within high performing organisations. During 2009, a Risk Management Unit was established in terms of Section 38(1) of the PFMA and it is under the custodianship of the Office of the Chief Financial Officer.

The Office of the Premier has a Risk Management Policy and Strategy developed in terms of the Public Sector Risk Management Framework. The Policy and Strategy communicates the OTP's risk management philosophy.

The OTP conducts risk assessments and reviews annually in accordance with Treasury Regulations 3.2.1. This helps the OTP to direct its Internal Audit effort and prioritize the allocation of resources.

The Risk Management Committee, chaired by an external member, has been appointed by the Accounting Officer to assist in discharging her risk management responsibility. The Committee meets on a quarterly basis to evaluate the effectiveness of mitigating strategies to address the material risks and report to the Accounting Officer any material changes to the risk profile of the OTP.

The Committee also provides oversight on ethics management in the OTP. An Ethics Management Strategy informed by the ethical risks has been developed and on a quarterly basis the Committee discusses the progress regarding the implementation of the Strategy by management.

The Audit Committee provides oversight of the risk management function in the OTP and as such, risk management is a standing item on the quarterly meetings of the Audit Committee.

To improve the implementation of the action plans and ensure alignment of risk management strategies with the plans and budget of the OTP, management has reviewed the composition of the Risk Management Committee. The highest ranking officials in the OTP are members of the Committee in order to promote strategic discussions and decision-making.

3. FRAUD AND CORRUPTION

The OTP has, in terms of Treasury Regulation 3.2.1, an approved Fraud Prevention Plan in place to implement the Fraud Prevention Policy. Fraud Risk Assessments conducted shows that the OTP has a minimum exposure to fraud risks and management has put measures in place to ensure that these risks do not materialise.

Nevertheless, 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.'

There are measures in place to ensure that fraudulent activities are reported, investigated and resolved within a specified period. Employees and the public are encouraged through awareness programmes and initiatives to report any suspected fraud and corruption activities. There is NACH, the Presidential Hotline and Satise Silalele (Provincial Service Delivery Reporting System) which employees and the public can use to report allegations of fraud. Reporting can be made either anonymously or through walk-ins, to the General Manager: IMU. The OTP has a Whistle-Blowing Policy or Protected Disclosure Policy which provides assurance to provide protection to all reporters of unethical conduct.

All incidences of fraud and corruption detected, are dealt with. The OTP has a responsibility to investigate all cases for the Provincial Government. Due to capacity challenges in the OTP, a service provider has been contracted to investigate the cases and a case management system has been procured for this purpose.

4. MINIMISING CONFLICTS OF INTEREST

Conflicts of Interest refers to any financial or other private interest or undertaking that could directly or indirectly compromise the performance of the public servant's duties or the reputation of a public servant's department in its relationship with its stakeholders"; or

"A situation in which a public official has a private interest which influences, or appears to influence a public decision."

In order to manage conflict of interest, management has put in place the following measures:

- Declaration of financial interests by SMS, MMS, Ethics officers, Supply Chain & Financial Management Officials.
- Declaration of interest forms which are completed during Committee meetings for attendees to declare any conflict of interest.
- The OTP requires potential service providers to declare on SBD forms if they are connected to any person employed by the State.
- Employees in the OTP are prohibited from conducting business with an organ of state.

- Employees are required to make a formal application to perform any remunerative work outside their employment in the Public Service.

Any breach of the Code of Conduct is regarded as misconduct and is dealt with accordingly in line with the provisions of the Disciplinary Code and Procedure.

5. CODE OF CONDUCT

The Code of Conduct acts as a guide to employees as to what is expected of them from an ethical point of view, in their individual conduct, relationship with others and the State as the employer. Compliance with the Code of Conduct enhances professionalism and ensures confidence in the Public Service and the promotion of exemplary conduct. Notwithstanding this, employees shall be guilty of misconduct and may be dealt with in accordance with the PSCBC Resolution 1 of 2003 (applicable to employees on salary levels 1 to 12) and the SMS Handbook (applicable to employees on salary levels 13 to 16) if they are found to have contravened any provisions of the Code.

The OTP acknowledges the Public Service Code of Conduct as its value system. The conduct and behaviour of employees in the OTP is guided by the Public Service Code of Conduct. Management in the OTP displays and promotes a high standard of professional ethics.

Awareness workshops are conducted annually for new and existing employees in the OTP on the Code of Conduct. All employees are expected to understand and abide by the Code of Conduct.

Any breach of the Code of Conduct is regarded as misconduct and is dealt with accordingly in line with the provisions of the Disciplinary Code and Procedure.

PROCESS FOLLOWED FOR THE BREACH OF CODE OF CONDUCT IN TERMS OF RESOLUTION 1 OF 2003 AND CHAPTER SEVEN OF THE SMS HANDBOOK

INFORMAL ENQUIRY (FOR LESS SERIOUS MISCONDUCT)

In the case of an informal enquiry the manager of the employee must bring:

- (a) Bring the misconduct to the employee's attention
- (a) Determine the reasons for the misconduct and give the employee an opportunity to respond to the allegations,
- (b) Seek to get agreement on how to remedy the conduct;
- (c) Take steps to implement the agreed course of action.

FORMAL ENQUIRY (FOR MORE SERIOUS FORMS OF MISCONDUCT)

In the case of a formal enquiry the employer must appoint an employee as a representative who as far as possible should be the manager for the employee to initiate the enquiry.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The OTP has a transversal Unit (Transversal Human Resource Management Services), which is entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programmes across the Mpumalanga Provincial Government. Furthermore, the OTP has an Internal Employee Health and Wellness Division within its ranks. The Division has successfully implemented five Employee Health and Wellness sessions on Health and Financial Education awareness; Physical training and education; and Health Screening for Communicable and Non-Communicable Diseases. Towards the end of the financial year, the OTP established a Steering Committee to strategise and advise staff on measures to reduce the spread of Covid-19 outbreak in the workplace and beyond.

7. PORTFOLIO COMMITTEES

During the period under review, the OTP appeared before the Portfolio Committee as well as SCOPA.

Date	Subject	Action taken to address issue	Progress
25 June 2019	Consideration of the 2019/20 Annual Performance Plan	The Office noted the matters raised by the Committee	The Office responded to the matters raised by the Committee
25 June 2019	Consideration of the 2018/19 4 th Quarterly Performance Report		
29 August 2019	Consideration of the 2019/20 1 st Quarterly Report		
22 October 2019	Consideration of the 2018/19 Annual Report		
15 November 2019	Consideration of the 2019/20 2 nd Quarterly Performance Report		
27 February 2020	Consideration of the 2019/20 3 rd Quarterly Performance Report		

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	IMPLEMENTATION OF 2017/18 AUDIT ACTION PLAN	(a) Can the Accounting Officer provide progress made in implementing SCOPA resolutions with reference to the 2018/19 Financial Year?	<p>The Accounting Officer made concerted efforts to resolve all the fifty-eight (58) as raised by the Auditor-General during the 2017/18 financial year; however, there are some which appear as recurring in the 2018/19 financial year. These would include, but not limited to the following:</p> <ul style="list-style-type: none"> • Failure to identify and correct material misstatements prior to the commencement of the audit process; • Challenges with ensuring compliance with SCM prescripts resulting in incurring of irregular expenditure, which includes the extension and/or modifications of contracts, awarding of contracts to suppliers who are deemed to be tax non-compliant; reasons for deviations which are later challenged by the AG and deemed not justifiable, etc.; • Capacity constraints which impacted on the following: <ul style="list-style-type: none"> ⌚ investigations of irregular expenditure & fruitless and wasteful expenditure as well as the finalisation of the condonation process which affected the implementation of consequence management and taking of appropriate actions against any official that may be found to have been liable for causing the transgressions; ⌚ on-going monitoring and supervision to ensure compliance with applicable prescripts and maintains of effective, efficient and transparent systems of financial, risk management and 	Ongoing
		1. Accruals and Payables not recognised	While the Accounting Officer took steps to prevent irregular expenditure, fruitless and wasteful expenditure as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1, however due to multi-year contracts awarded in the 2015/16 financial year, the AO had challenges as he was bound the terms and conditions of such contracts which resulted in the Office incurring irregular expenditure, amounting to R52,975,000 during the 2018.19 financial year.	Ongoing
		2. Irregular expenditure		Ongoing

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		3. Fruitless and wasteful expenditure	<p>The Accounting Officer took steps to undertake the investigations of both irregular expenditure as well as fruitless and wasteful irregular expenditure so as to be in a position to implement consequence management, however, due to capacity constraints (i.e. both human and financial resources), the impact of such steps was negatively affected.</p> <p>The AO has since reprioritised the budget allocation to allow for the sourcing of an external service provider to undertake such investigations. This process has since been finalised and the service provider is to commence with the investigations during the last quarter of the 2019/20 Financial Year</p>	Ongoing
2	IMPLEMENTATION OF 2018/19 AUDIT ACTION PLAN	(a) Can the Accounting Officer provide the progress report on the implementation of 2018/19 Audit plan?	<p>The Office of the Premier obtained an unqualified Audit Opinion during the 2018/19 financial year. Sixty-four (64) findings were raised by the Auditor-General and below is the progress made thus far:-</p> <ul style="list-style-type: none"> • Thirty-eight (38) findings, which translate to 60%, have since been addressed satisfactorily, and are being considered as resolved. Management will continue to monitor the progress to ensure that the Office does not regress and incur similar findings in the next financial year. • Twenty-eight (28) findings are still in progress. Management is still committed to resolving these findings before the end of the current financial year. <p>Monthly progress reports are submitted to the Provincial Treasury in line with the reporting requirements. The Audit Action Plan was submitted to SCOPA</p>	Ongoing

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
3. AUDIT OPINION				
3.1	The basis for the unqualified audit opinion by the Auditor General includes the following;	(a) Why did the AO fail to spend the finances of the department in accordance with section 38(b) of the PFMA?	The material 5.1% underspending (i.e. R16,205,000.00 underspending of the final adjusted appropriation of R318,792,000.00 can be attributable to the additional funding, received during the 2 nd budget adjustment, which could not be fully utilised at year-end. The reasons are as follows: <ul style="list-style-type: none"> • Projects which were discontinued as well slow progress in the implementation of some planned priority targets due to misalignment of planned activities with the initial deliverables, • Failure to process payments to service providers due to goods and/or services being procured towards the end of the financial year and could not be delivered on time or goods and services delivered but could not finalise the payment process before the end of the financial year; and • Savings realised within compensation of employees as a result of natural attrition and delay in the filling of vacant funded positions due to the existing EXCO moratorium. 	On-going
3.1.1	Underspending of the vote As disclosed in the appropriation statement, the department materially underspent the budget by R5 380 000 on Administration, R2 608 000 on Institutional Development, and R8 217 000 on Policy and Governance			
3.1.2	Irregular Expenditure As disclosed in note 22 to the financial statements, the department incurred irregular expenditure of R78 528 000 , as proper supply chain management processes were not followed.	(a) Why did the Accounting Officer contravene section 38(1) (c) (ii)(iii) of the PFMA and Treasury Regulation (TR) 9.1.1?	The Accounting Officer did not intentionally contravene section 38(1)(c)(iii) of the PFMA and Treasury Regulation 9.1.1 in the procurement of goods and services that resulted into irregular expenditure of R78,528,000. The significant portion of this irregular expenditure, amounting to R52,975,000, related to the multi-year contracts awarded in the 2015/16 financial year, while the balance of R25,553,000 was due to internal control weaknesses and non-compliance with the SCM prescripts which were identified during the audit process.	On-going

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		(b) Are there reasons that led the Accounting Officer to bypass the proper procurement processes as directed by PFMA, and can such reasons be shared with the Committee?	<p>A significant portion of the irregular expenditure related to multi-year contracts awarded during the 2015/16 financial year for a period of 3 years. The Accounting Officer had a challenge to prevent the recurrence and was bound by the existing contract agreement.</p> <p>As for the additional irregular expenditure identified during the audit process amounting to R25,553,000, the reasons are as follows:</p> <ul style="list-style-type: none"> • expenditure transactions deemed to be related to unfair rotation of service providers during the allocation of work; • reasons which were provided for the extension of a contract were challenged by the auditors; • procurement deviations deemed not to be justifiable; and • procurement under emergency instances resulting in unintentional split of procurement activities as well as procurement from service providers who were tax non-compliant. 	
		(c) How did the Accounting Officer deal with officials who caused transgression of the PFMA and Treasury Regulations?	<p>The Accounting Officer has since finalised the re-prioritisation of financial resources and the sourcing of a service provider to undertake the investigations of the irregular expenditure. The investigations will commence during the last quarter of the current financial.</p> <p>Upon completion of the investigations, the Accounting Officer will thereafter be guided by the recommendations and take appropriate action against any official deemed to be responsible for the transgression of the PFMA and Treasury Regulations.</p>	
		(d) Whether irregular expenditure was reported by officials to the Accounting Officer when such transgression was discovered? If so can the Accounting Officer provide written proof of reporting the transgression?	<p>The irregular expenditure related to the multi-year contracts was reported as and when incurred since the challenges with the procurement processes had been previously identified.</p> <p>In respect of the unintentional non-compliance with the SCM prescripts, the related irregular expenditure was not reported as this was only detected during the audit process by the Auditor-General.</p>	
		(e) What appropriate action was taken after the investigation was undertaken?	<p>The Accounting Officer has since finalised the re-prioritisation of financial resources and the sourcing of a service provider to undertake the investigations of the irregular expenditure. The investigations will commence during the last quarter of the current financial. Therefore, no action has been taken as yet.</p>	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		(f) Did the Accounting Officer record details of the transgression in the irregular expenditure register?	Upon completion of the investigations, the Accounting Officer will thereafter be guided by the recommendations and take appropriate action against any official deemed to be responsible for the transgression of the PFMA and Treasury Regulations.	
		(g) Can the Accounting Officer provide the register as proof that it was registered as expected and the relevant supporting documents in place?	The register of irregular expenditure was submitted to the Committee.	
		(h) Whether enquiry or investigations were undertaken upon discovery of irregular expenditure?	The Accounting Officer has since finalised the re-prioritisation of financial resources and the sourcing of a service provider to undertake the investigations of the irregular expenditure. The investigations will commence during the last quarter of the current financial. Therefore, no action has been taken as yet.	
		(i) Are there officials who are liable for the irregular expenditure in question?	The investigation of the irregular expenditure is to commence during the last quarter of the 2019/20 financial year. As such, no officials have been identified as liable and deserving of action to be taken against them.	
		(j) Whether there was value for money in the transaction and if so can the AO state to the Committee?	The investigations will commence during the last quarter of the current financial. The AO will wait for the final determination as to whether there was value for money or not and thereafter take the appropriate action.	
		(k) Did the Accounting Officer report the irregular expenditure as directed by section 38 (1) (g) of the PFMA to the relevant treasury?	The Accounting Officer did not report the irregular expenditure to the Provincial Treasury as directed by section 38(1)(g) of the PFMA. Appropriate consequence management was taken by the AO against the officials who caused the non-compliance.	
		(l) Did the AO report the irregular expenditure incurred in the monthly report on revenue and expenditure in terms of section 40 (4) (b) of the PFMA?	The AO submitted the monthly report on revenue and expenditure to the Provincial Treasury on a regular basis in terms of section 40(b) of the PFMA.	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		(m) Were there instances of fraud? If yes, provide details and steps taken against those involved.	The AO is not aware of any instances of fraud and/or corruption identified or reported for the 2018/19 financial year.	
		(n) How did the Accounting Officer deal with officials who caused transgression of the PFMA and Treasury Regulations?	The Accounting Officer has since finalised the reprioritisation of financial resources and the sourcing of a service provider to undertake the investigations of the irregular expenditure. The investigations will commence during the last quarter of the current financial. Upon completion of the investigations, the Accounting Officer will thereafter be guided by the recommendations and take appropriate action against any official deemed to be responsible for the transgression of the PFMA and Treasury Regulations.	
		(o) Whether irregular expenditure was reported by officials to the Accounting Officer when such transgression was discovered? If so can the Accounting Officer provide written proof of reporting the transgression?	The irregular expenditure related to the multi-year contracts was reported as and when incurred since the challenges with the procurement processes had been previously identified. In respect of the unintentional non-compliance with the SCM prescripts, the related irregular expenditure was not reported as this was only detected during the audit process by the Auditor-General.	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
3.1.3	Fruitless and wasteful Expenditure As disclosed in note 23 to the financial statements, the department incurred fruitless and wasteful expenditure of R5 896 000.	(a) Why did the Accounting Officer contravene section 38(1) (c) (ii) (iii) of the PFMA and Treasury Regulation (TR) 9.1.1?	<p>The Accounting Officer did not intentionally contravene section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1 as measures have been put in place to prevent the incurring of fruitless and wasteful expenditure.</p> <p>The significant portion of the fruitless and wasteful expenditure of R5,896,000 incurred in the 2018/19 financial year is related to the following:</p> <ul style="list-style-type: none"> Interest and penalties charged SARS amounting to R886,000. This was in respect of the payroll audit that was conducted by SARS and focussed on payments of severance benefits to former employees. The audit covered the period 2013/14 to 2017/18 tax years. The Office was found to have incorrectly classified some of the severance benefits which resulted in under-collection of tax. On the basis of such, SARS also levied penalties and interest on the debt. Payments made for data capturers in respect of the Case Management System amounting to R5,002,000. The amount was deemed to be fruitless and wasteful expenditure due to failure to enforce the terms and conditions of the agreement relating to the training of in-house staff to undertake these functions. While the Office notes this expenditure, however, it was also in a difficult position as it was not able to fill any vacant positions due to the EXCO moratorium that is in force. 	Ongoing
		(b) Did the AO investigate the fruitless and wasteful expenditure, so as to be able to take disciplinary actions against officials as required by section 38(1) (h) (iii) of the PFMA? If yes, provide progress, if not, why not?	The Accounting Officer has since finalised the sourcing of a service provider to undertake the investigations of the fruitless and wasteful expenditure. The investigations will commence during the last quarter of the current financial year.	
		(c) Why did the AO fail to put in place measures to address and prevent fruitless and wasteful expenditure as this is a recurring finding?	The Accounting Officer did not intentionally fail as measures have been put in place to prevent the incurring of fruitless and wasteful expenditure. However, as reported in (a) above, the Accounting Officer had no control over the instances as mentioned.	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		(d) Can the AO provide proof that the fruitless and wasteful expenditure was reported as required by Treasury Regulation 9.1.2?	The Accounting Officer did not report the fruitless and wasteful expenditure to the Provincial Treasury. There was a breakdown in controls due to changes within the Financial Management. The matter has since been attended to as. consequence management was implemented	
4. COMPLIANCE WITH LEGISLATION				
4.1	Strategic planning and performance management	a) Why did the AO fail to establish Specific information system to enable the monitoring of progress made towards achieving targets , core objectives and service delivery, as required by public service regulation 25(1)(e)(i)and (iii)?	The AO established systems to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by the Public Service Regulation 25(1)(e)(i) and (iii). However, due to the capacity constraints and human resource challenges within the Office and the responsible section, adherence to such systems was compromised which impacted on the efficiency and effectiveness thereof	On-going
4.1.1	Specific information system were not established to enable the monitoring of progress made towards achieving targets , core objectives and service delivery, as required by public service regulation 25(1)(e)(i)and (iii)			
4.2	Financial statements and annual report	(a) Why did the AO fail to prepare the financial statements in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA?	The AO had put measures in place to ensure that the financial statements were prepared in accordance with the prescribed financial framework as required by section 40(1)(b) of the PFMA. However, due to different understanding and interpretations of the pre-scripts by the Office as well as capacity constraints by the Office to undertake review/oversight of the prepared financial statements, there were errors / misstatements which were identified by the AG and unfortunately such were deemed to be material mis-statements/errors.	On-going
	The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.			
4.3	Procurement and Contract Management	(a) Why did the AO extend or modified contracts without the approval of a properly delegated official, as required by section 44 of the PFMA and TR 8.1 and 8.2?	The AO acknowledges that there was a misunderstanding in terms of the extension of contracts which was done with a view to facilitate the processing of outstanding payments to the service provider. However because of this misunderstanding as well as compromised/poor supervisory function, the Office also engaged the service provider for service which were already available in the transversal contracts	On-going
4.3.1	Some contracts were extended or modified without the approval of a properly delegated official, as required by section 44 of the PFMA and TR 8.1 and 8.2.			

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
4.3.2	On page 153, the AG reported that goods and services with a transaction value above R500 000 were procured without inviting competitive bids. This deviation were approved by the accounting officer although it was practical to invite competitive bids, contrary to Treasury Regulation 16A6.1	(a) Why did the Accounting Officer contravene TR 16A6.1, TR 16A6.4?	<p>All the procurement processes were followed; however, the internal control deficiencies were only identified during the audit process. At the time, the AO was of the view that the reasons provided for the deviations were justifiable, which resulted in the procurement processes being compromised.</p> <p>In some areas, the Office had an understanding and interpretation of the SCM prescripts which was slightly different to the approach adopted by the AG. The Office held the view that as the procurement processes had been followed before the signing of the agreement; therefore there was no need to source quotations from the existing database. This view and approach was challenged by the AG during the audit process.</p>	On-going
		(b) Why did the AO approve such contracts even though it was practical to invite competitive bids as required by Treasury Regulation 16A6.4?	<p>All the procurement processes were followed; however, the internal control deficiencies were only identified during the audit process. At the time, the AO was of the view that the reasons provided for the deviations were justifiable, which resulted in the procurement processes being compromised.</p> <p>On review of the processes, the Office acknowledges that there may have been an element of poor planning which resulted in the procurement of the goods and services being done at short notice and under pressure.</p> <p>In some areas, the Office had an understanding and interpretation of the SCM prescripts which was slightly different to the approach adopted by the AG. The Office held the view as the procurement processes had been followed before the signing of the agreement; therefore there was no need to source quotations from the existing database. This view and approach was challenged by the AG during the audit process</p>	On-going
		(c) Can the Accounting Officer list the contracts that were awarded to bidders in contravention of Treasury Regulation 16A6.4?	<ul style="list-style-type: none"> Sourcing of a service provider for the broadcasting the Premier's State of the Province Address and Budget Speech Procurement of the Premier's vehicle 	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		(d) Can the Accounting Officer indicate the value of each contract awarded in contravention of Treasury Regulation 16A6.4?	<ul style="list-style-type: none"> R1,035,000; and R1,534,338 respectively 	
		(e) What action has the Accounting Officer taken against the officials who failed to adhere to the requirements of Treasury Regulation 16A6.4?	The Accounting Officer has since finalised the sourcing of a service provider to undertake the investigations of the irregular expenditure. The investigations will commence during the last quarter of the current financial.	
		(f) What measures has the Accounting Officer taken to ensure that the requirements of Treasury Regulation 16A6.4 in terms of awarded contracts are always adhered to as the matter is recurring?	The Compliance Checklist has since been reviewed and updated to factor the criteria for qualifying of transactions to be considered for deviations. The Accounting Officer has issued a Circular to all staff to sensitise them of the need to comply with the provisions of Treasury Regulation 16A6.4 as well as the Treasury Instruction 3 of 2016/17. Deviations have since been reduced.	
4.3.3	Some contracts were awarded to suppliers whose tax matters had not been declared by SARS to be in order, as required by TR 16A9.1 (d). Similar non-compliance was also reported in prior years.	(a) Why did the AO award contracts to suppliers whose tax matters had not been declared by the SARS to be in order, as required by TR 16A9.1 (d)?	The procurement of the goods and services being done at short notice and under pressure as well as the decentralisation of the procurement function resulted in the award of contracts to suppliers who were tax non-compliant.	
		(b) Why did the AO fail to make sure everything is done by the book as the matter is recurring?	The AO put measures in place to ensure compliance with the prescripts, however, at the time, some of the transactions had already gone through the procurement process and could not be rectified.	
4.4	<p>Consequence management</p> <p>Some instances of irregular expenditure and fruitless and wasteful had not been investigated to determine if disciplinary steps need to be taken against the liable officials who had incurred the irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA</p>	(a) Can AO explain why they failed to investigate irregular expenditure and fruitless and wasteful to determine if disciplinary steps need to be taken against the liable officials who had incurred the irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA?	The AO has put measures to ensure the investigations of the irregular expenditure as well as fruitless and wasteful expenditure. Such expenditure was a cumulative figure dating back from 2013/14 financial year. The investigations were quite extensive such that due to available financial resources, the investigation of some of the irregular expenditure as well as fruitless and wasteful expenditure could not be done during the 2018/19 financial year. The Office had to reprioritise its allocated 2019/20 budget to facilitate the outstanding investigations as required by section 38(1)(h)(iii) of the PFMA.	On-going

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
5. INTERNAL CONTROL				
5.1	Leadership	a) Why did the AO fail to ensure on-going monitoring and supervision to enable an assessment of the effectiveness of internal control?	On joining the Office, the AO noted that the non-functionality and/or sitting of Management Committee meetings was contributing to the failure to ensure on-going monitoring and supervision of the effectiveness of internal controls. The AO embarked on review and updating of the Terms of Reference of the respective Management Committees. Further, a schedule of standing meetings was developed in an effort to implement on-going monitoring and supervision with a view to facilitate the assessment of the effectiveness of internal controls.	On-going
5.1.1	The AG report indicates that there was insufficient oversight and monitoring of the implementation of internal controls during the year, resulting in material misstatements in financial statements and annual performance report as well as instances of irregular expenditure.	b) Why did the AO fail to evaluate whether management has implemented effective internal control as identified by the AG?	The AO put measures to ensure that management has implemented effective internal control and continue to monitor and assess the effectiveness of such controls, however, due to capacity constraints within the Office and delays in the filling of funded vacant and priority posts, these efforts were negatively impacted.	
		c) Why did the AO fail to make sure that the department has and maintains effective, efficient and transparent systems of financial, risk management and internal controls as required by section 38(a)(l) of the PFMA?	The Office had systems or structures in place to maintain effective, efficient and transparent systems of financial, risk management and internal control, however the AO noted that the established systems and/or structures were not as effective as expected, hence the AO embarked on the above-mentioned additional measures to strengthen the existing systems of internal control as required by section 38(1)(a) of the PFMA.	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
5.1.2	The department did not develop and implement proper performance planning and management practices to provide for the development of performance indicators and targets, as some did not meet the SMART criteria as defined in the Framework for Managing Programme Performance Information.	(d) Can AO explain why did the department fail to implement the previous SCOPA resolutions to avoid recurrence of these finding?	<p>The AO agrees that this is a recurring finding. The AO was not in a position to implement the previous SCOPA resolution as at the time of the audit and raising the finding, the 2018/19 APP had already been approved with the current weaknesses and the smartness of the indicators as noted and reported by the AG.</p> <p>This issue was acknowledged by the AO during the deliberations of the audit results and opinion for the 2017/18 financial year. The AO undertook to make efforts to implement the SCOPA resolution and correct the identified recurring weaknesses through embarking on the following measures:</p> <ul style="list-style-type: none"> • AG was requested to make a presentation on the SMART Principle and such a presentation was made to Management during the Office Strategic Planning Session in September, 2018 in preparation for the development of the APP for the 2019/20 financial year. • An assessment of the 2019/20 1st Draft APP was conducted, and weak indicators were identified and corrected during review and compilation of the 2nd Draft APP. <p>While these targets and indicators are still to be subjected to an independent review and audit by the AG, the AO remains confident that through the above attempts, the matter would be deemed to have resolved.</p>	On-going

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

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

Management developed an Audit Remedial Action Plan to respond to all audit findings raised based on the 2018/19 Report for the OTP. The Office of the CFO monitors progress as regards the implementation of this remedial action plan on a monthly basis.

10. INTERNAL CONTROL UNIT

The Office does not have an Internal Control Unit.

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 the 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 value by providing risk-based and objective assurance, advice and insight. 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 improves the operations of the Office of the Premier.

In keeping with its primary mandate, the shared Internal Audit 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 the Treasury Regulation 3.2.6, which requires that internal audit must be in accordance with the

Standards; during the year under review, the shared Internal Audit function ensured that its operations are aligned with the 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 International Standards for the Professional Practice of Internal Auditing ("Standards") set by the Institute of Internal Auditors.

During the year under review, the shared Internal Audit function developed a rolling three-year Strategic Internal Audit Plan and an Annual Internal Audit Coverage/Operational Plan based on the results of the risk assessment. The plans were in consultation with Management and were supported by the Director-General and approved by the Audit Committee in April 2019.

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 the summary of the audit work done by the shared Internal Audit function during the year under review as per the approved plans:

Assurance services

- Review of Annual Financial Statements; and Interim Financial Statements;
- Supply Chain Management;
- Communication and Information Services;
- Financial Management: Transfer Payments and DORA;
- Performance Information: Mid-Term Review;
- Risk Management;
- Monitoring the 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: Performance Audit on Supply Chain Management;
- Information Technology General and Applications and Controls; and
- Follow-up review on Information Technology audits.

Consulting services

- Participation in informal consulting engagements including routine activities such as participating on 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 constituted to ensure that 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 its 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 Auditor-General South Africa.

Attendance of Audit Committee meetings by the Audit Committee Members

In accordance with the 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 Auditor-General South Africa was always invited to attend the meetings of the shared Audit Committee, thus ensuring that meetings are as effective and transparent as possible.

The Shared Audit Committee meetings held were attended as follows:

Name	Qualifications	Internal or External	Date appointed	Date Resigned / End of term	No of meetings attended
Mr MS Mthembu Chairperson	Master of Business Leadership (UNISA) BCom (Accounting), Commercial Banking Licentiate Diploma (IOB)SA, FAP (IAC) SA.	External	01 April 2018	N/A	08
Mr. C Motau	B Comm (VISTA) Higher Diploma in Computer Auditing(WITS) Certificate in Executive Leadership(Regenesys Business School) Certificate in Human Resources Management ((Regenesys Business School) Masters Degree in Business Leadership (UNISA) Masters Degree in Information Technnology(UP) Doctorate in Business Information Systems (TUT)	External	01 June 2019	N/A	06
Mr. M Sebeelo	BTech Internal Auditing (UNISA) Nat Diploma Internal Auditing (TUT) Advance Programme Project Management (UNISA)	External	01 April 2018	N/A	08
Ms. L Mbatha	BCompt. Honors Accounting (UNISA) BComm. Accounting Degree (UNISA)	External	01 April 2018	N/A	05
Ms. BN Mzuzu	B. Proc Degree (University of Fort Hare) Cert. Business Rescue Cert. Attorney of High Court of South Africa Cert. Attendance in conveyancing pratice	External	01 April 2018	N/A	05

12. REPORT OF THE AUDIT COMMITTEE

We are pleased to present our final report for the financial year ended 31 March 2020.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference 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 we have not reviewed the changes in accounting policies as these changes are as per the National Treasury instruction.

The effectiveness of internal control

In line with the PFMA, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The accounting officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12.

From the various reports of the Internal Auditors and the Auditor-General South Africa it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to annual financial statements, reporting on pre-determined objectives and compliance with laws and regulations.

Through our analysis of audit reports and engagement with the Department it can be reported that the system on internal controls for the period under review was not entirely adequate and effective.

Based on our interaction with the department we conclude that the department does have adequate but not fully effective action plan management system (turnaround strategy) to address internal audit and Auditor-General South Africa findings.

Risk Management

The Audit Committee is responsible for the oversight of risk management. The Risk Management Committee reports to the Audit Committee on a quarterly basis on the governance and management of risk.

Based on the Audit Committee quarterly reviews of the reports from the Risk Management Committee, it was concluded that the departmental processes and system relating to fraud prevention and risk management was adequate and effective.

In-Year Management and Quarterly Reporting

The department is required to report monthly and quarterly to the Treasury as is required by the PFMA.

The Audit Committee was satisfied with the content and quality of quarterly reports prepared, issued and submitted by the Department to Treasury as required by the PFMA

Evaluation of the Annual Financial Statements

The Audit Committee reviewed the draft annual financial statements prepared by the department and advised the accounting officer to ensure that all the review notes and comments of the Internal Audit and Audit Committee are fully addressed prior to submission of the annual financial statements to the Auditor-General South Africa.

Subsequently the material misstatements identified during the external audit process were also reviewed when the management report of the Auditor-General South Africa was discussed with the Audit Committee.

Evaluation of the reporting on predetermined objectives

The Audit Committee has reviewed the draft annual report prepared by the department and has advised the accounting officer to ensure that all the review notes and comments of the Internal Audit and Audit Committee were fully addressed prior to submission of the annual report to the Auditor-General South Africa.

The Audit Committee discussed the external audit outcomes on the reporting on predetermined objectives to be included in the annual report with the Auditor-General South Africa and the Accounting Officer.

Compliance with laws and regulations

Throughout the year under review the Audit Committee had remained concerned with the status of compliance with all applicable laws and regulations. The Committee however appreciated that the Department had established the Compliance management and Strategic Reporting unit to deal with all compliance issues in the Department. Although the Compliance Matrix had been developed to monitor the compliance issues in the department, it had not been yet implemented by the end of the financial year.

Internal Audit

The Audit Committee was satisfied that the Internal Audit function operated effectively and that it had addressed the risks pertinent to the department in its audits during the year under review.

The Audit Committee had regularly enquired and reviewed the work performed by Internal Audit function and had seen an improvement in the quality of the internal audit reports; the actions initiated by the Internal Audit Function to bring the reported weaknesses to the attention of Senior Management and the process of ensuring action to

address such deficiencies. However, there is still room for improvement in areas such as flexibility of the planning process to adapt to emerging risks and changing risk profile of the Department; the timing and execution of internal audit engagements; influence and persuasion by Internal Audit of Management to effect the necessary changes and improvement of the maturity of governance, risk management and internal control systems.

The Audit Committee noted with concerns that the Internal Audit function remained under-resourced and the vacant position of the Chief Audit Executive since November 2017.

The Audit Committee further appreciated the support provided by the Internal Audit Officials, by assisting the Committee in discharging its responsibilities.

The following were areas of concern:

- Slow Implementation of Internal Audit and Auditor General recommendations
- Non achievement of planned targets
- Unsatisfactory compilation of the portfolio of evidence to support reported Performance Information
- Inadequate record keeping
- Some quarterly targets not achieved
- Unsatisfactory keeping of portfolio of evidence to support reliability of reported information.
- Lack of commitment to risk management related issues by Management.

- Poor controls over the prevention of incurring of irregular expenditure

- Very high staff vacancy rate; more especially in the category of critical positions

- Shortage of staff and poor skills capacity in the finance unit

Auditor-General South Africa

We reviewed the department's implementation plan for audit issues raised in the previous year and we were not entirely satisfied that all the matters had been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the Auditor-General South Africa on the Annual Financial Statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General South Africa.

Conclusion

The Audit Committee strongly advise that the Office of the Premier resolves and implement all recommendations that have been raised by the Internal Audit, Auditor General and the Audit Committee in order to improve on expected performance.

The Audit Committee wishes to extend its appreciation to the Executive Authority, Accounting Officer and Management,

Internal Auditors and Auditor-General South Africa for their tireless efforts, commitment and support throughout the year.

Signed on behalf of the Audit Committee by:



Chairperson of the Audit Committee
Mr. MS Mthembu
Date 30 October 2020

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	
Developing and implementing a preferential procurement policy?	Yes	Adopted and implemented the National Treasury Preferential Procurement Policy
Determining qualification criteria for the sale of state-owned enterprises?	N/A	
Developing criteria for entering into partnerships with the private sector?	N/A	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	



PART D:

HUMAN
RESOURCE
DEVELOPMENT

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 Department

The OTP continues to emphasise the importance of the current technological revolution that fundamentally requires that we alter the way we should do things these days. Given the Fourth Industrial Revolution's rapid pace of change and broad impacts on legislators and regulators, National and Provincial Departments, including the Offices of the Premier are being challenged to an unprecedented degree. The OTP must therefore, streamline its Workplace Skills Plan based on the latest technological developments and innovations, in an effort to remain relevant. More of the E-learning programmes, such as the Financial Management Delegations of Authority in the Public Service, which was facilitated by the National School of Governance must be co-ordinated. The emergence of the COVID-19 world pandemic towards the end of the financial year is another unpleasant, but clear message that technology must form an integral part of our day to day operations in this regard.

Furthermore, the OTP keeps positioning itself accordingly and continues to emphasise on the importance of keeping up with the latest human resource trends, aimed at improving effectiveness and efficiency within its ranks. The Internal 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 OTP'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 OTP 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 in the OTP is informed by legal prescripts such as the selection and recruitment policies and code of remuneration that must guide the process of identifying and acquiring effective and relevant skills for the OTP. In addition, the OTP is required to conduct competency assessments prior to filling posts of Managers and those of Senior Management Services.

An analysis of human resources indicates that the OTP has made few appointments during the course of the Financial Year 2019/2020. The afore mentioned few appointments were made in terms of Section 12A of the Public Service Act, 1994, as amended in 2007, with the purpose to support the Premier. The main reason for making no appointments of permanent staff, i.e. in terms of Section 9 of the Public Service Act, 1994, is 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 4th of February 2015 until further notice. Departments may, if needs be, seek approval of the Executive

Council for special exemption in respect of posts to be filled. However, during the course of this Financial Year, only one approval was obtained from the Executive Council in this regard, i.e. for the post of Director-General.

Based on the critical posts, as identified and agreed upon between the employer and organized labour, the occupancy rate stood at 211 (79.6%), while the vacancy rate was 54 (20.4%) at the end of the Financial Year. All in all, the OTP had a total of 265 recognised posts (211 filled and 54 vacant funded and regarded as critical), excluding the posts of Interns, which do not form part of the approved organogram, as well as the Premier.

According to the Oversight Report, the OTP's occupancy rate stands at 90.2%, while the vacancy rate stands at 9.8% on the PERSAL establishment. The above figures are informed by the fact that most of those vacant funded posts that are regarded as critical were abolished, subject to them being resuscitated once an approval has been obtained from the EXCO, as per the Moratorium of not filling vacant funded posts.

The vacant funded posts in which appointed officials are acting in, were kept on the PERSAL establishment to facilitate the payment of their acting allowances. 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, as well as the fact that the proposed (reviewed) organogram is still to be adopted. The approved organogram has 384 posts, of which 211 (54.9%) are currently filled and 172 (45.1%) are vacant.

It must also be further noted that although the post of Director-General was announced to have been filled with effect from the 1st of March 2020, the actual appointment on PERSAL was only done in April 2020, owing to administrative challenges. Therefore, according to the oversight report, this post has not been included in the employment history for the 2019/2020 financial year.

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

The OTP 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 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 be 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 OTP. The OTP 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 (28.6%), i.e. eight women out of 28 SMS members. However, it will keep developing and implementing strategies aimed at achieving this crucial goal. To achieve ultimate equity in the OTP, 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 ("the Act") and the Employment Equity Policy of the OTP

place an obligation upon the Office to develop, implement and monitor an employment equity plan. The OTP is, however, doing well in terms of the representation of people with disabilities within its ranks, i.e. eight out of 211 staff members (3.8%). With regard to representation of females in the middle and junior positions, the OTP stands at 50% (41 out of 82). On post levels 3 to 12, the OTP stands at 64.5% (118 out of 183) in relation to representation of females. All in all, the entire OTP has a total of 59.7% (126 out of 211) representation of females within its ranks.

Employee performance management

The OTP has shown stability in relation to the implementation of the PMDS in terms of the approved Performance Management and Development Policy, for officials on salary levels 3-12, i.e. 97.5% compliance in terms of signing of Performance Undertakings. The signing of Performance Agreements by SMS members on or before the deadline as per Chapter 4 of the SMS Handbook has recorded a 73.3% compliance rate (22 SMS members out of 30), which is a decline in comparison to the previous financial year. Six SMS members have not submitted their Performance Agreements (1x Special Adviser; 2x General Managers; 3 x Senior Managers). There has also been a slight decline on the in assessment of SMS members in this regard.

Employee Wellness Programmes

The OTP has a transversal Unit (Transversal Human Resource Management Services), which is entrusted with the responsibility of monitoring the implementation of the Employee Health and Wellness Programmes across the Mpumalanga Provincial Government. Furthermore, the OTP has an Internal Employee Health and Wellness Division within its ranks. The Division has successfully implemented five Employee Health and Wellness sessions on Health and Financial Education awareness; Physical training and education; and Health Screening for Communicable and Non-Communicable Diseases. Towards the end of the financial year, the OTP established a Steering Committee to strategise and advise staff on measures to reduce the spreading of COVID-19 outbreak in the workplace and beyond.

Achievements by the Department, as well as future human resource plans /goals.

- 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. 3.8% (8 out 211) employees.

- Appointments of staff in the Private Security Unit were effected only after security screening and verification of qualifications were finalized.
- Successful implementation of competency assessments before filling of posts on salary levels 11-16.
- Availability of several approved human resource policies, including Employee Health and Wellness policies.
- The swift response by the OTP in establishing a Steering Committee to strategise and advise staff on measures to reduce the spreading of the COVID-19 outbreak in the workplace and beyond.

Challenges

- Non-achievement of 50% target on women representation at SMS level – No or very limited posts that can be used to absorb women.
- Limited appointments (through transfers) in terms of section 9 of the Public Service Act, 1994, owing to the Moratorium – Appointments were only done in terms of section of 12 A of the Public Service Act, 1994.
- The imposed moratorium not to fill vacant funded posts and/or abolishing of vacant funded posts on the establishment.

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 2019 to 31 March 2020

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)
PR1: ADMINISTRATION	133 742	65 331	0.00	0.00	48,90	742
PR2: INSTITUTIONAL DEVELOPMENT	79 562	50 342	0.00	0.00	63.20	599
PR3: POLICY AND PLANNING	55 484	36 192	0.00	0.00	65.20	754
PR 3:POLICY AND GOVERNANCE	0.00	0.00	0.00	0.00	0.00	0.00
Total as on Financial Systems (BAS)	268 788	151 865	0.00	0.00	56.50	684

Table 3.1.2 Personnel costs by salary band for the period 1 April 2019 to 31 March 2020

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
01 Skilled (Levels 3-5)	13 335	8.8	44	301.5
02 Highly skilled production (Levels 6-8)	23 775	15.7	52	454.9
03 Highly skilled supervision (Levels 9-12)	63 684	42.0	76	833.6
04 Senior management (Levels 13)	32 707	21.5	22	1 479.04
05 Contract (Levels 3-5)	577	0.4	1	574
06 Contract (Levels 6-8)	1 565	1.0	4	389.2
07 Contract (Levels 9-12)	5 510	3.6	6	913.7
08 Contract (Levels 13)	10 074	6.6	7	1 431.7
09 Contract Other	638	0.4	10	63 500
TOTAL	151 865	100.00	222	680.6

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2019 to 31 March 2020

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	52 961	79.40	407	0.60	1 043	1.60	2 204	3.30
PR2: INSTITUTIONAL DEVELOPMENT	42 851	80.60	267	0.50	868	1.60	1 982	3.70
PR3: POLICY AND PLANNING	29 284	79.90	41	0.10	561	1.50	1 537	4.20
PR 3:POLICY AND GOVERNANCE	1 426	82.00	4.00	0.20	33.00	1.90	98.00	5.60
TOTAL	126 522	80.00	718	0.50	2 505	1.60	5 821	3.70

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2019 to 31 March 2020

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
02 Skilled (Levels 3-5)	9 815	73.1	156	1.20	739	5.50	1 322	9.8
03 Highly skilled production (Levels 6-8)	18 732	77	337	1.4	814	3.3	1 626	6.7
04 Highly skilled supervision (Levels 9-12)	54 577	82.4	224	0.3	729	1.1	2 060	3.1
05 Senior management (Levels 13)	28 044	82.70	0	0	145	0.4	560	1.7
11 Contract (Levels 3-5)	373	64.9	0	0	19	3.3	36	6.3
12 Contract (Levels 6-8)	1 145	73.1	0	0	47	3.0	163	10.4
13 Contract (Levels 9-12)	4 671	73.4	1.0	0.0	11	0.2	27	0.4
14 Contract (Levels 13)	8 529	75.7	0	0	0	0	27	0.2
18 Contract Other	635	98.4	0	0	0	0	0	0
TOTAL	126 522	80	718	0.5	2 505	1.6	5 821	3.7

3.2. Employment and Vacancies

The tables in this section summarise the position about 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 2020

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
PR1: ADMINISTRATION, Permanent	100	88	12	0
PR2: INSTITUTIONAL DEVELOPMENT, Permanent	91	84	7.7	0
PR3: POLICY AND PLANNING, Permanent	52	47	9.6	0
PROGRAM 3: POLICY AND GOVERNANCE, Permanent	3	3	0	0
TOTAL	246	222	9.8	0

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2020

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	1	0	100	0
02 Skilled (Levels 3-5), Permanent	44	44	0	0
03 Highly Skilled Production (Levels 6-8), Permanent	52	52	0	0
04 Highly Skilled Supervision (Levels 9-12), Permanent	87	76	12.6	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), Permanent	34	22	35.3	0
09 Other, Permanent	10	10	0	0
11 Contract (Levels 3-5), Permanent	1	1	0	0
12 Contract (Levels 6-8), Permanent	4	4	0	0
13 Contract (Levels 9-12), Permanent	6	6	0	0
14 Contract (Levels 13), Permanent	7	7	0	0
TOTAL	246	222	9.8	0

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2020

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	46	42	8.7	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	6	6	0	0
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS), Permanent	3	3	0	0
COMMUNICATION AND INFORMATION RELATED, Permanent	15	14	6.7	0
ECONOMISTS, Permanent	1	1	0	0
FINANCE AND ECONOMICS RELATED, Permanent	13	11	15.4	0
FINANCIAL AND RELATED PROFESSIONALS, Permanent	4	2	50	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	26	23	11.50	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER, Permanent	1	0	100	0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED, Permanent	1	1	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	3	3	0	0
HUMAN RESOURCES CLERKS, Permanent	14	13	7.1	0
HUMAN RESOURCES RELATED, Permanent	19	17	10.5	0
LEGAL RELATED, Permanent	1	1	0	0
LIBRARY MAIL AND RELATED CLERKS, 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
MOTOR VEHICLE DRIVERS, Permanent	1	1	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	33	33	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	1	1	0	0
OTHER OCCUPATIONS, Permanent	4	3	25	0
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	1	1	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	20	20	0	0
SENIOR MANAGERS, Permanent	28	21	25	0
TOTAL	246	222	9.8	0

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 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0%	1	100%
Salary Level 16	0	0	100%	0	0%
Salary Level 15	4	2	50%	0	50%
Salary Level 14	7	4	57.1%	3	42.9
Salary Level 13	22	22	100%	0	0%
Total	34	28	82.4%	6	17.6%

Table 3.3.2 SMS post information as on 30 September 2019

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	0	0%	1	100%
Salary Level 16	0	0	100%	0	0%
Salary Level 15	4	2	50%	0	50%
Salary Level 14	7	4	57.1%	3	42.9
Salary Level 13	23	23	100%	0	0%
Total	34	29	85.3%	5	14.7%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2019 to 31 March 2020

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

It must be noted that although only one post of SMS was advertised during the course of this financial year, seven posts of SMS were filled in terms of Section 12 and 12A of Public Service Act, 1994. They are: 1x Special advisor; 1x Chief of Staff; 1x Media Liaison Officer; 1x Legislature Support; 2x Special Projects Manager; and 1x Deputy Director-General: Institutional Development. The post of Deputy Director-General: Institutional Development was filled through a transfer.

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 2019 to 31 March 2020

Reasons for vacancies not advertised within six months
No approval for filling most of the posts was obtained from the Executive Council, as per the provisions of the Moratorium of not filling vacant funded posts across the Provincial Administration – Only one approval for the filling of the post of Director-General was obtained towards the end of the Financial Year in this regard.

Reasons for vacancies not filled within twelve months

No approval for filling most of the posts was obtained from the Executive Council, as per the provisions of the Moratorium of not filling vacant funded posts across the Provincial Administration – Only one approval for the filling of the post of Director-General was obtained towards the end of the Financial Year in this regard.

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 2019 to 31 March 2020

Reasons for vacancies not advertised within six months

Not applicable

Reasons for vacancies not filled within six months

Not applicable

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 2019 to 31 March 2020

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
01 Lower Skilled (Levels 1-2)	1	0	0	0	0	0	0
02 Skilled (Levels 3-5)	44	0	0	0	0	0	0
03 Highly Skilled Production (Levels 6-8)	52	1	1.9	1	100	0	0
04 Highly Skilled Supervision (Levels 9-12)	87	2	2.3	2	100	0	0
05 Senior Management Service Band A	25	0	0	0	0	0	0
06 Senior Management Service Band B	6	0	0	0	0	0	0
07 Senior Management Service Band C	1	0	0	0	0	0	0

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
08 Senior Management Service Band D	2	0	0	0	0	0	0
09 Other	10	0	0	0	0	0	0
11 Contract (Levels 3-5)	1	0	0	0	0	0	0
12 Contract (Levels 6-8)	4	0	0	0	0	0	0
13 Contract (Levels 9-12)	6	0	0	0	0	0	0
14 Contract Band A	4	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
TOTAL	246	3	1.2	3	100	0	0

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 to 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	2	0	0	0	2
Male	1	0	0	0	1
Total	3	0	0	0	3

Employees with a disability	0
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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 2019 to 31 March 2020

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 2019 to 31 March 2020

Salary band	Number of employees at beginning of period-1 April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
02 Skilled (Levels 3-5) Permanent	48	0	1	2.1
03 Highly Skilled Production (Levels 6-8) Permanent	51	0	0	0
04 Highly Skilled Supervision (Levels 9-12) Permanent	80	0	1	1.3
05 Senior Management Service Band A Permanent	20	0	2	10
06 Senior Management Service Band B Permanent	4	0	1	25
07 Senior Management Service Band C Permanent	2	0	1	50
08 Senior Management Service Band D Permanent	1	0	0	0
11 Contract (Levels 3-5) Permanent	7	2	8	114.3
12 Contract (Levels 6-8) Permanent	3	5	4	133.3
13 Contract (Levels 9-12) Permanent	11	6	11	100
14 Contract Band A Permanent	3	4	3	100
15 Contract Band B Permanent	2	2	3	150
16 Contract Band C Permanent	3	2	3	100
17 Contract Band D Permanent	1	1	2	200
TOTAL	236	32	40	16.9

*The turnover rate percentage is calculated on the basis of the number of employees at the beginning of the financial year and terminations and transfers out of the Department

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2019 to 31 March 2020

Critical occupation	Number of employees at beginning of period-April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	50	2	11	22
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	9	2	5	55.6
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS) Permanent	4	0	1	25
COMMUNICATION AND INFORMATION RELATED Permanent	15	1	0	0
ECONOMISTS Permanent	1	0	0	0
FINANCE AND ECONOMICS RELATED Permanent	12	0	0	0
FINANCIAL AND RELATED PROFESSIONALS Permanent	2	0	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	20	0	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER Permanent	1	1	2	200
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED Permanent	1	1	1	100
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	4	0	0	0
HUMAN RESOURCES CLERKS Permanent	5	10	0	0
HUMAN RESOURCES RELATED Permanent	17	1	0	0
LEGAL RELATED Permanent	1	0	0	0
LIBRARY MAIL AND RELATED CLERKS Permanent	6	1	2	33.3
MESSENGERS PORTERS AND DELIVERERS Permanent	1	0	1	100
MOTOR VEHICLE DRIVERS Permanent	1	1	1	100
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	33	2	1	3
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	1	0	0	0
OTHER OCCUPATIONS Permanent	5	2	4	80
RISK MANAGEMENT AND SECURITY SERVICES Permanent	1	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	21	2	2	9.5
SENIOR MANAGERS Permanent	25	6	9	36
TOTAL	236	32	40	16.9

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 2019 to 31 March 2020

Termination Type	Number	% of Total Terminations
Death	0	0
Resignation	4	10
Expiry of contract	30	75
Dismissal – operational changes	0	0
Dismissal – misconduct	1	2.5
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	4	10
Transfer to other Public Service Departments	0	0
Other	1	2.5
Total	40	100
Total number of employees who left as a % of total employment	40	18

Table 3.5.4 Promotions by critical occupation for the period 1 April 2019 to 31 March 2020

Occupation	Employees 1 April 2019	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	50	0	0	19	38
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	9	0	0	2	22.2
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	4	0	0	1	25
COMMUNICATION AND INFORMATION RELATED	15	0	0	8	53.3
ECONOMISTS	1	0	0	0	0
FINANCE AND ECONOMICS RELATED	12	0	0	1	8.3
FINANCIAL AND RELATED PROFESSIONALS	2	0	0	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	20	0	0	10	50
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	0	0	0	0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	1	0	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	4	0	0	0	0

Occupation	Employees 1 April 2019	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
HUMAN RESOURCES CLERKS	5	0	0	3	60
HUMAN RESOURCES RELATED	17	0	0	13	76.5
LEGAL RELATED	1	0	0	1	100
LIBRARY MAIL AND RELATED CLERKS	6	0	0	4	66.7
MESSENGERS PORTERS AND DELIVERERS	1	0	0	0	0
MOTOR VEHICLE DRIVERS	1	0	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	33	0	0	20	60.6
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	1	0	0	1	100
OTHER OCCUPATIONS	5	0	0	1	20
RISK MANAGEMENT AND SECURITY SERVICES	1	0	0	1	100
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	21	0	0	13	61.9
SENIOR MANAGERS	25	0	0	1	4
TOTAL	236	0	0	99	41.9

Table 3.5.5 Promotions by salary band for the period 1 April 2019 to 31 March 2020

Salary Band	Employees 1 April 2019	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	48	0	0	34	70.8
03 Highly Skilled Production (Levels 6-8), Permanent	51	0	0	27	52.9
04 Highly Skilled Supervision (Levels 9-12), Permanent	80	0	0	38	47.5
05 Senior Management (Levels 13), Permanent	27	0	0	0	0
11 Contract (Levels 3-5), Permanent	7	0	0	0	0
12 Contract (Levels 6-8), Permanent	3	0	0	0	0
13 Contract (Levels 9-12), Permanent	11	0	0	0	0
14 Contract (Levels 13), Permanent	9	0	0	0	0
TOTAL	236	0	0	99	41.9

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 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - SENIOR OFFICIALS AND MANAGERS	11	0	0	3	8	0	0	0	22
02 – PROFESSIONALS	25	2	1	1	21	0	0	0	50
03 - TECHNICIANS AND ASSOCIATE PROFESSIONALS	18	0	0	1	23	0	0	1	43
04 – CLERKS	25	0	0	0	67	4	0	1	97
05 - SERVICE SHOP AND MARKET SALES WORKERS	0	0	0	0	2	0	0	0	2
08 - PLANT AND MACHINE OPERATORS AND ASSEMBLERS	1	0	0	0	0	0	0	0	1
09 - LABOURERS AND RELATED WORKERS	1	0	0	0	6	0	0	0	7
TOTAL	81	2	1	5	127	4	0	2	222
Employees with disabilities	5	1	0	1	1	0	0	0	8

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	0	0	0	0	1	0	0	0	1
02 Senior Management, Permanent	11	0	0	3	7	0	0	0	21
03 Professionally qualified and experienced specialists and mid-management, Permanent	34	2	1	2	35	1	0	1	76
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	13	0	0	0	37	1	0	1	52
05 Semi-skilled and discretionary decision making, Permanent	10	0	0	0	33	1	0	0	44
07 Not Available, Permanent	4	0	0	0	5	1	0	0	10
08 Contract (Top Management), Permanent	2	0	0	0	0	0	0	0	2

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
09 Contract (Senior Management), Permanent	4	0	0	0	1	0	0	0	5
10 Contract (Professionally Qualified), Permanent	2	0	0	0	4	0	0	0	6
11 Contract (Skilled Technical), Permanent	1	0	0	0	3	0	0	0	4
12 Contract (Semi-Skilled), Permanent	0	0	0	0	1	0	0	0	1
TOTAL	81	2	1	5	127	4	0	2	222

Table 3.6.3 Recruitment for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
07 Not Available, Permanent	4	0	0	0	5	1	0	0	10
08 Contract (Top Management), Permanent	3	0	0	0	0	0	0	0	3
09 Contract (Senior Management), Permanent	5	0	0	0	1	0	0	0	6
10 Contract (Professionally qualified), Permanent	2	0	0	0	4	0	0	0	6
11 Contract (Skilled technical), Permanent	1	0	0	0	4	0	0	0	5
12 Contract (Semi-skilled), Permanent	0	0	0	0	2	0	0	0	2
TOTAL	15	0	0	0	16	1	0	0	32
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
03 Professionally qualified and experienced specialists and mid-management, Permanent	17	1	0	1	16	1	0	2	38

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	3	0	0	0	23	1	0	0	27
05 Semi-skilled and discretionary decision making, Permanent	8	0	0	0	25	1	0	0	34
TOTAL	28	1	0	1	64	3	0	2	99
Employees with disabilities	3	1	0	0	1	0	0	0	5

Table 3.6.5 Terminations for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	0	0	0	0	1
02 Senior Management, Permanent	3	0	0	0	0	0	0	0	3
03 Professionally qualified and experienced specialists and mid-management, Permanent	0	0	0	0	1	0	0	0	1
05 Semi-skilled and discretionary decision making, Permanent	0	0	0	0	1	0	0	0	1
08 Contract (Top Management), Permanent	5	0	0	0	0	0	0	0	5
09 Contract (Senior Management), Permanent	4	0	0	0	2	0	0	0	6
10 Contract (Professionally qualified), Permanent	4	0	0	0	7	0	0	0	11
11 Contract (Skilled technical), Permanent	1	0	0	0	3	0	0	0	4
12 Contract (Semi-skilled), Permanent	2	0	0	0	6	0	0	0	8
TOTAL	20	0	0	0	20	0	0	0	40
Employees with Disabilities	1	0	0	0	0	0	0	0	1

Table 3.6.6 Disciplinary action for the period 1 April 2019 to 31 March 2020

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
-	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - SENIOR OFFICIALS AND MANAGERS	11	0	0	3	8	0	0	0	22
02 – PROFESSIONALS	25	2	1	1	21	0	0	0	50
03 - TECHNICIANS AND ASSOCIATE PROFESSIONALS	18	0	0	1	23	0	0	1	43
04 - CLERKS	25	0	0	0	67	4	0	1	97
05 - SERVICE SHOP AND MARKET SALES WORKERS	0	0	0	0	2	0	0	0	2
08 - PLANT AND MACHINE OPERATORS AND ASSEMBLERS	1	0	0	0	0	0	0	0	1
09 - LABOURERS AND RELATED WORKERS	1	0	0	0	6	0	0	0	7
TOTAL	81	2	1	5	127	4	0	2	222
Employees with disabilities	5	1	0	1	1	0	0	0	8

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 2019

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	0	100%
Salary Level 16	0	0	0	0%
Salary Level 15	4	2	1	50%
Salary Level 14	7	5	3	60%
Salary Level 13	22	22	18	81.1%
TOTAL	34	30	22	73.3%

It must be noted that the deadline for submission of Performance Agreements during this financial year was extended to 31 August 2019, owing to the general elections that took place in the same year.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2020

Reasons
Non-compliance

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

Reasons
None

3.8. Performance Rewards

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

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

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	69	126	54.8	1 468.59	21 284
African, Male	26	76	34.2	679.29	26 127
Asian, Female	0	0	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
Asian, Male	0	1	0	0	0
Coloured, Female	2	4	50	40.49	20 244
Coloured, Male	0	1	0	0	0
White, Female	1	2	50	40.45	40 446
White, Male	1	4	25	140.54	140 541
Employees with a disability	4	8	50	124.11	31 027
TOTAL	103	222	46.40	2 493.46	24 208

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

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
02 Skilled (Levels 3-5)	32	44	72.7	406.5	12 703
03 Highly Skilled Production (Levels 6-8)	29	52	55.8	565.74	19 508
04 Highly Skilled Supervision (Levels 9-12)	38	76	50	1 277.90	33 629
09 Other	0	10	0	0	0
11 Contract (Levels 3-5)	1	1	100	9.23	9 235
12 Contract (Levels 6-8)	0	4	0	0	0
13 Contract (Levels 9-12)	2	6	33.3	93.54	46 771
TOTAL	102	193	52.8	2 352.92	23 068

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

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	9	23	39.1	193.6	21 511
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	0	1	0	0	0
HUMAN RESOURCES CLERKS	3	13	23.1	39.09	13 029
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	1	3	33.3	22.56	22 556
RISK MANAGEMENT AND SECURITY SERVICES	0	1	0	0	0
FINANCE AND ECONOMICS RELATED	3	11	27.3	77.2	25 732

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	20	33	60.6	345.63	17 281
OTHER OCCUPATIONS	1	3	33.3	36.13	36 125
LEGAL RELATED	0	1	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	0	2	0	0	0
ADMINISTRATIVE RELATED	21	42	50	769.14	36 626
COMMUNICATION AND INFORMATION RELATED	9	14	64.3	221.45	24 606
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	10	20	50	127.59	12 759
LIBRARY MAIL AND RELATED CLERKS	4	5	80	48.94	12 236
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	6	6	100	63.31	10 551
HUMAN RESOURCES RELATED	13	17	76.50	383.94	29 534
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	1	1	100	12.39	12 389
SENIOR MANAGERS	1	21	4.8	140.54	140 541
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	1	3	33.3	11.97	11 973
ECONOMISTS	0	1	0	0	0
MOTOR VEHICLE DRIVERS	0	1	0	0	0
TOTAL	103	222	46.40	2 493.46	24 208

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	1	22	4.5	140.54	140 541.2	0.5
Band B	0	4	0	0	0	0
Band C	0	2	0	0	0	0
Band D	0	1	0	0	0	0
TOTAL	1	29	3.4	140.54	140 541.2	0.3

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 2019 to 31 March 2020

Salary band	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2019 to 31 March 2020

Major occupation	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
-	0	0	0	0	0	0
-	0	0	0	0	0	0

3.10. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2019 to 31 December 2019

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 13-16)	3	100	1	0.7	3	14
Contract (Levels 9-12)	5	100	1	0.7	5	13
Contract Other	2	50	2	1.4	1	1
Highly skilled production (Levels 6-8)	325	89.5	39	26.9	8	499
Highly skilled supervision (Levels 9-12)	321	76.9	49	33.8	7	1 003
Senior management (Levels 13-16)	125	84.8	16	11	8	567
Skilled (Levels 3-5)	421	92.60	37	25.5	11	398
TOTAL	1 202	86.8	145	100	8	2 496

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

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

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 2019 to 31 December 2019

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	13	2	7
Contract (Levels 3-5)	11	3	4
Contract (Levels 6-8)	63	4	16
Contract (Levels 9-12)	43	6	7
Contract Other	93	13	7
Highly skilled production (Levels 6-8)	1 224	52	24
Highly skilled supervision (Levels 9-12)	2 008	80	25
Senior management (Levels 13-16)	536	24	22
Skilled (Levels 3-5)	1 191	48	25
TOTAL	5 182	232	22

Table 3.10.4 Capped leave for the period 1 January 2019 to 31 December 2019

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 2020
Contract (Levels 13-16)	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Contract Other	0	0	0	0

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 2020
Highly skilled production (Levels 6-8)	0	0	0	41
Highly skilled supervision (Levels 9-12)	0	0	0	53
Senior management (Levels 13-16)	0	0	0	94
Skilled (Levels 3-5)	1	1	1	38
TOTAL	1	1	1	53

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 2019 to 31 March 2020

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
ANNUAL - DISCOUNTING WITH RESIGNATION (WORK DAYS)	1 208	22	54.9
ANNUAL - DISCOUNTING: UNUSED VACATION CREDITS (WORK DAYS)	523	14	37.4
ANNUAL - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	230	3	76.7
ANNUAL - HEAD OF DEPARTMENTS (GRATUITY) (WORK DAYS)	164	1	164.0
CAPPED - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	653	2	326.5
CAPPED - HEAD OF DEPARTMENTS (GRATUITY) (WORK DAYS)	182	1	182.0
TOTAL	2 959	43	68.8

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

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

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.	YES	NO	There is an Acting Senior Manager: Transversal HRM Services, who is responsible for the co-ordination of transversal HRM Services, which include the monitoring of implementation of HIV/AIDS Programmes across the Provincial Departments. In addition, there is also a Senior Manager: Internal HRM and Development, who is entrusted with the responsibility of amongst others, co-ordinating HIV/AIDS matters within the Office of the Premier.

Question	Yes	No	Details, if yes
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.	YES		<p>The Transversal Human Resource Management Services Unit is entrusted with the responsibility monitoring the implementation of Employee Health and Wellness Programme, including HCT campaigns across the Mpumalanga Provincial Government. The team has four staff members, who facilitate the implementation of the Employee Health and Wellness (EH&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. The Office of the Premier does have one employee, who serves as an Internal Employee Health and Wellness Co-ordinator. The budget for the Internal Employee Health and Wellness Program allocated within the Internal HRM and Development Unit – The budget is therefore not specifically allocated for the Internal Employee Health and Wellness Division.</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.	YES		<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&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>
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"> - Mainstreaming of HIV&AIDS in all HRM functions and practices within the workplace; - Awareness campaigns and peer education on rights of the affected and the infected; - Adherence to Chapter 2 of the Constitution of SA; - Monitoring by all key stakeholders to ensure compliance with all prescripts and the Constitution; - Commemorations and information sharing sessions on the prevalence and the causes thereof; - HIV & AIDS and TB policies; - identification of environmental risk factors; and - Employee Assistant Programme and support.

Question	Yes	No	Details, if yes
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		The Office of the Premier has reviewed its HIV/AIDS and TB Management Policy Framework, Wellness Management Policy and Bereavement policies. All the above policies have been approved by the Accounting Officer.
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		The OTP 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 HIV/AIDS.
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 16.9% (31 out of 183) of employees got tested during the course of this Financial Year, i.e. employees on salary levels 3-12. During every Health and Wellness promotion event, employees are provided the opportunity to undergo voluntarily counselling and testing including General and Physical Health assessment. To date 143 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 (4) 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 2019 and 31 March 2020

Total number of Collective agreements	None
--	-------------

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2019 to 31 March 2020

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

Outcomes of disciplinary hearings	Number	% of total
Final written warning	0	0%
Suspended without pay	0	0%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not guilty	0	0%
Case withdrawn	0	0%
Total	0	0%

Total number of Disciplinary hearings finalised	None
--	-------------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 to 31 March 2020

Type of misconduct	Number	% of total
-	0	0%
-	0	0%
TOTAL	0	0%

Table 3.12.4 Grievances logged for the period 1 April 2019 to 31 March 2020

Grievances	Number	% of Total
Number of grievances resolved	3	37.5
Number of grievances not resolved	5	62.5
Total number of grievances lodged	8	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2019 to 31 March 2020

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	4	100%
Total number of disputes lodged	4	100%

Table 3.12.6 Strike actions for the period 1 April 2019 to 31 March 2020

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2019 to 31 March 2020

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 2018 to 31 March 2019

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at start of the reporting period			Total
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	8	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	24
	Male	16	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	
Professionals	Female	30	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	60
	Male	30	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at start of the reporting period			Total
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	
Technicians and associate professionals	Female	35	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Advanced Management Development Programme; Women Empowerment Conference;	-	59
	Male	24	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Advanced Management Development Programme; Women Empowerment Conference;	-	
Clerks	Female	57		Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	79
	Male	22		Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	
Service and sales workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Skilled agriculture and fishery workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Craft and related trades workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Plant and machine operators and assemblers	Female	0	-	-	-	0
	Male	0	-	-	-	
Elementary occupations	Female	11	-	Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	15
	Male	4	-	Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Sub Total	Female	141	6	-	-	10
	Male	96	4	-	-	
Total		237	10	-	-	247

Table 3.13.2 Training provided for the period 1 April 2018 to 31 March 2019

Occupational category	Gender	Number of employees as at 1 April 2019	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	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	24
	Male	16	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	
Professionals	Female	30	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	60
	Male	30	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Women Empowerment Conference;	-	

Occupational category	Gender	Number of employees as at 1 April 2019	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	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Advanced Management Development Programme; Women Empowerment Conference;	-	59
	Male	24	-	Coaching and mentoring; Project Management; Leadership; Executive Management Programme; KHAEDU; Financial Delegations; Recognition of Prior Learning; PMDS; Advanced Management Development Programme; Women Empowerment Conference;	-	
Clerks	Female	57		Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	79
	Male	22		Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	
Service and sales workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Skilled agriculture and fishery workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Craft and related trades workers	Female	0	-	-	-	0
	Male	0	-	-	-	
Plant and machine operators and assemblers	Female	0	-	-	-	0
	Male	0	-	-	-	
Elementary occupations	Female	11	-	Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	15
	Male	4	-	Secretary Day; General Clerk; PMDS; Compulsory Induction Programme; Women Empowerment Conference; RPL	-	

Occupational category	Gender	Number of employees as at 1 April 2019	Training needs identified at start of the reporting period			
			Learnerships/ Internships	Skills Programmes & other short courses	Other forms of training	Total
Sub Total	Female	141	6	-	-	10
	Male	96	4	-	-	
Total		237	10	-	-	247

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 2019 to 31 March 2020

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%
Total	2	100%

3.15. Utilisation of Consultants

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2019 to 31 March 2020

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

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	-	-	-

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 to 31 March 2020

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2019 to 31 March 2020

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
-	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 2019 to 31 March 2020

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

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2019 to 31 March 2020

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



PART E:

FINANCIAL
INFORMATION

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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE 1: OFFICE OF THE PREMIER
for the year ended 31 March 2020

Opinion

1. I have audited the financial statements of the Office of the Premier set out on pages 138 to 200, which comprise the appropriation statement, statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Premier as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2019 (Act No. 16 of 2019) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with sections 290 and 291 of the Code of ethics for professional accountants and parts 1 and 3 of the International code of ethics for professional accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Underspending of vote

7. As disclosed in the appropriation statement, the department materially underspent the budget by R9 496 000 for administration, R5 850 000 for institutional development, and R10 165 000 for policy and governance.

Restatement of corresponding figures

8. As disclosed in note 30.1 to the financial statements, the corresponding figures for 31 March 2019 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2020.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE 1: OFFICE OF THE PREMIER
for the year ended 31 March 2020

Non-adjusting events after reporting date

9. I draw attention to note 25 to the financial statements, which deals with subsequent events and specifically the possible effects of the future implications of Covid-19 on the department's future prospects, performance and cash flows.

Other matter

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

Unaudited supplementary schedule

11. The supplementary information set out on pages 201 to 204 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report Introduction and scope

16. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programmes presented

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE 1: OFFICE OF THE PREMIER
for the year ended 31 March 2020

in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

17. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the department for the year ended 31 March 2020:

PROGRAMMES	PAGES IN THE ANNUAL PERFORMANCE REPORT
Programme 2: institutional development	44-54

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
20. The material findings in respect of the usefulness and reliability of the selected programme are as follows:

Programme 2: institutional development

Resolution rate of complaints from citizens on access to government services

21. The source information and method of calculation for the achievement of the planned indicator were not clearly defined, as it was not clear whether the collection of data is done annually or cumulatively. A total of 86,76% complaints resolved were reported as achieved against the planned target of 100% to be implemented. However, the supporting evidence provided indicated that only 70,4% complaints had been resolved.

Percentage of posts evaluated in provincial departments as per requests

22. An achievement of 47,8% posts evaluated in provincial departments as per requests was reported against a target of 100% in the annual performance report. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 41%.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE 1: OFFICE OF THE PREMIER
for the year ended 31 March 2020

Percentage of legal advisory services provided

23. I was unable to obtain sufficient appropriate audit evidence for the achievement of 100% of requested legal advisory services provided in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on pages 29 to 64 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 21 to 23 of this report.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of institutional development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

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

28. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

29. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R18 979 000, as disclosed in note 21 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. Most of the irregular expenditure was caused by non-compliance with the Supply Chain Management (SCM) Regulations on multi-year contracts and deviations from normal procurement processes that were not justifiable.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE 1: OFFICE OF THE PREMIER
for the year ended 31 March 2020

Financial statements and annual report

30. 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 disclosure items identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Strategic planning and performance management

31. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery, as required by public service regulation 25(1)(e)(i) and (iii).

Consequence management

32. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA. This was due to such expenditure not being investigated.

33. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure, as required by section 38(1)(h)(iii) of the PFMA. This was due to such expenditure not being investigated.

Procurement and contract management

34. Some goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, contrary to treasury regulation 16A6.1. Similar non-compliance was reported in the prior year.

35. Some contracts were awarded to bidders that did not score the highest points in the evaluation process, contrary to section 2(1)(f) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000) (PPPFA) and the Preferential Procurement Regulations. This non-compliance was identified in the procurement processes for the appointment of service providers to provide expert and strategic support to forensic, special and other investigation services including litigation matters.

36. Some tenders that did not achieve the minimum qualifying score for functionality criteria were not disqualified as unacceptable in accordance with preferential procurement regulation 5(6). This non-compliance was identified in the procurement processes for the appointment of service providers to provide expert and strategic support to forensic, special and other investigation services including litigation matters.

37. Some tenders that achieved the minimum qualifying score for functionality criteria were not evaluated further in accordance with preferential procurement regulation 5(7). This non-compliance was identified in the procurement processes for the appointment of service providers to provide expert and strategic support to forensic, special and other investigation services including litigation matters.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE 1: OFFICE OF THE PREMIER
for the year ended 31 March 2020

38. Some contracts were awarded to bidders based on preference points that were not allocated and calculated in accordance with the requirements of the PPPFA and its regulations. This non-compliance was identified in the procurement processes for the appointment of service providers to provide expert and strategic support to forensic, special and other investigation services including litigation matters.

Other information

39. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

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

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

42. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

43. I have nothing to report in this regard.

Internal control deficiencies

44. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

45. Leadership exercised insufficient oversight responsibility over the internal controls relating to financial and performance reporting as well as compliance. Vacancies in key positions imposed by the moratorium and the partial implementation of the audit action plan contributed to the stagnation in the audit outcome.

46. Management did not adequately monitor and review compliance with laws and regulations, considering the repeat non-compliance with SCM prescripts as well as the material adjustment of the financial statements as a result of the audit process.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON
VOTE 1: OFFICE OF THE PREMIER
for the year ended 31 March 2020

47. Notwithstanding a functional internal audit unit and audit committee, these governance structures were unable to influence the implementation of their recommended corrective actions to ensure an effective internal control environment.

Auditor-General

Mbombela
31 October 2020



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

Auditing to build public confidence

ANNUAL FINANCIAL STATEMENTS
(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per programme									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	143 238	-	-	143 238	133 742	9 496	93.4%	177 195	171 815
2. Institutional Development	85 412	-	-	85 412	79 562	5 850	93.2%	70 293	67 685
3. Policy & Governance	65 649	-	-	65 649	55 484	10 165	84.5%	71 304	63 087
Subtotal Statutory Appropriation	294 299	-	-	294 299	268 788	25 511	91.3%	318 792	302 587
TOTAL	294 299	-	-	294 299	268 788	25 511	91.3%	318 792	302 587

	2019/20			2018/19	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)	294 299			318 792	
Reconciliation with statement of financial performance					
ADD					
Departmental receipts					
NRF Receipts					
Aid assistance					
Actual amounts per statement of financial performance (total revenue)	294 299			318 792	
Actual amounts per statement of financial performance (total expenditure)		268 788			302 587

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	284 026	-	(1 390)	282 636	258 324	24 312	91.4%	304 722	288 858
Compensation of employees	164 909	-	(1 293)	163 616	151 865	11 751	92.8%	153 010	151 157
Salaries and wages	143 251	-	(1 193)	142 058	132 958	9 100	93.6%	133 825	132 102
Social contributions	21 658	-	(100)	21 558	18 907	2 651	87.7%	19 185	19 055
Goods and services	119 117	-	(97)	119 020	106 459	12 561	89.4%	151 712	137 701
Administrative fees	2 468	48	8	2 524	2 417	107	95.8%	2 650	2 587
Advertising	2 417	753	-	3 170	3 131	39	98.8%	3 538	3 101
Minor assets	-	44	-	44	55	(11)	125.0%	72	71
Audit costs:	6 276	(1 989)	-	4 287	4 286	1	100.0%	4 504	4 504
External									
Catering:	3 678	(10)	-	3 668	3 051	617	83.2%	3 111	2 777
Departmental activities									
Communication (G & S)	8 434	2 926	-	11 360	10 847	513	95.5%	6 291	5 777
Computer services	1 360	1 171	-	2 531	2 536	(5)	100.2%	19 790	19 679
Consultants:	30 723	(2 817)	(4 647)	23 259	16 120	7 139	69.3%	62 348	52 517
Business and advisory services									
Legal services	455	-	1 162	1 617	1 617	-	100.0%	483	483
Contractors	633	48	-	681	648	33	95.0%	90	51
Fleet services	2 196	243	637	3 076	3 076	-	100.0%	3 083	3 083
Consumable supplies	796	(92)	-	704	673	31	95.6%	915	900

ANNUAL FINANCIAL STATEMENTS
(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	2 318	(207)	27	2 138	2 019	119	94.4%	3 591	3 519
Operating leases	1 256	(486)	-	770	770	-	100.0%	485	485
Property payments	6 200	(219)	-	5 981	5 981	-	100.0%	4 241	4 241
Transport provided: Departmental activity	2 201	20	-	2 221	1 548	673	69.7%	1 862	881
Travel and subsistence	22 619	(55)	1 640	24 204	21 619	2 585	89.3%	21 842	20 594
Training and development	1 565	156	236	1 957	1 819	138	92.9%	988	807
Operating payments	739	(197)	237	779	609	170	78.2%	445	422
Venues and facilities	19 302	663	603	20 568	20 178	390	98.1%	11 343	11 202
Rental and hiring	3 481	-	-	3 481	3 459	22	99.4%	40	20
Transfers and subsidies	5 199	-	-	5 199	3 985	1 214	76.6%	7 534	7 533
Provinces and municipalities	27	2	-	29	29	-	100.0%	26	26
Municipalities	27	2	-	29	29	-	100.0%	26	26
Municipal agencies and funds	27	2	-	29	29	-	100.0%	26	26
Households	5 172	(2)	-	5 170	3 956	1 214	76.5%	7 508	7 507
Social benefits	3 253	(2)	377	3 628	3 344	284	92.2%	3 965	3 964
Other transfers to households	1 919	-	(377)	1 542	612	930	39.7%	3 543	3 543

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Appropriation per economic classification									
2019/20								2018/19	
	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
Payments for capital assets	5 074	-	1 390	6 464	6 479	(15)	100.2%	6 536	6 196
Machinery and equipment	4 574	-	100	4 674	4 716	(42)	100.9%	6 536	6 196
Transport equipment	2 317	-	-	2 317	2 302	15	99.4%	4 617	4 605
Other machinery and equipment	2 257	-	100	2 357	2 414	(57)	102.4%	1 919	1 591
Software and other Intangible assets	500	-	1 290	1 790	1 763	27	98.5%	-	-
TOTAL	294 299	-	-	294 299	268 788	25 511	91.3%	318 792	302 587

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 1: ADMINISTRATION									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme		-							
1. PREMIER SUPPORT	26 579	-	1 640	28 219	27 291	928	96.7%	26 574	26 574
2. EXECUTIVE COUNCIL SUPPORT	6 045	-	140	6 185	5 968	217	96.5%	6 468	6 466
3. DIRECTOR-GENERAL SUPPORT	62 268	-	(2 980)	59 288	52 251	7 037	88.1%	98 640	93 663
4. FINANCIAL SUPPORT	48 346	-	1 200	49 546	48 232	1 314	97.3%	45 513	45 112
Total for sub programmes	143 238	-	-	143 238	133 742	9 496	93.4%	177 195	171 815
Economic classification									
Current payments	137 043	-	(477)	136 566	127 123	9 443	93.1%	167 261	162 222
Compensation of employees	69 660	-	-	69 660	65 331	4 329	93.8%	61 073	61 014
Salaries and wages	60 969	-	-	60 969	57 646	3 323	94.5%	53 564	53 522
Social contributions	8 691	-	-	8 691	7 685	1 006	88.4%	7 509	7 492
Goods and services	67 383	-	(477)	66 906	61 792	5 114	92.4%	106 188	101 208
Administrative fees	1 732	(75)	-	1 657	1 597	60	96.4%	1 889	1 889
Advertising	9	-	-	9	8	1	88.9%	24	24
Minor assets	-	44	-	44	44	-	100.0%	69	68
Audit costs: External	6 276	(1 989)	-	4 287	4 286	1	100.0%	4 504	4 504
Catering: Departmental activities	2 463	(10)	-	2 453	2 297	156	93.6%	994	873
Communication (G & S)	5 166	2 926	-	8 092	8 089	3	100.0%	5 022	5 022
Computer services	1 198	(145)	-	1 053	1 058	(5)	100.5%	19 652	19 652
Consultants: Business and advisory services	9 316	(1 293)	(3 357)	4 666	975	3 691	20.9%	42 376	37 852
Contractors	497	33	-	530	529	1	99.8%	24	24
Fleet services	2 196	243	637	3 076	3 076	-	100.0%	3 083	3 083
Consumable supplies	699	(92)	-	607	607	-	100.0%	648	648
Consumable: Stationery, printing and office supplies	2 012	(208)	-	1 804	1 804	-	100.0%	2 823	2 823

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 1: ADMINISTRATION									
	2019/20							2018/19	
	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
Operating leases	1 256	(486)	-	770	770	-	100.0%	485	485
Property payments	6 200	(219)	-	5 981	5 981	-	100.0%	4 241	4 241
Transport provided: Departmental activity	659	-	-	659	659	-	100.0%	-	-
Travel and subsistence	12 625	237	1 640	14 502	13 449	1 053	92.7%	12 612	12 302
Training and development	171	4	-	175	173	2	98.9%	278	278
Operating payments	563	(197)	-	366	218	148	59.6%	279	256
Venues and facilities	10 998	1 227	603	12 828	12 826	2	100.0%	7 185	7 184
Rental and hiring	3 347	-	-	3 347	3 346	1	100.0	-	-
Transfers and subsidies	1 621	-	377	1 998	1 968	30	98.5%	3 672	3 671
Provinces and municipalities	27	2	-	29	29	-	100.0%	26	26
Municipalities	27	2	-	29	29	-	100.0%	26	26
Municipal agencies and funds	27	2	-	29	29	-	100.0%	26	26
Households	1 594	(2)	377	1 969	1 939	30	98.5%	3 646	3 645
Social benefits	1 594	(2)	377	1 969	1 939	30	98.5%	3 646	3 645
Payments for capital assets	4 574	-	100	4 674	4 651	23	99.5%	6 262	5 922
Machinery and equipment	4 574	-	100	4 674	4 651	23	99.5%	6 262	5 922
Transport equipment	2 317	-	-	2 317	2 303	15	99.4%	4 343	4 331
Other machinery and equipment	2 257	-	100	2 357	2 349	8	99.7%	1 919	1 591
TOTAL	143 238	-	-	143 238	133 742	9 496	93.4%	177 195	171 815

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Sub-Programme 1.1: PREMIER SUPPORT									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	26 090	-	1 640	27 730	26 805	925	96.7%	26 574	26 574
Compensation of Employees	15 390	-	-	15 390	14 467	923	94.0%	15 480	15 480
Salaries and Wages	13 613	-	-	13 613	13 034	579	95.7%	14 127	14 127
Social Contributions	1 777	-	-	1 777	1 433	344	80.6%	1 353	1 353
Goods and Services	10 700	-	1 640	12 340	12 338	2	100.0%	11 094	11 094
Administrative Fees	1 016	(75)	-	941	940	1	99.9%	886	886
Audit cost: External	4	-	-	4	3	1	75.0%	-	-
Catering: Departmental activities	319	(4)	-	315	315	-	100.0%	474	474
Communication (G & S)	37	-	-	37	36	1	97.3%	90	90
Computer Services	771	(122)	-	649	649	-	100.0%	717	717
Contractors	424	-	-	424	423	1	99.8%	8	8
Consumable Supplies	88	4	-	92	93	-1	101.1%	34	34
Consumable: Stationery, Printing and Office Supplies	2	(1)	-	1	2	-1	200.0%	-	-
Travel and Subsistence	7 673	281	1 640	9 594	9 594	-	100.0%	8 655	8 655
Training and Development	16	(16)	-	-	-	-	-	104	104
Operating Payments	39	(5)	-	34	34	-	100.0%	13	13
Venues and Facilities	311	(62)	-	249	249	-	100.0%	113	113
Transfers and subsidies	489	-	-	489	486	3	99.4%	-	-
Households	489	-	-	489	486	3	99.4%	-	-
Social Benefits	489	-	-	489	486	3	99.4%	-	-
TOTAL	26 579	-	1 640	28 219	27 291	928	96.7%	26 574	26 574

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Sub-Programme 1.2: EXECUTIVE COUNCIL SUPPORT									
2019/20								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 032	-	140	6 172	5 956	216	96.5%	6 431	6 429
Compensation of Employees	5 132	-	-	5 132	4 919	213	95.8%	5 485	5 485
Salaries and Wages	4 535	-	-	4 535	4 324	211	95.3%	4 810	4 810
Social Contributions	597	-	-	597	595	2	99.7%	675	675
Goods and Services	900	-	140	1 040	1 037	3	99.7%	946	944
Administrative Fees	89	-	-	89	88	1	98.9%	54	54
Catering: Departmental activities	34	(6)	-	28	27	1	96.4%	183	181
Communication (G & S)	-	-	-	-	-	-	-	4	4
Contractors	2	1	-	3	3	-	100.0%	-	-
Consumable Supplies	-	-	-	-	-	-	-	5	5
Consumable: Stationery, Printing and Office Supplies	15	-	-	15	14	1	93.3%	-	-
Travel and Subsistence	281	(13)	-	268	268	-	100.0%	316	316
Venues and Facilities	479	18	140	637	637	-	100.0%	384	384
Transfers and subsidies	13	-	-	13	12	1	92.3%	37	37
Households	13	-	-	13	12	1	92.3%	37	37
Social Benefits	13	-	-	13	12	1	92.3%	37	37
TOTAL	6 045	-	140	6 185	5 968	217	96.5%	6 468	6 466

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Sub-Programme 1.3: DIRECTOR-GENERAL SUPPORT									
2019/20								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	61 341	-	(3 357)	57 984	50 948	7 036	87.9%	95 918	90 941
Compensation of Employees	30 973	-	-	30 973	28 995	1 978	93.6%	23 748	23 748
Salaries and Wages	27 405	-	-	27 405	25 807	1 598	94.2%	20 637	20 637
Social Contributions	3 568	-	-	3 568	3 188	380	89.3%	3 111	3 111
Goods and Services	30 368	-	(3 357)	27 011	21 953	5 058	81.3%	72 170	67 193
Administrative Fees	549	-	-	549	495	54	90.2%	888	888
Catering: Departmental activities	2 100	-	-	2 100	1 948	152	92.8%	330	211
Communication (G & S)	119	-	-	119	117	2	98.3%	42	42
Computer Services	157	-	-	157	148	9	94.3%	18 778	18 778
Consultants: Business and Advisory Services	9 265	(1 293)	(3 357)	4 615	924	3 691	20.0%	42 334	37 810
Contractors	-	2	-	2	2	-	100.0%	-	-
Consumable Supplies	5	-	-	5	4	1	80.0%	1	1
Consumables Stationery, printing and office supplies	1	-	-	1	1	-	100.0%	-	-
Transport provided: Departmental activity	659	-	-	659	659	-	100.0%	-	-
Travel and Subsistence	3 650	-	-	3 650	2 652	998	72.7%	2 838	2 528
Training and Development	128	20	-	148	147	1	99.3%	155	155
Operating Payments	180	-	-	180	32	148	17.8%	143	120
Venues and Facilities	10 208	1 271	-	11 479	11 478	1	100.0%	6 661	6 660
Rental & hiring	3 347	-	-	3 347	3 346	1	100.0%	-	-
Transfers and subsidies	927	-	377	1 304	1 303	1	99.9%	2 722	2 722
Households	927	-	377	1 304	1 303	1	99.9%	2 722	2 722
Social Benefits	927	-	377	1 304	1 303	1	99.9%	2 722	2 722
TOTAL	62 268	-	(2 980)	59 288	52 251	7 037	88.1%	98 640	93 663

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Sub-Programme 1.4: FINANCIAL SUPPORT									
2019/20								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	43 580	-	1 100	44 680	43 414	1 266	97.2%	38 388	38 278
Compensation of employees	18 165	-	-	18 165	16 950	1 215	93.3%	16 360	16 301
Salaries and Wages	15 416	-	-	15 416	14 481	935	93.9%	13 990	13 948
Social Contributions	2 749	-	-	2 749	2 469	280	89.8%	2 370	2 353
Goods and services	25 415	-	1 100	26 515	26 464	51	99.8%	21 978	21 977
Administrative Fees	78	-	-	78	74	4	94.9%	61	61
Advertising	9	-	-	9	8	1	88.9%	24	24
Minor Assets	-	44	-	44	44	-	100.0%	69	68
Audit Costs: external	6 272	(1 989)	-	4 283	4 283	-	100.0%	4 504	4 504
Catering Departmental Activities	10	-	-	10	7	3	70.0%	7	7
Communication (G&S)	5 010	2 926	-	7 936	7 936	-	100.0%	4 886	4 886
Computer Services	270	(23)	-	247	261	(14)	105.7%	157	157
Consultants: Business and advisory services	51	-	-	51	51	-	100.0%	42	42
Contractors	71	30	-	101	101	-	100.0%	16	16
Fleet Services (including government motor transport)	2 196	243	637	3 076	3 076	-	100.0%	3 083	3 083
Consumable Supplies	606	(96)	-	510	510	-	100.0%	608	608
Consumable; Stationery: Printing and Office Supplies	1 994	(207)	-	1 787	1 787	-	100.0%	2 823	2 823
Operating Leases	1 256	(486)	-	770	770	-	100.0%	485	485
Property Payments	6 200	(219)	-	5 981	5 981	-	100.0%	4 241	4 241
Travel and Subsistence	1 021	(31)	-	990	935	55	94.4%	803	803
Training and Development	27	-	-	27	26	1	96.3%	19	19
Operating Payments	344	(192)	-	152	152	-	100.0%	123	123
Venues and Facilities	-	-	463	463	462	1	99.8%	27	27
Transfers and subsidies 3	192	-	-	192	167	25	87.0%	913	912

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Sub-Programme 1.4: FINANCIAL SUPPORT									
2019/20								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provinces and municipalities	27	2	-	29	29	-	100.0%	26	26
Municipalities	27	2	-	29	29	-	100.0%	26	26
Municipal agencies and Funds	27	2	-	29	29	-	100.0%	26	26
Households	165	-	-	163	138	26	84.2%	887	886
Social benefits	165	-	-	163	138	26	84.2%	887	886
Payments for capital assets	4 574	-	100	4 674	4 651	23	99.5%	6 262	5 922
Machinery and equipment	4 574	-	100	4 674	4 651	23	99.5%	6 262	5 922
Transport equipment	2 317	-	-	2 317	2 302	15	99.4%	4 343	4 331
Other machinery and equipment	2 257	-	100	2 357	2 349	8	99.7%	1 919	1 591
TOTAL	48 346	-	1 200	49 546	48 232	1 314	97.3%	45 513	45 112

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 2: INSTITUTIONAL DEVELOPMENT									
2019/20								2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. STRATEGIC HUMAN RESOURCE	38 977	-	593	39 570	37 057	2 513	93.6%	39 466	38 229
2. INFORMATION COMMUNICATION TECHNOLOGY	13 243	-	-	13 243	11 821	1 422	89.3%	5 973	5 411
3. LEGAL ADVISORY SERVICES	4 543	-	-	4 543	4 196	347	92.4%	4 239	4 121
4. COMMUNICATION SERVICES	26 778	-	(737)	26 041	24 636	1 405	94.6%	18 285	17 674
5. PROGRAMME SUPPORT	1 871	-	144	2 015	1 852	163	91.9%	2 330	2 250
Total for sub programmes	85 412	-	-	85 412	79 562	5 850	93.2%	70 293	67 685
Economic classification									
Current payments	82 014	-	377	82 391	77 702	4 689	94.3%	66 247	63 639
Compensation of employees	53 954	-	(1 293)	52 661	50 342	2 319	95.6%	53 286	52 553
Salaries and wages	46 789	-	(1 193)	45 596	43 963	1 633	96.4%	46 610	45 893
Social contributions	7 165	-	(100)	7 065	6 379	686	90.3%	6 676	6 660
Goods and services	28 060	-	1 670	29 730	27 360	2 370	92.0%	12 961	11 086
Administrative fees	312	-	8	320	288	32	90.0%	259	196
Advertising	2 398	753	-	3 151	3 123	28	99.1%	3 494	3 068
Minor assets	-	-	-	-	-	-	-	3	3
Catering: Departmental activities	476	-	-	476	382	94	80.3%	439	352
Communication (G & S)	8	-	-	8	8	-	100.0%	12	12
Computer services	162	1 316	-	1 478	1 478	-	100.0%	138	27
Consultants: Business and advisory services	10 230	-	-	10 230	9 000	1 230	88.0%	2 534	2 084
Legal services	455	-	1 162	1 617	1 616	-	100.0%	483	483
Contractors	97	-	-	97	95	2	97.9%	20	19
Consumable supplies	90	-	-	90	60	30	66.7%	258	243
Consumable: Stationery, printing and office supplies	240	-	27	267	214	53	80.1%	580	572
Transport provided: Departmental Activity	896	-	-	896	667	229	74.4%	102	-

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Programme 2: INSTITUTIONAL DEVELOPMENT									
	2019/20							2018/19	
	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	4 123	(292)	-	3 831	3 225	606	84.2%	3 423	3 032
Training and development	1 227	152	236	1 615	1 614	1	99.9%	694	513
Operating payments	30	-	237	267	267	-	100.0%	153	153
Venues and facilities	7 182	(1 929)	-	5 253	5 209	44	99.2%	329	309
Rental and hiring	134	-	-	134	113	21	84.3%	40	20
Transfers and subsidies	3 398	-	(377)	3 021	1 860	1 161	61.6%	3 772	3 772
Households	3 398	-	(377)	3 021	1 860	1 161	61.6%	3 772	3 772
Social benefits	1 479	-	-	1 479	1 248	231	84.4%	229	229
Other transfers to households	1 919	-	(377)	1 542	612	930	39.7%	3 543	3 543
Payments for capital assets	-	-	-	-	-	-	-	274	274
Machinery and equipment	-	-	-	-	-	-	-	274	274
Other machinery and equipment	-	-	-	-	-	-	-	274	274
Total	85 412	-	-	85 412	79 562	5 850	93.2%	70 293	67 685

(MP: OFFICE OF THE PREMIER)
VOTE 1
APPROPRIATION STATEMENT
for the year ended 31 March 2020

Sub-Programme 2.1: STRATEGIC HUMAN RESOURCE									
2019/20							2018/19		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	35 836	-	970	36 806	35 368	1 438	96.1%	35 710	34 473
Compensation of Employees	30 669	-	(510)	30 159	29 183	976	96.8%	31 604	30 934
Salaries and Wages	26 315	-	(510)	25 805	25 330	475	98.2%	27 484	26 825
Social Contributions	4 354	-	-	4 354	3 853	501	88.5%	4 120	4 109
Goods and services	5 167	-	1 480	6 647	6 185	462	93.0%	4 106	3 539
Administrative Fees	169	-	8	177	178	-	100.6%	144	124
Advertising	453	-	-	453	424	29	93.6%	364	206
Catering Departmental Activity	450	-	-	450	361	89	80.2%	306	305
Communication (G&S)	4	-	-	4	4	-	100.0%	11	11
Consultants: Business and Advisory Services	67	-	-	67	44	23	65.7%	25	25
Legal Services	455	-	1 162	1 617	1 617	-	100.0%	483	483
Contractors	27	-	-	27	25	2	92.6%	1	1
Consumable Supplies	86	-	-	86	58	28	67.4%	40	26
Consumable: stationery, printing and office supplies	-	-	27	27	27	-	100.0%	-	-
Travel and Subsistence	1 839	(152)	-	1 687	1 439	248	85.3%	1 709	1 516
Training and Development	1 211	152	236	1 599	1 599	-	100.0%	694	513
Operating payments	-	-	47	47	47	-	100.0%	-	-
Venues and Facilities	362	-	-	362	318	44	87.8%	309	309
Rental Hiring	44	-	-	44	44	-	100.0%	20	20
Transfers and Subsidies	3 141	-	(377)	2 764	1 689	1 075	61.1%	3 756	3 756
Households	3 141	-	(377)	2 764	1 689	1 075	61.1%	3 756	3 756
Social Benefits	1 222	-	-	1 222	1 077	145	88.1%	213	213
Other Transfers and subsidies	1 919	-	(377)	1 542	612	930	39.7%	3 543	3 543
TOTAL	38 977	-	593	39 570	37 057	2 513	93.6%	39 466	38 229

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Sub-Programme 2.2: INFORMATION COMMUNICATION TECHNOLOGY									
	2019/20							2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	13 243	-	-	13 243	11 821	1 422	89.3%	5 683	5 121
Compensation of Employees	2 913	-	-	2 913	2 710	203	93.0%	2 707	2 707
Salaries and Wages	2 580	-	-	2 580	2 399	181	93.0%	2 401	2 401
Social Contributions	333	-	-	333	311	22	93.4%	306	306
Goods and services	10 330	-	-	10 330	9 111	1 219	88.2%	2 976	2 414
Administrative Fees	2	-	-	2	1	1	50.0%	20	1
Catering Departmental Activities	1	-	-	1	1	-	100.0%	20	7
Consultants: Business and Advisory Services	10 163	-	-	10 163	8 956	1 207	88.1%	2 509	2 059
Consumable Supplies	-	-	-	-	-	-	-	218	217
Travel and Subsistence	148	-	-	148	138	10	93.2%	209	130
Training & development	16	-	-	16	15	1	93.8%	-	-
Transfers and Subsidies	-	-	-	-	-	-	-	16	16
Households	-	-	-	-	-	-	-	16	16
Social Benefits	-	-	-	-	-	-	-	16	16
Payment for capital assets	-	-	-	-	-	-	-	274	274
Transport Equipment	-	-	-	-	-	-	-	274	274
Other Machinery equipment	-	-	-	-	-	-	-	274	274
TOTAL	13 243	-	-	13 243	11 821	1 422	89.3%	5 973	5 411

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APPROPRIATION STATEMENT
for the year ended 31 March 2020

Sub-Programme 2.3: LEGAL ADVISORY SERVICES									
2019/20								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 543	-	-	4 543	4 196	347	92.4%	4 239	4 121
Compensation of Employees	4 383	-	-	4 383	4 107	276	93.7%	4 062	4 004
Salaries and Wages	3 911	-	-	3 911	3 685	226	94.2%	3 659	3 601
Social Contributions	472	-	-	472	422	50	89.4%	403	403
Goods and services	160	-	-	160	89	71	55.6%	177	117
Administrative Fees	2	-	-	2	-	2	-	3	2
Consumable: Stationery, Printing and Office Supplies	90	-	-	90	89	1	98.9%	90	83
Travel and Subsistence	68	-	-	68	-	68	-	84	32
TOTAL	4 543	-	-	4 543	4 196	347	92.4%	4 239	4 121

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APPROPRIATION STATEMENT
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Sub-Programme 2.4: COMMUNICATION SERVICES									
	2019/20							2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	26 696	-	(737)	25 959	24 554	1 405	94.6%	18 285	17 674
Compensation of employees	14 468	-	(927)	13 541	12 680	861	93.6%	12 863	12 858
Salaries and Wages	12 647	-	(827)	11 820	11 070	750	93.7%	11 243	11 243
Social contributions	1 821	-	(100)	1 721	1 610	111	93.6%	1 620	1 615
Goods and services	12 228	-	190	12 418	11 874	544	95.6%	5 422	4 816
Administrative Fees	134	-	-	134	106	28	79.1%	82	59
Advertising	1 945	753	-	2 698	2 699	-1	100.0%	3 130	2 862
Minor Assets	20	-	-	20	19	1	95.0%	3	3
Catering Departmental activities								103	40
Communication (G & S)								1	1
Computer Services	162	1 316	-	1 478	1 478	-	100.0%	138	27
Contractors	70	-	-	70	70	-	100.0%	19	18
Consumable Supplies	2	-	-	2	1	1	50.0%	-	-
Consumable: Stationery, Printing and Office Supplies	150	-	-	150	98	52	65.3%	490	489
Transport provided; Departmental Activity	896	-	-	896	667	229	74.4%	102	-
Travel and Subsistence	1 909	(140)	-	1 769	1 556	213	88.0%	1 181	1 164
Operating Payments	30	-	190	220	220	-	100.0%	153	153
Venues and Facilities	6 820	(1 929)	-	4 891	4 891	-	100.0%		
Rental Hiring	90	-	-	90	69	21	76.7%	20	-
Transfers and subsidies	82	-	-	82	82	-	100.0%	-	-
Households	82	-	-	82	82	-	100.0%	-	-
Social benefits	82	-	-	82	82	-	100.0%	-	-
TOTAL	26 778	-	(737)	26 041	24 636	1 405	94.6%	18 285	17 674

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Sub-Programme 2.5: PROGRAMME SUPPORT									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 696	-	144	1 840	1 763	77	95.8%	2 330	2 250
Compensation of Employees	1 521	-	144	1 665	1 662	3	99.8%	2 050	2 050
Salaries and Wages	1 336	-	144	1 480	1 479	1	99.9%	1 823	1 823
Social Contributions	185	-	-	185	183	2	98.9%	227	227
Goods and services	175	-	-	175	101	74	57.7%	280	200
Administrative Fees	5	-	-	5	3	2	60.0%	10	10
Catering Departmental activities	5	-	-	5	1	4	20.0%	10	-
Communication (G&S)	4	-	-	4	4	-	100.0%	-	-
Consumables supplies	2	-	-	2	1	1	50.0%	-	-
Travel and Subsistence	159	-	-	159	92	67	57.9%	240	190
Venues and Facilities								20	-
Transfers and Subsidies	175	-	-	175	89	86	50.9%	-	-
Households	175	-	-	175	89	86	50.9%	-	-
Social benefits	175	-	-	175	89	86	50.9%	-	-
TOTAL	1 871	-	144	2 015	1 852	163	91.9%	2 330	2 250

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Programme 3: POLICY AND GOVERNANCE									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. SPECIAL PROGRAMME	10 135	-	66	10 201	7 893	2 308	77.4%	13 731	12 769
2. INTERGOVERNMENTAL RELATIONS	10 854	-	-	10 854	7 803	3 051	71.9%	9 046	8 434
3. PROVINCIAL AND POLICY MANAGEMENT	43 105	-	(66)	43 039	38 881	4 158	90.3%	46 394	40 016
4. PROGRAMME SUPPORT	1 555	-	-	1 555	907	648	58.3%	2 133	1 868
Total for sub programmes	65 649	-	-	65 649	55 484	10 165	84.5%	71 304	63 087
Economic classification									
Current payments	64 969	-	(1 290)	63 679	53 499	10 180	84.0%	71 214	62 997
Compensation of employees	41 295	-	-	41 295	36 192	5 103	87.6%	38 651	37 590
Salaries and wages	35 493	-	-	35 493	31 349	4 144	88.3%	33 651	32 687
Social contributions	5 802	-	-	5 802	4 843	960	83.5%	5 000	4 903
Goods and services	23 674	-	(1 290)	22 384	17 307	5 077	77.3%	32 563	25 407
Administrative fees	424	123	-	547	532	15	97.3%	502	502
Advertising	10	-	-	10	-	10	-	20	9
Minor Assets	-	-	-	-	11	-11	-	-	-
Catering: Departmental Activities	739	-	-	739	372	367	50.3%	1 678	1 552
Communication (G & S)	3 260	-	-	3 260	2 750	510	84.4%	1 257	743
Consultants: Business and advisory services	11 177	(1 524)	(1 290)	8 363	6 145	2 218	73.5%	17 438	12 581
Contractors	39	15	-	54	24	30	44.4%	46	8
Consumable supplies	7	-	-	7	6		85.7%	9	9
Consumable: Stationery, printing and office supplies	66	1	-	67	1	66	1.5%	188	124
Transport provided: Departmental activity	646	20	-	666	222	444	33.3%	1 760	881
Training and development	167	-	-	167	32	135	19.2%	16	16

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Programme 3: POLICY AND GOVERNANCE									
	2019/20							2018/19	
	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	5 871	-	-	5 871	4 945	926	84.2%	5 807	5 260
Operating payments	146	-	-	146	124	22	84.9%	13	13
Venues and facilities	1 122	1 365	-	2 487	2 143	344	86.2%	3 829	3 709
Transfers and subsidies	180	-	-	180	157	23	87.2%	90	90
Households	180	-	-	180	157	23	87.2%	90	90
Social benefits	180	-	-	180	157	23	87.2%	90	90
Payments for capital assets	500	-	1 290	1 790	1 828	(38)	102.1%	-	-
Machinery and Equipment	-	-	-	-	65	(65)	-	-	-
Other Machinery and Equipment	-	-	-	-	65	(65)	-	-	-
Software and other intangible assets	500	-	1 290	1 790	1 763	27	98.5%	-	-
TOTAL	65 649	-	-	65 649	55 484	10 165	84.5%	71 304	63 087

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Sub-Programme 3.1: SPECIAL PROGRAMME									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 635	-	(1 224)	8 411	6 130	2 281	72.9%	13 731	12 769
Compensation of Employees	4 885	-	-	4 885	4 440	445	90.9%	4 881	4 634
Salaries and Wages	4 045	-	-	4 045	3 749	296	92.7%	4 099	3 949
Social Contributions	840	-	-	840	691	149	82.3%	782	685
Goods and services	4 750	-	(1 224)	3 526	1 690	1 836	47.9%	8 850	8 135
Administrative Fees	162	-	-	162	154	8	95.1%	140	140
Catering: Departmental activities	331	-	-	331	142	189	42.9%	195	89
Consultants: Business and advisory Services	1 770	-	(1 224)	546	-	546	-	6 685	6 412
Contractors	32	-	-	32	5	27	15.6%	45	7
Consumables supplies	1	-	-	1	-	1	-	-	-
Transport provided: Departmental Activity	666	-	-	666	222	444	33.3%	260	81
Travel and Subsistence	1 056	-	-	1 056	744	312	70.5%	1 011	1 011
Venues and Facilities	732	-	-	732	423	309	57.8%	514	395
Payment for capital assets	500	-	1 290	1 790	1 763	27	98.5%	-	-
Software and other intangible assets	500	-	1 290	1 790	1 763	27	98.5%	-	-
TOTAL	10 135	-	66	10 201	7 893	2 308	77.4%	13 731	12 769

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Sub-Programme 3.2: INTERGOVERNMENTAL RELATIONS									
2019/20								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	10 723	-	-	10 723	7 673	3 050	71.6%	9 046	8 434
Compensation of Employees	7 828	-	-	7 828	5 284	2 544	67.5%	6 596	6 559
Salaries and Wages	6 743	-	-	6 743	4 547	2 196	67.4%	5 745	5 708
Social Contributions	1 085	-	-	1 085	737	348	67.9%	851	851
Goods and services	2 895	-	-	2 895	2 389	506	82.5%	2 450	1 875
Administrative Fees	58	123	-	181	181	-	100.0%	144	144
Advertising	10	-	-	10	-	10	-	10	-
Catering Departmental activities	3	-	-	3	3	-	100.0%	20	-
Consultants: Business and advisory Services	842	(124)	-	718	458	260	63.8%	545	-
Contractors	7	-	-	7	5	2	71.4%	-	-
Consumables supplies	5	-	-	5	5	-	100.0%	8	8
Consumable: Stationery, printing and supplies	-	1	-	1	-	1	-	-	-
Travel and Subsistence	1 911	-	-	1 911	1 714	197	89.7%	1 646	1 646
Operating Payments	24	-	-	24	23	1	95.8%	10	10
Venues and Facilities	35	-	-	35	-	35	-	67	67
Transfers and Subsidies	131	-	-	131	130	1	99.2%	-	-
Households	131	-	-	131	130	1	99.2%	-	-
Social benefits	131	-	-	131	130	1	99.2%	-	-
TOTAL	10 854	-	-	10 854	7 803	3 051	71.9%	9 046	8 434

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Sub-Programme 3.3: PROVINCIAL AND POLICY MANAGEMENT									
	2019/20							2018/19	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	43 056	-	(66)	42 990	38 789	4 201	90.2%	46 304	39 926
Compensation of Employees	27 227	-	-	27 227	25 706	1 521	94.4%	25 341	24 826
Salaries and Wages	23 545	-	-	23 545	22 451	1 094	95.4%	22 176	21 661
Social Contributions	3 682	-	-	3 682	3 255	427	88.4%	3 165	3 165
Goods and services	15 829	-	(66)	15 763	13 083	2 680	83.0%	20 963	15 100
Administrative Fees	189	-	-	189	183	6	96.8%	186	186
Minor Assets	-	-	-	-	11	-11	-	-	-
Catering Departmental Activities	395	-	-	395	224	171	56.7%	1 452	1 452
Communication (G&S)	3 260	-	-	3 260	2 750	510	84.4%	1 257	743
Consultants: Business and Advisory Services	8 565	(1 400)	(66)	7 099	5 687	1 412	80.1%	10 208	6 169
Contractors	-	15	-	15	14	1	93.3%	1	1
Consumable Supplies	1	-	-	1	1	-	100.0%	1	1
Consumable: Stationery, Printing and Office Supplies	66	-	-	66	1	65	1.5%	188	124
Transport Provided: Departmental Activity	(20)	20	-	-	-	-	-	1 500	800
Travel and Subsistence	2 729	-	-	2 729	2 359	370	86.4%	2 903	2 358
Training and Development	167	-	-	167	32	135	19.2%	16	16
Operating Payments	122	-	-	122	101	21	82.8%	3	3
Venues and Facilities	355	1 365	-	1 720	1 720	-	100.0%	3 248	3 247
Transfers and Subsidies	49	-	-	49	27	22	55.1%	90	90
Households	49	-	-	49	27	22	55.1%	90	90
Social benefits	49	-	-	49	27	22	55.1%	90	90
Payment for capital Asset	-	-	-	-	65	(65)	-	-	-
Machinery & Equipment	-	-	-	-	65	(65)	-	-	-
TOTAL	43 105	-	(66)	43 039	38 881	4 158	90.3%	46 394	40 016

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Sub-Programme 3.4: PROGRAMME SUPPORT									
2019/20								2018/19	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 555	-	-	1 555	907	648	58.3%	2 133	1 868
Compensation of Employees	1 355	-	-	1 355	762	593	56.2%	1 833	1 571
Salaries and Wages	1 160	-	-	1 160	602	558	51.9%	1 631	1 369
Social Contributions	195	-	-	195	160	35	82.1%	202	202
Goods and services	200	-	-	200	145	55	72.5%	300	297
Administrative Fees	15	-	-	15	14	1	93.3%	32	32
Advertising								10	9
Catering Departmental Activities	10	-	-	10	3	7	30.0%	11	11
Travel and Subsistence	175	-	-	175	128	47	73.1%	247	245
TOTAL	1 555	-	-	1 555	907	648	58.3%	2 133	1 868

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2020

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	143 238	133 742	9 496	6.63%

The under-spending by the programme is a result of funding provided for the filling of identified key vacant posts which could not be filled during the financial year as well as funds which were earmarked for the litigation and investigations services which were not fully utilised.

Institutional Development	85 412	79 562	5 850	6.85%
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The under-spending by the programme is a result of funding provided for the filling of identified key vacant posts which could not be filled during the financial year. As for the Goods and Services, there was slow spending in funds earmarked for consultants due to slow progress in the implementation of the related projects, while under Transfers and subsidies, funds which were earmarked for the utilisation in the award of bursary to deserving non-employees could not be fully utilised due to decrease in the number of deserving recipients.

Policy & Governance	65 649	55 484	10 165	15.48%
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The under-spending by the programme is a result of funding provided for the filling of identified key vacant posts which could not be filled during the financial year. As for the Goods and Services, there was slow progress in the implementation of planned priority cost driver targets, i.e. Compilation of the 5-year Performance Review Report on service delivery by Mpumalanga Provincial Government, the roll-out of institutionalisation of Prime Framework and the Provincial Evaluation Plan (2018 - 2020 PEP).

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NOTES TO THE APPROPRIATION STATEMENT
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4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	
Current payments	282 636	258 324	24 312	8.60%
Compensation of employees	163 616	151 865	11 751	7.18%
Goods and services	119 020	106 459	12 561	10.55%
Transfers and subsidies	5 201	3 984	1 217	23.40%
Provinces and municipalities	29	29	-	0.00%
Households	5 172	3 955	1 217	23.53%
Payments for capital assets	6 464	6 479	15	0.23%
Machinery and equipment	4 674	4 716	42	0.90%
Software and other intangible assets	1 790	1 763	27	1.51%

The under-spending under the **Compensation of Employees** was a result of funding earmarked for the filling of identified key vacant posts which could not be filled during the financial year.

The under-spending under the **Goods and Services**, is as a result of slow spending in funds earmarked for consultants. These funds were not fully utilised due to contractual challenges for the litigations and investigations services while in other key priority cost driver targets, funding could not be fully utilised as a result of slow progress in the implementation of these targets.

The under-spending under **Transfers and Subsidies**, is as a result of funds earmarked for the Discretionary Bursary Fund, which could not be fully utilised due to decrease in the number of deserving recipients for the award of such bursaries to deserving non-employees.

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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2020

	Note	2019/20 R'000	2018/19 R'000
REVENUE			
Annual appropriation	1	294 299	318 792
TOTAL REVENUE		294 299	318 792
EXPENDITURE			
Current expenditure			
Compensation of employees	3	151 865	151 157
Goods and services	4	106 459	137 701
Total current expenditure		258 324	288 858
Transfers and subsidies			
Transfers and subsidies	5	3 984	7 533
Total transfers and subsidies		3 984	7 533
Expenditure for capital assets			
Tangible assets	6	4 717	6 196
Intangible assets	6	1 763	-
Total expenditure for capital assets		6 480	6 196
TOTAL EXPENDITURE		268 788	302 587
SURPLUS/(DEFICIT) FOR THE YEAR		25 511	16 205
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		25 511	16 205
Annual appropriation		25 511	16 205
SURPLUS/(DEFICIT) FOR THE YEAR		25 511	16 205

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STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2020

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
ASSETS			
Current assets			
		25 691	17 184
Cash and cash equivalents	7	22 822	10 712
Prepayments and advances	8	219	282
Receivables	9	2 650	6 190
TOTAL ASSETS		25 691	17 184
LIABILITIES			
Current liabilities			
		25 691	17 184
Voted funds to be surrendered to the Revenue Fund	10	25 511	16 205
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	173	208
Payables	12	7	771
TOTAL LIABILITIES		25 691	17 184
NET ASSETS		-	-

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CASH FLOW STATEMENT
for the year ended 31 March 2020

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		296 273	320 080
Annual appropriated funds received	1.1	294 299	318 792
Departmental revenue received	2	1 073	282
Interest received	2.2	901	1 006
Net (increase)/decrease in working capital		2 839	(4 783)
Surrendered to Revenue Fund		(18 310)	(1 699)
Current payments		(258 324)	(288 858)
Transfers and subsidies paid		(3 984)	(7 533)
Net cash flow available from operating activities		18 494	17 207
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	6	(6 480)	(6 196)
Proceeds from sale of capital assets	2.3	96	19
Net cash flows from investing activities		6 384	(6 177)
Net increase/(decrease) in cash and cash equivalents		12 110	11 030
Cash and cash equivalents at beginning of period		10 712	(318)
Cash and cash equivalents at end of period		22 822	10 712

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ACCOUNTING POLICIES
for the year ended 31 March 2020

Summary of significant accounting policies

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

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

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

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

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7	Revenue
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>

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8.4	Leases
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>

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14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	Capital Assets
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>

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16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	<p>Provisions and Contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	<p>Capital commitments</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>

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19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. 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, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Departures from the MCS requirements</p> <p>The department has not departed from the MCS requirements</p>
25	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/ Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>

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26	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
27	<p>Related party transactions</p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>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>
28	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
29	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
30	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>
31	<p>Transfers of functions</p> <p>Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.</p> <p>Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>
32	<p>Mergers</p> <p>Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.</p> <p>Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.</p>

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NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2020

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:

	2019/20			2018/19		
	Final Appropriation	Actual Funds Received	Funds not requested / not received	Final Appropriation	Appropriation received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	143 238	143 238	-	177 195	177 195	-
Institutional Development	85 412	85 412	-	70 293	70 293	-
Policy & Governance	65 649	65 649	-	71 304	71 304	-
TOTAL	294 299	294 299	-	318 792	318 792	-

2. Departmental revenue

	Note	2019/20 R'000	2018/19 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	195	197
Interest, dividends and rent on land	2.2	901	1 006
Sales of capital assets	2.3	96	19
Transactions in financial assets and liabilities	2.4	878	85
Total revenue collected		2 070	1 307
Less: Own revenue included in appropriation	12	2 070	1 307
Departmental revenue collected		-	-

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NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2020

2.1 Sales of goods and services other than capital assets

	Note	2019/20	2018/19
		R'000	R'000
Sales of goods and services produced by the department	2	195	197
Sales by market establishment		195	197
Total		195	197

2.2 Interest, dividends and rent on land

	Note	2019/20	2018/19
		R'000	R'000
Interest	2	901	1 006
Total		901	1 006

2.3 Sale of capital assets

	Note	2019/20	2018/19
		R'000	R'000
Tangible assets		96	19
Machinery and equipment	25	96	19
Total		96	19

2.4 Transactions in financial assets and liabilities

	Note	2019/20	2018/19
		R'000	R'000
Other Receipts including Recoverable Revenue	3	878	85
Total		878	85

Other receipts including Recoverable Revenue comprise of stale cheque, Receipts of previous year's expenditure and domestic services

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NOTES TO THE ANNUAL FINANCIAL STATEMENT
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3. Compensation of employees

3.1 Salaries and Wages

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Basic salary		102 931	102 575
Performance award		2 537	2 153
Service Based		537	227
Compensative/circumstantial		4 832	3 339
Other non-pensionable allowances		22 120	23 808
Total		132 957	132 102

Other non-pensionable allowance comprises of Capital Remuneration, Housing Allowances and Service Bonus

3.2 Social contributions

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Employer contributions			
Pension		13 005	13 337
Medical		5 881	5 696
Bargaining council		22	22
Total		18 908	19 055
Total compensation of employees		151 865	151 157
Average number of employees		221	237

The total compensation of employees inclusive of stipends paid to 11 interns

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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4. Goods and services

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Administrative fees		2 417	2 587
Advertising		3 131	3 101
Minor assets	4.1	56	71
Catering		3 051	2 777
Communication		10 847	5 777
Computer services	4.2	2 537	19 679
Consultants: Business and advisory services		16 120	52 517
Legal services		1 616	483
Contractors		647	51
Audit cost - external	4.3	4 286	4 504
Fleet services		3 076	3 083
Consumables	4.4	2 693	4 419
Operating leases		770	485
Property payments	4.5	5 981	4 241
Rental and hiring		3 459	20
Transport provided as part of the departmental activities		1 548	881
Travel and subsistence	4.6	21 619	20 594
Venues and facilities		20 178	11 202
Training and development		1 818	807
Other operating expenditure	4.7	609	422
Total		<u>106 459</u>	<u>137 701</u>

4.1 Minor assets

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Tangible assets		56	71
Machinery and equipment	4	56	71
Total		<u>56</u>	<u>71</u>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

4.2 Computer services

	Note	2019/20	2018/19
	4	R'000	R'000
SITA computer services		2 389	901
External computer service providers		148	18 778
Total		2 537	19 679

4.3 Audit cost - External

	Note	2019/20	2018/19
	4	R'000	R'000
Regularity audits		4 286	4 504
Total		4 286	4 504

4.4 Consumables

	Note	2019/20	2018/19
	4	R'000	R'000
Consumable supplies		693	900
Uniform and clothing		48	62
Household supplies		487	560
Communication accessories		19	3
IT consumables		-	219
Other consumables		139	56
Stationery, printing and office supplies		2 000	3 519
Total		2 693	4 419

Other consumables comprise of gift & awards, disposable paper/plastic, electrical spares, building & consumable supplier, hardware bags and accessories

4.5 Property payments

	Note	2019/20	2018/19
	4	R'000	R'000
Municipal services		4 989	3 912
Property management fees		992	329
Total		5 981	4 241

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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4.6 Travel and subsistence

	Note	2019/20	2018/19
		R'000	R'000
Local	4	19 037	16 685
Foreign		2 582	3 909
Total		21 619	20 594

4.7 Other operating expenditure

	Note	2019/20	2018/19
		R'000	R'000
Professional bodies, membership and subscription fees	4	158	114
Other		451	308
Total		609	422

Other comprise of the following: a) Laundry Services b) Courier and delivery services c) and non- Life Insurance.

5. Transfers and subsidies

	Note	2019/20	2018/19
		R'000	R'000
Provinces and municipalities	27	29	26
Households	Annexure 1A Annexure 1G	3 955	7 507
Total		3 984	7 533

6. Expenditure for capital assets

	Note	2019/20	2018/19
		R'000	R'000
Tangible assets		4 717	6 196
Machinery and equipment	25	4 717	6 196
Intangible assets		1 763	-
Software	26	1 763	-
Total		6 480	6 196

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

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	4 717	-	4 717
Machinery and equipment	4 717	-	4 717
Intangible assets	1 763	-	1 763
Software	1 763	-	1 763
Total	6 480	-	6 480

6.2 Analysis of funds utilised to acquire capital assets - 2018/19

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	6 196	-	6 196
Machinery and equipment	6 196	-	6 196
Total	6 196	-	6 196

7. Cash and cash equivalent

	Note	2019/20	2018/19
		R'000	R'000
Consolidated Paymaster General Account		25 395	25 555
Cash receipts		(26)	-
Disbursements		(2 547)	(14 843)
Total		22 822	10 712

8. Prepayments and advances

	Note	2019/20	2018/19
		R'000	R'000
Travel and subsistence		219	282
Total		219	282

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9. Receivables

		2019/20			2018/19		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	<i>Note</i>						
Recoverable expenditure	9.1	638	-	638	352	-	352
Staff debt	9.2	1 509	-	1 509	1 480	-	1 480
Other receivables	9.3	503	-	503	4 358	-	4 358
Total		2 650	-	2 650	6 190	-	6 190

9.1 Recoverable expenditure (disallowance accounts)

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Sal: Income Tax	9	593	309
Sal: Medical Aid		12	10
Sal; Pension Fund		33	33
Total		638	352

9.2 Staff debt

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Employees	9	1	28
Ex-employees		1 508	1 452
Total		1 509	1 480

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9.3 Other receivables (debtors)

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Supplier Debtors	9	503	4 358
Total		503	4 358

10. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Opening balance		16 205	524
As restated		16 205	524
Transfer from statement of financial performance (as restated)		25 511	16 205
Paid during the year		(16 205)	(524)
Closing balance		25 511	16 205

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

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Opening balance		208	76
Own revenue included in appropriation		2 070	1 307
Paid during the year		(2 105)	(1 175)
Closing balance		173	208

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12. Payables - current

	Note	2019/20 R'000	2018/19 R'000
Advances received	12.1	-	771
Other payables	12.2	7	-
Total		7	771

12.1 Advances received

	Note	2019/20 R'000	2018/19 R'000
Other institutions	12	-	771
Total		-	771

12.2 Other payables

	Note	2019/20 R'000	2018/19 R'000
Magistrates Courts	21	7	-
Total		7	-

Other payables comprises of rejected Garnishee orders

13. Net cash flow available from operating activities

	Note	2019/20 R'000	2018/19 R'000
Net surplus/(deficit) as per Statement of Financial Performance		25 511	16 205
Add back non cash/cash movements not deemed operating activities		(7 017)	1 002
(Increase)/decrease in receivables		3 540	(5 398)
(Increase)/decrease in prepayments and advances		63	(156)
Increase/(decrease) in payables – current		(764)	771
Proceeds from sale of capital assets		(96)	(19)
Expenditure on capital assets		6 480	6 196
Surrenders to Revenue Fund		(18 310)	(1 699)
Own revenue included in appropriation		2 070	1 307
Net cash flow generated by operating activities		18 494	17 207

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

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Consolidated Paymaster General account		25 395	25 555
Cash receipts		(26)	-
Disbursements		(2 547)	(14 843)
Total		22 822	10 712

15. Contingent liabilities and contingent assets

15.1 Contingent liabilities

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Liable to			
Claims against the department	Annexure 3B	654	12 385
Total		654	12 385

Timing amounts of outflow cannot be reliably estimated, as these are legal matters.

16. Capital commitments

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
<i>The Office does not have capital commitments to disclose for the current financial year.</i>		-	-
Total		-	-

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17. Accruals and payables not recognised

17.1 Accruals

			2019/20	2018/19
			R'000	R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	1 529	1 841	3 370	15 118
Transfers and subsidies	2	-	2	-
Total	1 531	1 841	3 372	15 118

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Listed by programme level			
Goods and services - Administration		3 246	12 859
Goods and services - Institutional Development		48	1 399
Goods and services - Policy and Governance		78	860
Total		3 372	15 118

17.2 Payables not recognised

			2019/20	2018/19
			R'000	R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	41 251	-	41 251	22 147
Transfers and subsidies	52	-	52	-
Other	146	-	146	-
Total	41 449	-	41 449	22 147

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	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Goods and services - Administration		41 369	21 472
Transfers and subsidies - Institutional Development		52	123
Goods and services - Policy and Governance		28	552
Total		41 449	22 147

		2019/20	2018/19
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with departments	<i>Note</i>	-	-
Confirmed balances with other government entities	<i>Annex 5</i>	-	2 071
Total		-	2 071

18. Employee benefits

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Leave entitlement		8 384	9 173
Service bonus		3 658	3 853
Performance awards		1 247	2 372
Capped leave		7 312	7 817
Other		179	83
Total		20 780	23 298

Other comprise of long term service awards that are due to be paid in the 2020/21 financial year. At this stage, the office of the Premier is not able to reliably measure the long-term portion of the long service award.

Leave entitlement includes negative leave balances of R0.00

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19. Lease commitments

19.1 Operating leases

2019/20

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	255	255
Later than 1 year and not later than 5 years	-	-	-	298	298
Total lease commitments	-	-	-	553	553

2018/19

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	27	27
Total lease commitments	-	-	-	27	27

20. Accrued departmental revenue

	Note	2019/20	2018/19
		R'000	R'000
Interest, dividends and rent on land		1 154	-
Transaction in financial assets and liabilities		2 388	-
Total		3 542	-

This amount is to be recovered from the Sheriff following the unlawful attachments of departmental funds including interest.

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20.1 Analysis of accrued revenue

	2019/20	2018/19
	R'000	R'000
Opening balance	-	-
Add: Amounts recognised	3 542	-
Closing balance	3 542	-

21. Irregular expenditure

21.1 Reconciliation of irregular expenditure

	<i>Note</i>	2019/20	2018/19
		R'000	R'000
Opening balance		396 979	303 162
Prior period error		-	-
As restated		396 979	303 162
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		18 979	93 817
Closing balance		415 958	396 979

Analysis of closing balance

Current year	18 979	93 817
Prior years	396 979	303 162
Total	415 958	396 979

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21.2 Details of current and prior year irregular expenditure - added current year (under determination and investigation)

Incident	Disciplinary steps taken/ criminal proceedings	2019/120 R'000
Non-compliance to SCM regulation	Under investigation	18 979
Total		18 979

The current year irregular expenditure is being investigated to determine the completeness thereof.

22. Fruitless and wasteful expenditure

22.1 Reconciliation of fruitless and wasteful expenditure

	<i>Note</i>	2019/20 R'000	2018/19 R'000
Opening balance		10 979	5 083
As restated		10 979	5 083
Less amounts recovered		-	-
Transfers from note 32 Fruitless and Wasteful Expenditure Interest		16	5 896
Closing balance		10 995	10 979

22.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/ criminal proceedings	2019/20 R'000
Penalties and interest paid	Under investigation	16
Total		16

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23. Related party transactions

	<i>Note</i>	2019/20	2018/19
		R'000	R'000

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 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, 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 departments:

- ❖ Department of Human Settlements;
- ❖ Department of Culture, Sports & Recreation;
- ❖ Department of Community Safety and Liaison: and
- ❖ Department of Co-operative Governance and Traditional Affairs.

The Department was responsible for funding the shared Internal Audit Committees and Audit Committee of the shared services, however, the services were provided free of charge to the above mentioned departments.

Total		-	-
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24. Key management personnel

	No. of Individuals	2019/20	2018/19
		R'000	R'000
Political Office bearers	1	2 262	2 112
Level 15-16	4	3 663	2 278
Level 14 including CFO	7	6 720	8 546
Other lower than level 14	2	1 932	1 592
Family members of key management personnel	1	238	287
Total		14 815	14 815

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25. Non-adjusting events after reporting date

Nature of event	2019/20 R'000
<p>The Office of the Premier acknowledge the challenges, which may come with the pandemic Covid 19, which may have negative impact in the Operational activities of the Office. However, the Office cannot accurately estimate the cost implications at this stage.</p>	<hr style="border: 1px solid black;"/> <hr style="border: 1px solid black;"/>
Total	

26. Movable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	34 551	-	4 717	1 232	38 034
Transport assets	12 961	-	2 302	1 214	14 049
Computer equipment	10 475	-	2 022	18	12 479
Furniture and office equipment	5 670	-	175	-	5 844
Other machinery and equipment	5 445	-	218	-	5 662
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	34 551	-	4 717	1 232	38 034

26.1 Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	30	1 731
<i>Asset that could not be verified</i>		

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27. Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Cash*	Non-cash**	(Capital Work in Progress cur- rent costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	4 717	-	-	-	4 717
Transport assets	2 302	-	-	-	2 302
Computer equipment	2 022	-	-	-	2 022
Furniture and office equipment	175	-	-	-	175
Other machinery and equipment	218	-	-	-	218
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	4 717	-	-	-	4 717

27.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Cash	Non-cash	Non-cash	Total Dis- posal	Cash received Actual
	R'000	R'000	Disposal	R'000	R'000
MACHINERY AND EQUIPMENT	(1 232)	-	-	(1 232)	96
Transport assets	(1 214)	-	-	(1 214)	95
Computer equipment	(18)	-	-	(18)	1
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	(1 232)	-	-	(1 232)	96

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27.3 Movement for 2018/19

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	36 794	-	6 196	8 439	34 551
Transport assets	8 754	-	4 331	124	12 961
Computer equipment	14 832	(87)	1 536	5 806	10 475
Furniture and office equipment	7 050	87	120	1 587	5 670
Other machinery and equipment	6 158	-	209	922	5 445
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	36 794	-	6 196	8 439	34 551

27.4 Minor assets

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	2	-	4 132	-	4 134
Additions	-	-	-	56	-	56
TOTAL MINOR ASSETS	-	2	-	4 188	-	4 190
Number of minor assets at cost	-	-	-	3 460	-	3 460
TOTAL NUMBER OF MINOR ASSETS	-	-	-	3 460	-	3 460

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Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:	38	87

MINOR ASSETS

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2019

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	2	-	5 799	-	5 801
Additions	-	-	-	71	-	71
Disposals	-	-	-	1 738	-	1 738
TOTAL MINOR ASSETS	-	2	-	4 132	-	4 134

	Specialised military as- sets	Intangible assets	Heritage assets	Machinery and equip- ment	Biological assets	Total
Number of minor assets at cost	-	-	-	3 359	-	3 359
TOTAL NUMBER OF MINOR ASSETS	-	-	-	3 359	-	3 359

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MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	1 738	-	1 738
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	1 738	-	1 738

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2019

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	1 738	-	1 738
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	1 738	-	1 738

28. Intangible Capital Assets

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

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Software	55 848	-	4 514	-	60 362
TOTAL INTANGIBLE CAPITAL ASSET	55 848	-	4 514	-	60 362

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Intangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the intangible capital assets per the asset register are assets that are under investigation:		
Software	2	20

29. ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Cash	Non-Cash	(Develop-ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	-	4 514	-	-	4 514
TOTAL ADDITIONS TO INTAN- GIBLE CAPITAL ASSETS	-	4 514	-	-	4 514

Movement for 2018/19

29.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	55 848	-	-	-	55 848
TOTAL INTANGIBLE CAPITAL ASSETS	55 848	-	-	-	55 848

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29.1.1 Prior period error

	<i>Note</i>	Amount before error correction	2018/19 Prior period error	Restated amount
Correction of prior period errors				R'000
Intangible Capital Asset				
Recognising of cost incurred in respect of the Youth Developmental Portal software	26	-	2 751	2 751
Net effect		-	2 751	2 751

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	38	87

30. Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note	Opening Balance 1 April 2019	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2020
		R'000	R'000	R'000	R'000
Intangible assets	Annexure 7	2 751	1 763	(4 514)	-
TOTAL		2 751	1 763	(4 514)	-

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CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2019

<i>Note</i>	Opening Balance R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR)/Contracts terminated R'000	Closing Balance 31 March 2019 R'000
Annexure 7	-	2 751	-	-	2 751
TOTAL	-	2 751	-	-	2 751

30.1 Prior period error

<i>Note</i>	Amount before error correction	2018/19 Prior period error	Restated amount R'000
Correction of prior period errors			
Intangible Capital Asset			
Recognising of cost incurred in respect of the Youth Developmental Portal software	-	2 751	2 751
Net effect	-	2 751	2 751

<i>Note</i>	Amount bef error correction 2018/19 R'000	Prior period error 2018/19 R'000	Restated Amount 2018/19 R'000
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)			
Computer Equipment	10 562	(87)	10 475
Furniture and Office Equipment	5 583	87	5 670
Net effect	16 145	-	16 145

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	<i>Note</i>	Amount bef error correction	Prior period error	Restated Amount
		2018/19	2018/19	2018/19
		R'000	R'000	R'000
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
Leave Entitlement		9 157	16	9 173
Net effect		9 157	16	9 173

Employees relating to prior period year which were not included on the 2018/19 financial year

	<i>Note</i>	Amount bef error correction	Prior period error	Restated Amount
		2018/19	2018/19	2018/19
		R'000	R'000	R'000
Other: (E.g. Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
Irregular Expenditure		78 528	15 289	93 817
Net effect		78 528	15 289	93 817

Irregular Expenditure omitted in the previous year

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31. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2019/20							2018/19	
	GRANT ALLOCATION				TRANSFER			Division of Revenue Act	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Mbombela	29	-	-	29	29	-	-	26	26
TOTAL	29	-	-	29	29	-	-	26	26

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ANNEXURE 1A

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2018/19
	Adjusted	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	Appropri- ation Act						
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Injury on duty	4	-	-	4	4	100%	1
Leave Gratuity	2 979	-	-	2 979	2 695	90%	1 422
Bursaries- non Employees	1 542	-	-	1 542	612	40%	3 543
Severance package	645	-	-	645	644	100%	2 541
TOTAL	5 170	-	-	5 170	3 955	-	7 507

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ANNEXURE 1B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2020

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
	1 April 2019				31 March 2020
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Markohill Media	32	-	-	-	32
Riena Charles	12 353	-	(11 731)	-	622
TOTAL	12 385	-	(11 731)	-	654

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VOTE 1
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2019/20 *	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000

DEPARTMENTS

Current

Department of Agriculture and Rural development, Land and Environmental Affairs	-	-	65	-	65	-	-	-
Department of Public Works Roads and Transport	-	723	33	1 080	33	1 803	-	-
Government Employer Pension Fund	-	-	744	-	744	-	-	-
Office of the Presidency	-	-	1 165	-	1 165	-	-	-
South African Police Service	-	267	-	-	-	267	-	-
Government Printing Works	-	1	-	-	-	1	-	-
TOTAL	-	991	2 007	1 080	2 007	2 071	-	-

(MP: OFFICE OF THE PREMIER)
VOTE 1
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020

ANNEXURE 7

Movement in Capital Work-in-Progress

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE				
Computer software	2 751	1 763	(4 514)	-
TOTAL	2 751	1 763	(4 514)	-

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE					
Computer software	-	2 751	-	-	2 751
TOTAL	-	2 751	-	-	2 751



