

OFFICE OF THE PREMIER ANNUAL REPORT 2017/2018



**LEADING THROUGH
EXCELLENCE TOWARDS
RADICAL SOCIO-ECONOMIC
TRANSFORMATION.**

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PART A: GENERAL INFORMATION



1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AFS	Annual Financial Statements
AIDS	Acquired Immune Deficiency Syndrome
AO	Accounting Officer
APAP	Agricultural Policy Action Plan
BAUD	Barcoded Asset Audit
CFO	Chief Financial Officer
CoGHSTA	Department of Co-Operative Governance, Human Settlement & Traditional Affairs
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service Administration
DG	Director General
EH&W	Employee Health and Wellness
EWSETA	Energy and Water Sector Education and Training Authority
eQPRS	Electronic Quarterly Performance Reporting System
EXCO	Executive Council
FOSAD	Forum of South African Director Generals
FSDM	Frontline Service Delivery Monitoring
G&A	Governance and Administration
HIV	Human Immunodeficiency Virus
HRA	Human Resources Administration
HRD	Human Resource Development
IAU	Internal Audit Unit
ICT	Information Communication Technology
IESBA	International Ethics Standards Board for Accountants'
IFS	Interim Financial Statements
IGR	Intergovernmental Relations
IPAP	Industrial Policy Action Plan
ISA	International Standards on Auditing
IT	Information Technology
ITSSC	Information Technology Shared Services Centre
KKC	Kalahari Kid Corporation
LAN	Local Area Network
MCS	Modified Cash Standard
MEC	Member of Executive Council
MISS	Minimum Information Security Standards
MMS	Middle Management Service
MPAT	Management Performance Assessment Tool
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCEDA	Northern Cape Economic Development, Trade and Investment Promotion Agency

NCFTME	National Curriculum Framework for Teacher Education
NCP	Northern Cape Province
NCPA	Northern Cape Provincial Administration
NDP	National Development Plan
NGP	National Growth Plan
NIHE	National Institute for Higher Education
NRF	National Revenue Fund
NSDIII	National skills Development Strategy
NSG	National School of Government
NSP	National Skills Plan
OAG	Office of the Accountant General
OD	Organisational Design
ODA	Official Donor Assistance
OSD	Occupation Specific Dispensation
OTP	Office of the Premier
PAA	Public Audit Act
PCA	Provincial Council on Aids
PCC	President's Coordinating Council
PGDP	Provincial Growth Development Plan
PGDS	Provincial growth Development Strategy
PFMA	Public Finance Management Act
PIAU	Provincial Internal Audit Unit
PIMS	Performance Information Management System
PMTEC	Provincial Medium Term Expenditure Committee
POA	Programme of Action
PSDF	Provincial Spatial and Development Framework
PSP	Provincial Skills Plan / Provincial Strategic Plan on Aids
PSRMF	Public Sector Risk Management Framework
QPR	Quarterly Performance Report
SAPS	South African Police Services
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SHERQ	Safety, Health, Environment, Risk and Quality
SITA	State Information Technology Agency
SMS	Senior Management Services
SPLUMA	Spatial Planning and Land Use Management Act
STI	Sexually Transmitted Infection
TB	Tuberculosis
TID	Technical Indicator Description
WAN	Wide Area Network
WIL	Workplace Integrated Learning
WSP	Workplace Skill Plan

3. FOREWORD BY THE PREMIER



FOREWORD BY THE PREMIER 2016/17 ANNUAL REPORT

The year 2017 was declared as the year of Oliver Reginald Tambo to celebrate a life of one of the greatest amongst that generation of great freedom fighters. No chapter will ever be written without reference to OR Tambo. We owe our democracy, freedom and liberation to the likes of the great Oliver Tambo and others. This report is therefore how the Office of the Premier closes the year of celebrating one of the greatest amongst the freedom fighters, which laid a solid foundation for marching into the Year of the centenary of Tata Nelson Mandela and Mama Albertina Sisulu.

This annual report marks the third reporting cycle of the 2015/16 -2019/20 Strategic Plan. It should also be noted that this is our third clean audit attained for the 2015/2016, 2016/2017 and 2017/18 financial years. This bodes well for the oversight role that we have to exercise over the entire Provincial Administration. We will continue to work towards improvements in delivering good and quality services to the people of the Northern Cape within the confines of good financial management prescripts, including the support that we are providing to municipalities.

The process of developing the Provincial Growth and Development Plan (PGDP) - Vision 2040 is at an advanced stage. This will allow us to forge a people's contract for growth and development.

Through co-ordinating the implementation of MPAT, the province has during 2017/18 ensured ongoing monitoring and tracking of MPAT performance in the province with interventions implemented to improve performance in the province. The province has improved its overall MPAT performance with a positive upwards performance from MPAT version 1.2 to MPAT version 1.6, with an overall average of level 2 to an overall average of level 3 scores.

The Provincial Performance Monitoring & Evaluation Directorate places a strong focus on monitoring and evaluation information to track the performance of provincial government support service delivery initiatives and interventions. We developed provincial quarterly performance reporting guidelines and provincial specific tools and successfully managed 100% implementation of the Department of Monitoring and Evaluation's electronic quarterly performance reporting system (eQPRS). As a result the DPME identified the Northern Cape Government as best practice Province for the institutionalisation of the eQPRS.

The Office of the Premier concluded its review of its organisational structure, in line with its strategic mandate and the Department of Public Service and Administration (DPSA) functional model for Offices of the Premier, as well as the functional grouping for Programme 1: Administration. This structure was approved in February 2017 but due to specific challenges with the organisational structure during the implementation phase, a second window for consultation was opened. This included a comprehensive review process. Work is progressing satisfactory and by all indication it is expected to conclude the process within this 2018/19 reporting cycle.

I wish to extend my appreciation to the Director General (DG) and the entire staff in the Office of the Premier for ensuring that we are able to effectively and efficiently execute our mandate. Your efforts have borne fruit in allowing the office to obtain a financially unqualified audit opinion. I am convinced that you will take the lessons learnt and apply them so as to continuously report progress as you execute your duties.

Finally, let me thank both the internal and external stakeholders for their various levels of support and cooperation to the Office of the Premier during the 2017/18 financial year.

Ms Sylvia Lucas

MPL – Premier of the Northern Cape

4. REPORT OF THE ACCOUNTING OFFICER



OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

The Office of the Premier is responsible for coordinating, monitoring and evaluating of national government policies in the province. The department derives its mandate from the Constitution of South Africa, Act 108 of 1996.

Mr Justice Bekebeke was the Director-General for the Northern Cape Provincial Administration (as well as the Accounting Officer: Officer of the Premier) for the entire 2017/18 financial year.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT:

Table 1: Departmental Receipts

Departmental receipts	2017/2018			2016/2017		
	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	81	102	(21)	76	102	(26)
Sale of capital assets	95	280	(185)	190	-	190
Financial transactions in assets and liabilities	-	2	(2)	-	1,105	(1,105)
Total	176	384	(208)	266	1,207	(941)

The Office of the Premier is not a revenue collecting department. Revenue collected consists of sale of bid documents, garnishee orders, agency fees received by insurance companies and debts paid by government officials and departments.

Table 2: Programme Expenditure

Programme Name	2017/2018			2016/2017		
	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	109,257	107,912	1,345	102,059	100,086	1,973
Institutional Development	92,611	92,469	142	91,705	89,398	2,307
Policy and Governance	44,658	40,781	3,877	34,047	34,047	-
Total	246,526	241,162	5,364	227,811	223,531	4,280

The positive variance of R5.3 million is mainly attributable to accruals and commitments at reporting date. A rollover application was submitted to Provincial Treasury on those transactions.

VIREMENTS/ROLL OVERS

At financial year end, virements between all three programmes of the vote were processed to defray excess expenditure on goods and services utilising savings from compensation of employees. Refer to the detailed breakdown of the virements as reflecting on the appropriation statement.

The virements were approved by the Accounting Officer in compliance with provisions of section 43 of the Public Finance Management Act (PFMA). Detailed reports pertaining to the virements were submitted to Provincial Treasury and the Executing Authority in compliance with paragraph 43 (2) of the PFMA.

PUBLIC PRIVATE PARTNERSHIPS

No public private partnerships agreements were entered into in the reporting period by the Office of the Premier.

DISCONTINUED ACTIVITIES / ACTIVITIES TO BE DISCONTINUED

None

NEW OR PROPOSED ACTIVITIES

None

SUPPLY CHAIN MANAGEMENT

Refer to Note 23 for relevant disclosures in the AFS

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

No gifts and donations were received for the 2017/18 financial year

EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

No exemptions and deviations were received from National Treasury for the financial year under review.

EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date

OTHER

None

ACKNOWLEDGEMENT/S OR APPRECIATION

As the Accounting Officer of the Office of the Premier, I would like to acknowledge and thank the Premier, Ms Sylvia Lucas, for her guidance and support, as well as my management team and staff in general for their invaluable contribution throughout the financial year.

APPROVAL AND SIGN OFF



Mr Justice Bekebeke
Accounting Officer
Office of the Premier
Date: 31 May 2018

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 standard, and the relevant frameworks and guidelines issued by 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 department for the financial year ended 31 March 2018.

Yours faithfully



Accounting Officer
Mr Justice Bekebeke
Date 31 May 2018

6. STRATEGIC OVERVIEW

VISION

A prosperous province with quality of life for all.

Slogan: "leading through excellence towards radical socio-economic transformation"

MISSION

Improving government's performance through coordination, strategic leadership, and integrated planning and monitoring and evaluation

VALUES

Underpinned by the Constitution of the Republic of South Africa and the Batho Pele Principles, the Office of the Premier has adopted the following values in order to realise its vision and mission.

Values and descriptions

VALUES	DESCRIPTION
Transparency	We will be transparent in all our service delivery processes and foster a culture of fairness and honesty
Inclusivity	We shall embrace the diversity of our citizenry within the principle of Ubuntu
Integrity	We shall conduct our business with integrity
Equity	We will improve access to services and treat people equitably, with a specific bias towards vulnerable groups
Professionalism	We will be responsible, ethical and team oriented, and possess strong communication, interpersonal, and problem solving skills We will pursue quality management practices – value for money, efficiency and effectiveness
Patriotism	We will be devoted to love, support and defend our province and country at all times
Accountability	We shall account for all activities, accept responsibility for them, and to disclose the results in a transparent manner
Responsiveness	We shall respond with compassion to people and events
Respect	We shall be polite and kind in delivering services

7. LEGISLATIVE AND OTHER MANDATES

The Office of the Premier is centrally positioned within the provincial government and derives its mandates from the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996); and we are also obligated to align our functions and perform our work, services and tasks in terms of the following pieces of legislation:

- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);
- Broad Based Black Economic Empowerment Act, 2003; (Act No. 53 of 2003)
- Child Care Act of 2005;
- Commission of Enquiry Act, 1952 (Act no. 60 of 1952);
- Division of Revenue Act, 2015 (Act no. 1 of 2015);
- Electronic Communication and Transaction Act, 2002 (Act No. 25 of 2002);
- Employment Equity Act, 1998 (Act No. 55 of 1998); as amended (Act No 47 of 2013)
- Framework for Managing Programme Performance Information, Published by National Treasury, May 2007;
- Framework for Strategic Plans and Annual Performance Plans, Published by National Treasury August 2010;
- Framework for the National Skills Development Strategy 2011/12 – 2015/16;
- Government Immovable Asset Management Act, 2007(Act No. 19 of 2007);
- Human Resource Development South Africa Strategy 2010 – 2030;
- Income Tax Act, 1962 (Act No 58 of 1962); as amended 1997
- Infrastructure Development Act, 2014 (Act No. 23 of 2014)
- Labour Relations Act, 1995 (Act No. 66 of 1995); as amended (Act No 6 of 2014)
- Medium Term Strategic Framework, 2015 – 2019;
- Municipal Integrated Development Plans;
- Municipal Spatial Development Frameworks;
- National Archives and Records Service Act, 1996 (Act no. 43 of 1996);
- National Development Plan – Vision 2030
- National Monitoring and Evaluation Framework White Paper of October 2009
- National Policy Framework for Women’s Empowerment and Gender Equality, 2011;
- National Planning Commission White Paper of October 2009
- National Skills Development Strategy III, 2011;
- National Strategic Plan of Human Immune Deficiency Virus (HIV), Sexually Transmitted Infections (STI’s) & Tuberculosis (TB) 2012 – 2016 and Provincial Strategic Plan for HIV, STI’s & TB 2012 – 2016;
- National Strategic Planning Green Paper of September 2009
- New Growth Path, 2010
- Northern Cape Land Administration Act, 2002, (Act no. 6 of 2002);
- Northern Cape Planning and Development Act, 1998 (Act no. 7 of 1998);
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993);
- Pension Fund Act, 1956 (Act no. 24 of 1956);
- Performance Information Handbook, Published by National Treasury, April 2011;
- Policy Framework for the Government – wide Monitoring and Evaluation System, Published by the Presidency, November 2007;
- Preferential Procurement Policy Framework Act, 2000 (Act No. 2 of 2000);
- Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004)
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- Promotion of Administrative of Justice Act, 2000 (Act No. 3 of 2000);
- Provincial Growth and Development Strategy 2014;
- Provincial Spatial Development Framework, 2012;

- Public Administration Management Act, 2014 (Act No. 11 of 2014)
- Public Audit Act 2004; (Act No. 25 of 2004);
- Public Finance Management Act, 1999 (Act No. 1 of 1999)
- Public Service Act 1994 as amended by (Act No. 30 of 2007);
- Skills Development Act, 1998 (Act No. 97 of 1998);
- Skills Development Levy Act, 1999 (Act No. 9 of 1999);
- Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013);
- Special Economic Zone Act, 2014 (Act No. 16 of 2014)
- State Information Technology Agency Act, 1998 (Act No. 88 of 1998);
- State Liability Amended Act, 2011 (Act No. 14 of 2011);
- The Integrated National Disability Strategy of 1997;
- The Role of Premier's Office in Government – wide Monitoring and Evaluation: A good Practice Guide: Published by the Presidency, July 2008;
- Traditional Leadership, Governance and House of Traditional Leaders Act, 2007 (Act no. 2 of 2007)
- Youth Enterprise Development Strategy – 2023

CONSTITUTIONAL MANDATES, POWERS AND FUNCTIONS

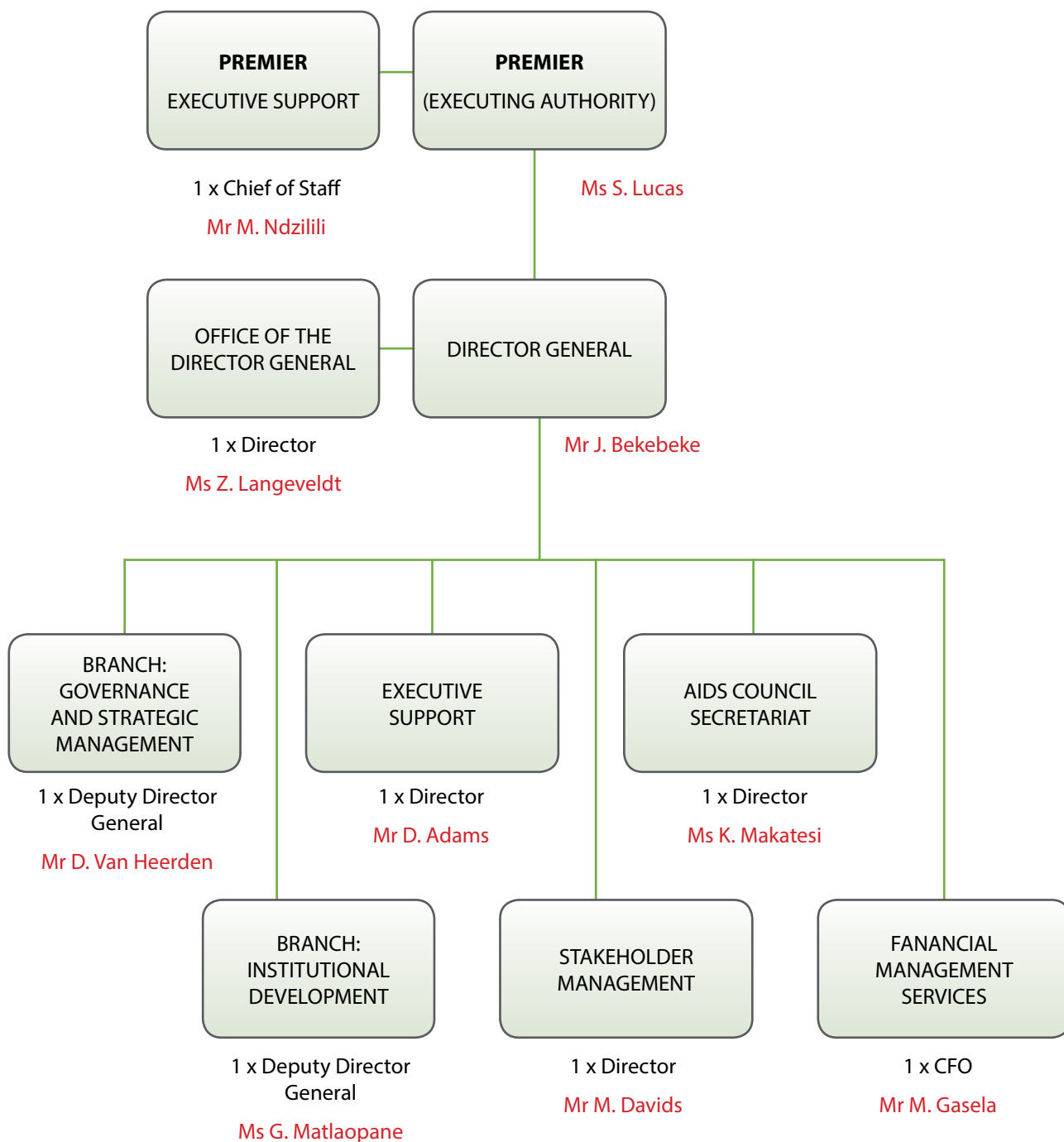
In accordance to Section 125 of the Constitution: The Premier exercises executive authority, together with the other members of the Executive Council, by:

- implementing provincial legislation in the province;
- implementing all national legislation within the functional areas listed in Schedule 4 or 5 except where the Constitution or an Act of Parliament provides otherwise
- administering in the province, national legislation outside the functional areas listed in Schedule 4 and 5, the administration of which has been assigned to the provincial executive in terms of an Act of Parliament;
- developing and implementing provincial policy;
- co-ordinating the functions of the provincial administration and its departments;
- preparing and initiating provincial legislation; and
- performing any other function assigned to the provincial executive in terms of the Constitution or an Act of Parliament;

In accordance to Section 127 of the Constitution of the Republic of South Africa the following functions are assigned specifically to the Premier:

- assenting to and signing Bills;
- referring a Bill back to the provincial legislature for reconsideration of the Bill's constitutionality;
- referring a Bill to the Constitutional Court for a decision on the Bill's constitutionality;
- summoning the legislature to an extraordinary sitting to conduct special business;
- appointing commissions of inquiry;
- calling a referendum in the province in accordance with national legislation;
- appoint members of the Executive Council, assigns their powers and functions, and may dismiss them.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE PREMIER

The table below indicates the entities that report to the Premier

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Premier's Bursary Trust Fund	Trust Deed	Premier is the patron of the fund. OTP makes annual transfers to the trust fund.	Study loans for students
Mme Re Ka Thusa Trust Fund	Trust Deed	Premier is the patron of the fund. OTP makes annual transfers to the trust fund.	Financial assistance for previously disadvantaged women to empower them to become economically active.

PART B: PERFORMANCE INFORMATION



1 AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Refer to page 85 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

The legislative mandate of the Office of the Premier is to execute an oversight role. As such our clients is primarily sector departments and municipalities. Unlike other departments, the Office of the Premier's interaction with the broader public is limited and mostly confined to consultative meetings. Except for Programme 1: Administration that is mainly concerned with internal management, Programme 2: Institutional Development, as well as Programme 3: Policy and Governance play a transferal role in supporting other departments through its various sub-programmes.

Programme 1: Administration pursued the strategic objective by providing strategic leadership, good governance and support to the provincial administration. The sub-programme successfully provided administrative and financial support to the Premier, Executive Council, Director General and other internal programmes within the Office of the Premier. In adhering to compliance with SCM prescripts the Financial Management sub-programme implemented and monitored SCM preventative and detective control measures.

Programme 2: Institutional Development executed the objectives of strategically leading the province towards long term planning for human capital, towards a development orientated public service and provision of advisory legal service. The coordination of HRD initiatives is in line with OTP's vision of creating a safe, democratic and prosperous province with an empowered and inclusive citizenry through the coordination of human resource development programmes and projects that are geared towards the empowerment of citizens to allow them to participate in the economy.

Programme 3: Policy and Governance facilitates the implementation of the government programme of action aligned to the NDP Vision 2030 and the MTSF 2014-19. Policy and Governance is the only Programme with a service delivery focus. This Programme has four objectives. Special Programmes focusses on specific target groups such as persons with disabilities, women, children and youth. Policy Coordination is responsible to maintain a consistent policy environment in the province and Monitoring & Evaluation monitor government's performance. Development Planning coordinates and facilitates a planning environment in the province.

The Northern Cape Province has long recognised the need for the renewable energy that found its way through the Provincial Growth and Development Strategy (PGDS) and the Provincial Spatial and Development Framework (PSDF). The department has started with the review of the PGDS and a final draft Diagnostic Report and a draft PSDF status report was completed and made available to stakeholders for further inputs. During 2017/18 the Electronic Quarterly Performance Reporting System (eQPRS) was rolled out by DPME in all provinces. The province managed the successful implementation of this with 100% reporting of all departments in the Province through the eQPRS.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Provide Reliable Data Reports	Provincial Departments	No sharing of data or limited historical data is kept	Develop a database for data sharing	PIMS system has been developed

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Batho Pele and Service Delivery unit	Inter-Departmental Batho Pele Units	All target groups i.e. women, youth, people with disabilities

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Batho Pele Forums	Inclusive of active National Departments and Municipalities	Thusong Service Centre orientated (workshops and information sessions) on the Principles of Batho Pele. Communicating, popularising and sharing of the Batho Pele information with all stakeholders.

The information is shared in various forums that meet up to 4 times per cycle.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Suggestion box and walk ins Presidential hotline which is managed by Communication within the Office of the Premier	Appropriate policies and procedures Process and Technology Support Capabilities	99% resolved of all complaints

2.3 ORGANISATIONAL ENVIRONMENT

During the previous reporting cycle, the Office of the Premier concluded its review of its organisational structure, in line with its strategic mandate, the Department of Public Service and Administration (DPSA) functional model for Offices of the Premier, as well as the functional grouping for Programme 1: Administration, upon which it was approved in February 2017.

The review process informed the clear distinguishing of core business from internal support functions. The implementation plan will outline the migration of the organisational structure on the PERSAL system, the review of job design and grading levels, and ensuring the optimal placement of personnel. The organisational structure implementation process will be supported by the departmental Human Resource planning process, as well as supplementary processes such as the training needs assessment.

The main shift on the organisational structure is the establishment of a Corporate Management component, which incorporates those support functions present in all departments. The process also served to clearly show the areas where capacity constraints are critical, for example where the Office of the Premier does not have specific resources in terms of departmental strategic management, monitoring and evaluation, change management, departmental service delivery improvement, as well as employment equity planning and reporting, to mention but a few.

The capacity gaps will be addressed in the departmental Human Resources Planning review process, to be factored in when prioritising in terms of the provisioning of human resources in the medium to long term. Additional pressure will be placed on the skills development environment, to ensure the proper level of up-skilling and building of targeted skills required in the current environment, for example analysis of human resources data.

Specific challenges were experienced with the organisational structure before implementation and as such a second window for consultation was opened, which delayed the implementation process. It is envisaged that the implementation phase will unfold during the 2018/2019 financial year.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

No key policy and legislative changes occurred during the period under review.

3. STRATEGIC OUTCOME ORIENTED GOALS

Outcome Orientated Goal 1	Empowered citizenry
Goal Statement:	Promote equality, empowerment of the vulnerable sectors of society and drive children's' rights, rights of the elderly and persons with disability through inclusive government programmes and interventions.
Linkages	Constitution, NDP, SPLUMA, MTSF 2014-19, NSP and PSP 2012-2016
Impact/Outcome:	To improve the quality of life of citizens

Outcome Orientated Goal 2	Inclusive growing economy
Goal Statement:	<p>Create a coordinated, collaborative, diversified, economic partnership in an enabled environment through:</p> <p>Beneficial strategic partnership to advance provincial growth and development in realising the NDP vision 2030.</p> <p>Effective intergovernmental relations and international relations to promote the Northern Cape's competitive advantage.</p> <p>Pursuing programmes that enhance/promote a common national identity within a diverse society to enhance social cohesion.</p>
Linkages	Constitution, NDP(Radical/ Socio Economic Transformation), SPLUMA, MTSF 2014-19, NSP and PSP, PGDS
Impact/Outcome:	Decrease in unemployment in specifically the youth, Increased provincial GDP growth

Outcome Orientated Goal 3	Collaborative Planning:
Goal Statement:	<p>To provide effective leadership to the province and society by:</p> <p>Driving the provincial vision and strategic, life-changing government priorities which include the fight against and response to HIV & TB;</p> <p>Coordinate, integrate and mainstream planning across all spheres of government in partnership with all stakeholders, effectively improving Provincial Intergovernmental Relations; and</p> <p>Building government's research capacity, data management and analysis to inform policy development, monitoring and evaluation of the outcomes based priorities in unblocking service delivery.</p>
Linkages	Legislative framework, policies, directives, NDP, MTSF, IGR framework and New Growth Path, PGDS
Impact/Outcome:	Accelerated and integrated service delivery

Outcome Orientated Goal 4	Efficient, effective and developmental public service
Goal Statement:	<p>To enhance the performance of government by making the public service and local government a career of choice through:</p> <p>process reengineering,</p> <p>strengthening of delegations and accountability,</p> <p>improving intergovernmental coordination and improving relations between provincial and local government</p> <p>Building a capable and developmental public service through service delivery innovation and capacity building to drive change and social transformation</p> <p>To improve our financial capability through lobbying for funding, mobilisation of donor funding, studying the utilisation of resources, investment and tapping into existing natural resources.</p>

Outcome Orientated Goal 5	An empowered and influential work force
Goal Statement:	Improved performance through strategic and co-ordinated skills development for improved service delivery and economic growth in the Province
Linkages	NDP, Outcome 5, Outcome 12, NGP, IPAP, HRD SA, SMS Handbook, APAP, NSDIII, Ministerial directive
Impact/Outcome:	A multi-skilled, high performing and professional, service delivery oriented workforce.

PROGRAMME 1: ADMINISTRATION

4. PERFORMANCE INFORMATION BY PROGRAMME

PROGRAMME 1: ADMINISTRATION

Purpose

The objective of the programme is to render administrative and financial support to the Premier, Executive Council, Director General and other Internal Programmes within the Office of the Premier in fulfilling their legislative and governance responsibilities.

It is made up of the following sub-programmes:

- 1.1 Premier Support
- 1.2 Director-General Support
 - 1.2.1 DG Support
 - 1.2.2 Security And Records Management
 - 1.2.3 Provincial Council On Aids-Secretariat
- 1.3 Executive Council Support
- 1.4 Financial Management

1.1 Premier Support

Purpose: To provide advisory and administrative support to the Premier in executing the constitutional mandate.

1.2 Director General Support

1.2.1 DG Support

Purpose: Providing assistance and logistical support to the Director-General in the realisation of the mandate for the overall coordination of government's provincial function to attain the 14 Outcomes (with specific emphasis on Outcome 12)

1.2.2 Security & Records Management

Purpose: To preserve the corporate memory of the Office of the Premier and provide for a safe working environment

1.2.3 Provincial Council on AIDS - Secretariat

Purpose: To provide administrative support, monitor and evaluate the implementation of the multi-sector PSP for HIV, STI's and TB 2012-2016 (external and internal mainstreaming through the secretariat)

1.3 Executive Council Support

Purpose: To coordinate, support and assist with the activities and programmes of the Executive Council.

1.4 Financial Management

Purpose: To provide internal financial accounting, management accounting, supply chain management (SCM) and asset management services to the Office of the Premier.

STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

In an effort to continue with the promotion of good corporate governance and sound financial management, which remained fundamental for the Office of the Premier, the Director General was supported in the performance of his duties as Accounting Officer through the delivery of departmental strategic management and financial management. The Northern Cape Administration once again achieved a 100% compliance rate in terms of the SMS financial disclosures.

As part of compliance with the planning framework all the required strategic planning documents were submitted to the respective oversight bodies within the prescribe timeframes, during the period under review. These strategic documents comprised of the Annual Report 2016/17, the Annual Performance Plan 2018/19 and all the Quarterly Performance Information reports for the year 2017/18 cycle.

In terms of governance and accountability, and financial management performance indicators linked to the Management Performance Assessment Tool (MPAT) the department obtained level 3.3 and level 4 respectively. The Office of the Premier performed risk assessment within the department and monitored all provincial departments on the implementation of the anti-corruption framework.

The Provincial Council on AIDS (PCA) Secretariat provided leadership, coordination and strategic guidance in the implementation of the Multi-Sectoral Provincial Implementation Plan for HIV, STI's and TB 2017-2022. Under the leadership of the Director General, the province established the "100 family venture" where each department adopted a number of families, some affected and infected by HIV/AIDS and in dire need of essential services. This venture ensured that those essential services were provided to these families during the year under review.

Strategic objectives:

Strategic Objective: To provide strategic leadership, good governance and support to the provincial administration					
Strategic Objective Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Implementation of sound financial management within Office of the Premier	Financially unqualified audit opinion with no findings / "clean audit".	Unqualified audit opinion	Financially unqualified audit opinion with no findings / "clean audit".	Clean Audit	Due to improved management controls that were put in place and maintained.

PERFORMANCE INDICATORS

Premier Support

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.1.1 Number of Premier's statutory and political obligations met	98% (96 of 98)	98% (56/57 Engagements met)	98% (56/57 Engagements met)	16 Engagements	16 Engagements	None	None

Director-General Support

DG Support

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.2.1.1 Compliance with the Strategic Planning framework	New Indicator	3 planning documents (strategic plan, App, Budget and Anti-corruption strategy/plans) signed and submitted on due date	2 Planning documents (Strategic Plan & Annual Performance Plan) signed and submitted on due date	2 Planning documents (Strategic Plan & Annual Performance Plan) signed and submitted on due date	2 Planning documents (Strategic Plan & Annual Performance Plan) signed and submitted on due date	None	None

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.2.1.2 MPAT level obtained by the Office of the Premier on Governance and Accountability	New Indicator	New Indicator	Level 3	Level 3	Level 3.3	+0.3	Over-achievement is informed by improved management controls that were put in place.
1.2.1.3 Number of monthly minutes reflecting strategic decisions taken at Senior Management Level	New Indicator	New Indicator	New Indicator	24 Sets of minutes	25 Sets of minutes	+1 Set of minutes	One additional SMT forum was convened as a result of urgent strategic matters which needed to be concluded during the year under review.
1.2.1.4 Number of Risk Management documents approved by the Accounting Officer	New Indicator	New Indicator	New Indicator	1 Risk Register 1 Risk Management Policy and Strategy 1 Risk Management Implementation Plan	1 Risk Register 1 Risk Management Policy and Strategy 1 Risk Management Implementation Plan	None	None

Security and Records Management

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.2.2.1 Number of units monitored to check compliance with Minimum Information Security Standards (MISS) in the Office of the Premier	3	4 Reports	4 Reports	16 Units	16 Units	None	None
1.2.2.2 Number of Provincial events provided with security management support	New Indicator	New Indicator	New Indicator	13 Provincial events	12 Provincial events	-1 Provincial events	There was no need to provide security management support at the International Women's day.
1.2.2.3 Percentage of staff screened for employment suitability	New Indicator	New Indicator	New Indicator	100% (of new staff)	100% (of new staff)	None	None
1.2.2.4 Number of departments monitored on the implementation of the anti-corruption framework	New Indicator	New Indicator	New Indicator	12 Departments	12 Departments	None	None

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.2.2.5 Report on anti-corruption cases resolved in the Northern Cape Provincial Administration	New Indicator	New Indicator	New Indicator	1 Report	1 Report	None	None

Provincial Council on AIDs – Secretariat

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.2.3.1 Number of reports on the functionality of PCA (Provincial Council on AIDs)	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None
1.2.3.2 Number of report on the Implementation of PSP (Provincial Strategic Plan on AIDs)	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None

Executive Council Support

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.3.1 Number of reports on Executive Council engagement	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None
1.3.2 Number of report on cluster engagements	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None

Financial Management

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.4.1 Compliance with financial accounting reporting requirements and relevant accounting legislation and prescripts (with no material findings)	New Indicator	New Indicator	1 Annual Financial Statement (AFS) 3 Interim Financial Statements (IFS)	1 Annual Financial Statement (AFS)	1 Annual Financial Statement (AFS)	None	None

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.4.2 % of uncontested invoices paid within 30 days of receipt date	New Indicator	New Indicator	New Indicator	97% (invoices paid)	100% (invoices paid)	+3%	Over-achievement is due to improved management controls that were put in place.
1.4.3 Compliance with budget management legislation and prescripts resulting in 98% annual budget spent for the preceding financial year	New Indicator	New Indicator	New Indicator	98% (Budget Spent)	98% (Budget Spent)	None	None
1.4.4 Compliance with asset management legislation, prescripts and framework (with no material findings)	New Indicator	New Indicator	New Indicator	1 Compliant Asset register	1 Compliant Asset register	None	None
1.4.5 Compliance with supply chain management legislation & prescripts evidenced by R Nil irregular expenditure incurred	New Indicator	New Indicator	New Indicator	R nil irregular expenditure	R nil irregular expenditure	None	None
1.4.6 MPAT level attained for Financial management standards by OTP	New Indicator	New Indicator	New Indicator	Level 3	Level 4	+1 Level	Over-achievement is due to improved management controls that were put in place.

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.4.7 Financial management policies and delegations reviewed	New Indicator	New Indicator	New Indicator	17 Policies 1 Delegation register	17 Policies 1 Delegation register	None	None

Linking performance with budgets

Sub- Programme Name	2017/2018			2016/2017		
	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
Premier Support	22,579	22,579	-	19,716	19,463	253
Executive Council	7,454	7,376	78	7,092	7,092	-
Director General Support	37,781	36,557	1,224	33,340	31,622	1,718
Financial Management	41,443	41,400	43	41,911	41,909	2
Programme 1	109,257	107,912	1,345	102,059	100,086	1,973

**PROGRAMME 2:
INSTITUTIONAL
DEVELOPMENT**

4.2 PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

Purpose

The purpose of this programme is to strategically lead the province towards long term planning for human capital, towards a development orientated public service and provision of advisory legal services.

It is made up of the following sub-programmes:

- 2.1. Strategic Human Resources Development
 - 2.1.1. Human Resource Administration
 - 2.1.2. Efficiency Services
 - 2.1.3. Labour Relations
 - 2.1.4. Employee Health and Wellness
 - 2.1.5. Diversity Management
- 2.2. Strategic Human Capital Development
 - 2.2.1. Human Resources Development and Transversal Coordination
 - 2.2.2. Performance Management and Capacity Development
- 2.3. Legal Services
- 2.4. Information Communications Services
 - 2.4.1. Information Technology and Infrastructure
 - 2.4.2. Communications
- 2.5. Programme Support

2.1 Strategic Human Resources

Purpose: To adequately provide for staffed resource complements by ensuring all critical vacancies within approved organisational structure and establishments are filled for optimal and effective utilisation of human resources and oversee the Provincial Transversal Functions.

2.1.1 Human Resources Administration

Purpose: To provide strategic leadership in human resource administration in the Northern Cape Province, by ensuring a diverse, competent and committed workforce that is capable to deliver on government's mandate. The key focus of this division is to manage and co-ordinate the human resource administration function provincially and the Office of the Premier

2.1.2 Efficiency Services

Purpose: To provide professional human resource planning, organisational design and efficiency enhancement services, to advance continuous service delivery improvement within the Northern Cape Provincial Administration.

2.1.3 Labour Relations

Purpose: To harmonize the environment and bring sound labour peace within the working environment.

2.1.4 Employee Health and Wellness

Purpose: The Employee Health and Wellness Unit (Employee Health & Wellness of People) in the Office of the Premier is a workplace intervention and monitoring unit that will ensure successful implementation of wellness programs in the Province and OTP.

2.2 Strategic Human Capital Development

2.2.1 Human Resource Development Strategy and Transversal Coordination

Purpose: To facilitate and coordinate capacity development of citizens within the Province

2.2.2 Performance Management and Capacity Development

Purpose: To facilitate and coordinate employee performance management within the Province and the Office of the Premier

2.3 Legal Services

Purpose: To render legal advisory support services to the Premier, Executive Council, Heads of Department, and municipalities to ensure that constitutional obligations are met.

2.4 Information and Communication Services

Purpose: To provide Information Communications Services to the Office of the Premier, Provincial Government by providing information technology services through the implementation of a communication strategy, corporate branding of the Northern Cape Province and to communication government achievements and services to the general public.

2.4.1 Information Technology

Purpose: To provide professional Information Technology services as an enabler to the Office of the Premier and other provincial departments to ultimately improve service delivery through e-Government initiatives.

2.4.2 Communication

Purpose: The overarching responsibility of the directorate is to provide an efficient and effective communication service to enable the Premier, Executive Council, Director-General and Heads of Departments to communicate governments achievement and services through the efficient utilisation of information through the media and other communication platforms in the execution of the Provincial Government functions

2.5 Programme Support: Institutional Development

Purpose: Effective programme management to ensure total the implementation of the provincial programme of action through the provision of strategic management, coordination of development programmes in the Province and management of units within the branch

STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

In terms of the EXCO moratorium on the filling of critical vacant funded posts within the Northern Cape Administration, which was implemented in the prior financial cycle, in an effort to manage cost containment and headcounts, there has been an improvement of 5.07% in the vacancy rate for the administration since the last reporting cycle. The Administration managed to achieve the planned target of 10% vacancy rate in comparison to the 4.93% that was achieved during 2016/17. In terms Office of the Premier, 100% appointments were made in critical vacant funded posts against the planned target of 70% for the period under review.

In an effort to enhance human resource development and to narrow the gap of critical and scarce skills as outlined in the HR Plan, 122 employees against the 100 planned employees benefitted from the HRD initiatives within the Office of the Premier, during the period under review. Office of the Premier planned to assist 10 unemployed youth within our allocated budget but with the assistance of the SETAs, the department was able to assist 26 unemployed youth in terms of internships and work integrated learning programmes (WIL).

Office of the Premier has been consistently scoring 99% against the target of 90% set by Presidency, in resolving the cases reported to the Presidential Hotline from the Northern Cape Province.

In terms of the provincial challenges pertaining to Information Technology and Infrastructure, an Information Technology Shared Service Centre (ITSSC) proposal was developed for the Province and the implementation of a provincial Virtual Private Network as the first step to address the ICT infrastructure challenges is in its final stages. The department has commenced investigating the feasibility of establishing the Disaster Recovery Plan and Business Continuity Plan for the Province.

STRATEGIC OBJECTIVES

Strategic objective: To ensure an effective, efficient and development orientated provincial administration					
Strategic Objective Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Reviewed Human Resource Development Strategy and Reports on its implementation	Reviewed HRD Strategy and implementation not concluded.	Review HRD Strategy 2016-2030	Not finalised	2nd Draft HRD Strategy	The consultation with various stakeholders on the development of the HRD strategy has culminated in the 2nd draft document. The finalisation of the HRD Strategy pending on the finalisation of the PGDP.

PERFORMANCE INDICATORS
Strategic Human Resource
Human Resource Administration

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.1.1.1 Percentage of appointments made in critical vacant funded posts within a twelve (12) month period within the Office of the Premier	New Indicator	New Indicator	60%	70%	100%	+30%	Over-achievement is due to effective improved management controls that were put in place.
2.1.1.2 Average percentage of funded vacant posts on PERSAL (vacancy rate) within the Northern Cape Provincial Administration	New Indicator	New Indicator	4.93%	10%	10%	None	None
2.1.1.3 Number of new Provincial Human Resource Administration (HRA) policies developed and approved	New Indicator	New Indicator	0	2	2	None	None
2.1.1.4 Number of existing approved Departmental HR policies reviewed	New Indicator	New Indicator	2	2	2	None	None
2.1.1.5 Percentage of leave captured on PERSAL	New Indicator	New Indicator	114%	100%	100%	None	None

Efficiency Services

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.1.2.1 Number of Northern Cape Departments supported in the implementation of Business Process Modelling	New Indicator	New Indicator	6	12	12 Departments	None	None
2.1.2.2 Number of Northern Cape Provincial Departments supported on the implementation of the Directive on Public Administration and Management delegations	New Indicator	New Indicator	New Indicator	12	12 Departments	None	None
2.1.2.3 Number of Northern Cape Provincial Departments supported on the implementation of the Directive on changes to Organisational	New Indicator	New Indicator	New Indicator	4	12 Departments	+8	Over achievement is due to needs based requests from departments.
2.1.2.4 Number of Northern Cape Provincial Departments supported on the implementation of the Directive on Human Resource Planning	New Indicator	New Indicator	New Indicator	12	12 Departments	None	None

Labour Relations

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.1.3.1 Number of reports on the average number of days taken to resolve disciplinary, grievance and dispute cases by Provincial Departments	New Indicator	New Indicator	New Indicator	4	4	None	None
2.1.3.2 Number of reports on Northern Cape Chamber activities	New Indicator	New Indicator	New Indicator	4	4	None	None
2.1.3.3 Number of Labour Relations awareness and promotion programmes conducted in the Office of the Premier	New Indicator	New Indicator	5	5	5	None	None

Employee Health and Wellness

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.1.4.1 Number of Employee Health & Wellness (EH&W) approved behaviour change communication programmes implemented in the Office of the Premier	New Indicator	New Indicator	9	4	11	+7	Relationships established with service providers had inadvertently culminating in the strengthening of the EHW Implementation areas. The value derived from these partnerships surpassed all expected outcomes
2.1.4.2 Number of employees using the workplace occupational health services with the Office of the Premier	New Indicator	New Indicator	0	100	224	+124	There is a consistent increase in the number of employees taking responsibility for their individual health risk profile. This is evident in the number of employees seeking out the workplace occupational health services

2.1.5 Diversity Management

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.1.5.1 Report on the number of departments assessed on Employment Equity	New Indicator	New Indicator	New Indicator	1	1	None	None
2.1.5.2 Number of Diversity programmes implemented within the Office of the Premier	New Indicator	New Indicator	3	4	4	None	None

2.2 Strategic Human Capital Development
2.2.1. Human Resources Development and Transversal Coordination

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.2.1.1 Number of unemployed youth benefitting from skills development programmes within the Northern Cape Province	New Indicator	New Indicator	New Indicator	2860	688	-2172	Negative variances is attributable to external factors, such as the delays of implementing programmes that could not be realised as planned.
2.2.1.2 Number of reports indicating training initiatives in the Northern Cape Provincial Administration	New Indicator	New Indicator	New Indicator	4	4	None	None
2.2.1.3 Number of reports indicating compliance by Provincial departments with the submission of HRD Plans	New Indicator	New Indicator	New Indicator	1	1	None	None
2.2.1.4 Number of Provincial Transversal Human Resource Development forums/ structures coordinated	New Indicator	New Indicator	8	2	2	None	None

2.2.2. Performance Management and Capacity Development

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.2.2.1 Number of employees benefitting from Human Resource Development (HRD) initiatives within the Office of the Premier	New Indicator	New Indicator	32% (82/256)	100	122	+22	The department over-achieved because the demand for training initiatives were higher than the planned targets. The planned target has been revised
2.2.2.2 Number of unemployed youth benefitting from youth development programmes within the Office of the Premier to enhance employability (Interns & WIL)	New Indicator	New Indicator	14 (9 Interns & 5 WIL)	10	26	+16	Over achievement is due to SETA and OTP allocated more Interns /WIL than anticipated.
2.2.2.3 Percentage of employees within the Office of the Premier who are compliant with the submission of Performance Agreements in terms of Performance Management Systems	New Indicator	New Indicator	100% (242/242)	100%	100% (242/242)	None	None
2.2.2.4 Annual performance evaluation session co-ordinated for the Heads of Departments (HODs)	New Indicator	New Indicator	New Indicator	1	1	None	None

Indicator 2.2.2.2 Number of unemployed youth benefitting from youth development programmes within the Office of the Premier to enhance employability (Interns & WIL) was amended in the TID, under the short definition and will include the definition of YOUTH, which has been applied from the National Youth Policy: “refer to youth people as those falling into the age group of 14 to 35 years”

2.3. Legal Services

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.3.1 Number of structured programmes to minimize legal risks against the Northern Cape Provincial Departments and Municipalities	New Indicator	New Indicator	New Indicator	3	3	None	None
2.3.2 Number of quarterly reports on legal matters resolved	New Indicator	New Indicator	New Indicator	4	4	None	None
2.3.3 Number of legal support agreements signed and implemented with State Attorney, Northern Cape Departments and Municipalities	New Indicator	New Indicator	New Indicator	33	62	+29	The higher number of legal support provided was due to the demand for legal support from departments and municipalities.

2.4. Information Communication Services

2.4.1. Information Technology and Infrastructure

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.4.1.1 Number of departmental ICT Documents (Policies, Charters, Plans, Frameworks, Manuals and Strategies) reviewed	New Indicator	New Indicator	New Indicator	7	7	None	None
2.4.1.2 Number of departmental services, e-enabled, based on the Service Delivery Model	New Indicator	New Indicator	2	2	2	None	None
2.4.1.3 Number of provincial workshops hosted on information security and privacy protection responsibilities	New Indicator	One (1) departmental workshop to educate officials about their information security and privacy protection responsibilities	4	2	2	None	None
2.4.1.4 Number of Government Committee and Forums provided with strategic IT Advice	New Indicator	New Indicator	New Indicator	4	9	+5	This indicator depends on the number of advice requested hence the over-achievement.

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.4.1.5 Average turnaround time in days for resolving Helpdesk calls and service requests from departments	New Indicator	New Indicator	0	2 Days	1 Day	+1 Day	This indicator depends on the amount of helpdesk calls received and the nature and complexity of the work be performed hence the over-achievement.
2.4.1.6 Average percentage ICT network uptime and availability maintained	5 Reports	4 Reports on 95% WAN	95% LAN 95% WAN	98% LAN 95% WAN	99% LAN 95% WAN	+1% LAN	Above average percentage for LAN was achieved as a result of effective control measures.
2.4.1.7 Number of provincial departmental websites reviewed	New Indicator	New Indicator	New Indicator	2	2	None	None
2.4.1.8 Number of reviewed Office of the Premier websites	New Indicator	New Indicator	New Indicator	2	2	None	None
2.4.1.9 Number of Departments supported through the PGITOC (Provincial Government Information Technology Officers Council) Forum	New Indicator	New Indicator	New Indicator	12	12	None	None

2.4.2. Communication Services

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.4.2.1 Number of reports on media communications on Executive Council Outreach programmes	New Indicator	New Indicator	New Indicator	4	3	-1	The Executive Council Outreach was cancelled due to unavailability of the political principles. The Premier led a delegation of cabinet to the People's Republic of China on those dates.
2.4.2.2 Number of strategic speeches drafted for the Premier	New Indicator	New Indicator	24	14	19	+5	There was a need for more strategic speeches hence the over-achievement.
2.4.2.3 Number of reports on media coverage on the Programme of Action of the Northern Cape Provincial Administration	New Indicator	New Indicator	New Indicator	4	4	None	None
2.4.2.4 Percentage of Presidential Hotline cases resolved	New Indicator	New Indicator	98%	99%	99%	None	None
2.4.2.5 Improved percentage Customer Satisfaction Index	New Indicator	New Indicator	0	70%	29%	-41%	The variances are due to National not conducting the customer satisfaction index survey for quarter 3 and 4.

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.4.2.6 Number of Communication Forum meetings convened	New Indicator	New Indicator	2	4	5	+1	The over-achievement is due to a special Provincial Communication Forum meeting.

2.5. Programme Support

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.4.2.1 Percentage of Programme 2 Quarterly Performance Reports submitted timeously	New Indicator	New Indicator	70.75%	100%	100%	None	None
2.4.2.2 Number of Governance and Administration (G&A) Technical Clusters Meetings convened	1 Report	New Indicator	10	10	9	-1	Meeting scheduled for 7 April 2017 was cancelled due to the unavailability of members
2.4.2.3 Percentage of Outcome 12 Provincial Programme of Action (POA) targets achieved	New Indicator	New Indicator	0	75%	77%	+2%	Additional projects were completed by department of Roads and Public Works which leads to the over achievement.

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.4.2.4 Percentage of Outcome 5 Provincial Programme of Action (POA) targets achieved	New Indicator	New Indicator	0	70%	88%	+18%	Unrealistic target setting by stakeholders led to an 18% over achievement.
2.4.2.6 Number of Programme 2 meetings convened	New Indicator	New Indicator	1	16	21	+5	Additional Executive Branch Management meeting convened to discuss SOPA inputs and due to effective and efficient the unit led to an over-achievement.

Linking performance with budgets

Sub- Programme Name	2017/2018			2016/2017		
	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	60,266	60,124	142	64,946	63,977	969
ICT	14,352	14,352	-	13,836	12,715	1,121
Legal Services	7,819	7,819	-	6,482	6,265	217
Communications	7,115	7,115	-	3,416	3,416	-
Programme Support	3,059	3,059	-	3,025	3,025	-
Programme	92,611	92,469	142	91,705	89,398	2,307

**PROGRAMME 3:
POLICY AND
GOVERNANCE**

4.3 PROGRAMME 3: POLICY AND GOVERNANCE

Purpose

The purpose of this program is to strategically manage policies and strategies throughout the province towards the achievement of sustainable provincial growth and development and monitoring and evaluation of Government Programme of Action and PGDS.

It is made up of the following sub-programmes:

- 3.1 Inter-Governmental Relations
- 3.2 Provincial Performance Monitoring and Evaluation
 - 3.2.1 Provincial Service Delivery Programmes Monitoring and Evaluation
 - 3.2.2 Provincial Performance Information Monitoring and Evaluation
- 3.3 Provincial Policy Management
 - 3.3.1 Special Programme
 - 3.3.2 Policy Coordination, Research and Development
 - 3.3.3 Development Planning
- 3.4 Programme Support

3.1: Intergovernmental Relations, International Relations, Official Development Assistance & Protocol Purpose: Promote effective intergovernmental relations and ensure total provincial compliance with Intergovernmental Relations Act of 2005

3.2: Provincial Performance Monitoring and Evaluation

Purpose: To ensure that the Premier and the Executive Council can effectively and efficiently utilise monitoring and evaluation information to track the performance of provincial government and support service delivery initiatives and interventions.

3.3: Provincial Policy Management

3.3.1: Special Programmes

Purpose: To mainstream, coordinate, monitor and evaluate programmes in terms of Women, Children and People with Disabilities to address inequalities and restore the moral fibre of society. Act as Secretariat for the Special Programmes Forum

3.3.2: Policy Coordination, Research and Development

Purpose: Improved accountability and compliance to policy directives to conduct policy analysis to determine effectiveness of service delivery and compliance to policies

3.3.3: Development Planning

Purpose: To provide strategic leadership in the implementation of goals set in the National Development Plan through the facilitation and coordination of the planning functions in the NC government. Effective leadership and coordination to all government structures as set out in the MTSF that will enhance service delivery, promote economic development and contribute towards the achievement of the National Development Plan (Vision 2030).

3.4: Programme Support: Policy and Governance

Purpose: Ensure the smooth running of the branch. Provide systems for data management and reporting in the Nerve Centre. Monitor alignment of departmental plans with the NDP, MTSF, Outcomes and all relevant policies.

Strategic objectives, performance indicators, planned targets and actual achievements

During the financial year 2017/18 the programme achieved the following deliverables:

- The Office of the Premier in collaboration with DPME continued to monitor the commitments Departments made during the Citizen Based Monitoring Programme at the Umsobomvu Municipality.
- The department, in collaboration with DPME, has successfully implemented the Frontline Service Delivery Joint Annual Plan for the 2017/18 financial year during which a total of 21 sites were visited.
- On-going support and guidance was provided to departments through information and monitoring sessions and assessment of improvement plans in an effort to improve MPAT performance of the province.
- The assessment of the War on Poverty referrals was concluded for all quarters.
- Ensured the implementation of the eQPR system in the Province as rolled out by DPME to all Provinces with the NC identified by DPME as the best practice Province for the institutionalisation of the eQPRS. The provincial eQPR guidelines and circulars, as well as provincial specific tools were developed.
- Quarterly assessment of the implementation of the 17/18 APP's concluded through the verification and quality assurance of the eQPR data for corrections before final submission to DPME and analysis of quarterly performance of each of the 12 provincial departments.
- Developed a POA reporting guideline to provide guidance on the development and submission of Outcome Programme of Action (POA) quarterly progress reports for the 2017/18 financial year.
- Cluster based quarterly monitoring of the Programme of Action has been concluded against the targets outlined in the approved 2017/18 POA.
- Concluded the assessment of the 1st and 2nd draft 2018/19 Annual Performance Plans of all 12 provincial departments and one on one feedback sessions held with departments to provide additional technical guidance and support.
- In an effort to the development of the PGDP and ensuring the alignment between the PGDP and the PSDF a consultant was appointed. The final draft Diagnostic report and draft PSDF status report was completed and made available to stakeholders for further inputs.
- The OTP established a Policy Analysing Committee, which developed a Policy Analysis Framework. The purpose of this framework will be a guide to determine how government strategies benefit and address the needs of the target groups for purposes of improving their living conditions.

Strategic objectives:

Facilitate the Implementation of the government Programme of Action aligned to the NDP Vision 2030 and the MTSF 2014-19.

Programme 3: Policy and Governance					
Strategic Objective Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Reviewed Provincial Growth and Development Strategy (PGDS)	No progress	Development of Provincial Growth and Development Plan	Not finalised	Final draft Diagnostic report was completed and made available to stakeholders for further inputs.	As a result of capacity challenges a consultant was appointed and it was agreed upon to follow a phase approach (4 phases) to finalise the review of the PGDS

Programme 3: Policy and Governance					
Strategic Objective Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Reviewed Provincial Spatial Development Framework (PSDF)	No progress	Implementation Of PSDF	Not finalised	Draft PSDF status report was completed and made available to stakeholders for further inputs.	As a result of capacity challenges a consultant was appointed and it was agreed upon to follow a phase approach (4 phases) to finalise the review of the PSDF
Approved Programme of Action	Quarterly progress of the POA monitored and consolidated reports concluded for each quarter.	Approved Annual reviewed POA	Approved POA	-	-
Provincial Monitoring and Evaluation framework	No progress	Approved Monitoring and Evaluation Framework	Not finalised	-	The finalisation of the PGDP informs the finalisation of the draft Provincial M & E Framework but a process plan was developed
Provincial Evaluation Plan	No Progress	Reviewed Provincial Evaluation Plan	Not finalised	Developed a Concept Document	The Provincial Evaluation Plan was not finalised but in preparation thereof, a Concept Document was developed and a Provincial Evaluation technical task team was established.

Performance indicators
3.1. Inter-Governmental Relations

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.1.1 Number of consolidated reports on the Inter-governmental Fora in the province	New Indicator	New Indicator	6 (3 PIGF, 3 Technical)	4 Consolidated reports	4 Consolidated reports	None	None
3.1.2 Number of International engagements facilitated by the Office of the Premier	New Indicator	New Indicator	80% (4 of 5)	6 Engagements	16 Engagements	+10 Engagements	Over achievement due to additional invitations and engagements.
3.1.3 Number of Provincial Official Donor Assistance (ODA) committee meetings convened	New Indicator	New Indicator	0	4 Meetings	3 Meetings	-1 Meeting	The variance is informed by the cancellation of one ODA committee meeting.
3.1.4 Number of official government events supported with protocol service by the Office of the Premier	New Indicator	New Indicator	22 Official Government events	14 Official Government events	21 Official Government events	+7 Official Government events	The variances are informed by the need for the Protocol services.

3.2: Provincial Performance Monitoring and Evaluation

3.2.1 Provincial Service Delivery Programmes Monitoring and Evaluation

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.2.1.1 Number of quarterly reports on the co-ordination of Provincial Monitoring and Evaluation	New Indicator	New Indicator	New Indicator	4 Reports	4 Reports	None	None
3.2.1.2 Number of quarterly reports on the Implementation of evaluations within the Province	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None
3.2.1.3 Number of quarterly reports on the implementation of Frontline Service Delivery Monitoring Programme	New Indicator	New Indicator	New Indicator	4 Reports	4 Reports	None	None

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.2.1.4 Number of quarterly reports on the implementation of the Citizen Based Monitoring in the Province	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None
3.2.1.5 Number of reports on interventions across departments towards performance improvement of the Management Performance Assessment Tool (MPAT)	New Indicator	New Indicator	4	4 Reports	4 Reports	None	None
3.2.1.6 Number of quarterly reports on the monitoring of the War on Poverty Programme	New Indicator	New Indicator	4	4 Reports	4 Reports	None	None

3.2.2 Provincial Performance Information Monitoring and Evaluation

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.2.2.1 Number of consolidated quarterly assessment reports on Provincial Performance Information	New Indicator	New Indicator	New Indicator	4 Reports	4 Reports	None	None
3.2.2.2 Number of consolidated assessment reports on the Draft Annual Performance Plans of Provincial Departments	New Indicator	New Indicator	New Indicator	2 Reports	2 Reports	None	None
3.2.2.3 Number of consolidated quarterly performance assessment reports on the implementation of the Provincial Programme of Action	New Indicator	New Indicator	New Indicator	4 Reports	4 Reports	None	None

3.3. Provincial Policy Management

3.3.1. Special Programmes

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.3.1.1 Number of Departments assessed for Special Programmes responsive strategies	New Indicator	New Indicator	New Indicator	12 Departments	12 Departments	None	None
3.3.1.2 Number of District Municipalities assessed for Special Programmes responsive Integrated Development Plans	New Indicator	New Indicator	New Indicator	5 District Municipalities	5 District Municipalities	None	None
3.3.1.3 Number of Special Programmes Forums convened	New Indicator	New Indicator	New Indicator	5 Forum Meetings	5 Forum Meetings	None	None
3.3.1.4 Number of Advocacy Programmes co-ordinated	New Indicator	New Indicator	New Indicator	14 Advocacy Programmes	16 Advocacy Programmes	+2	Unrealistic target setting for the 3rd quarter led to over-achievement.

3.3.2. Policy Coordination, Research and Development

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.3.2.1 Number of quarterly performance reports submitted in line with prescribed timeframes	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None
3.3.2.2 Number of Annual Performance Plan tabled as per legislated deadlines	New Indicator	New Indicator	1 Annual Performance Plan	1 Annual Performance Plan	1 Annual Performance Plan	None	None

3.3.3. Development Planning

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.3.3.1 Number of advisory memorandums submitted to Executive Council on the progress of the PGDP	New Indicator	New Indicator	4 Memorandums	4 Memorandums	6 Memorandums	+2	The variances are informed by the PGDP need for progress to the Executive Council.
3.3.3.2 Number of research assignments completed by 31 March 2018	New Indicator	New Indicator	New Indicator	2 Research Assignments completed	2 Research Assignments completed	None	None

3.4. Programme Support: Policy and Governance

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.4.1 No of departments with approved service delivery charter within the Provincial Administration	New Indicator	New Indicator	1	4 Departments	4 Departments	None	None

Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.4.2 Number of Batho Pele forums convened	New Indicator	New Indicator	New Indicator	4 Forums	4 Forums	None	None
3.4.3 Number of reports on the Service Delivery Improvement Plans (SDIP) within the Northern Cape Provincial Administration	New Indicator	New Indicator	0	4 Reports	4 Reports	None	None
3.4.4 Number of programme support engagements	5 Reports	4 Reports	4 Reports	4 Reports	4 Reports	None	None
3.4.5 Number of reports on the implementation of the MPAT Improvement Plan for KPA 1	New Indicator	New Indicator	1 Report	2 Reports	2 Reports	None	None

Strategy to overcome areas of under performance

The Office of the Premier established a Departmental Review Committee on Performance Information, with the core purpose and objective to provide assurance on the quality, integrity and reliability of the departmental performance information at strategy formulation and strategy implementation levels. The Internal Audit Unit from Provincial Treasury forms part of these sessions to provide in depend assurance.

During the period under review, Unit Heads were afforded an opportunity to present their interventions on addressing underperformance. Thereafter Unit heads are allowed a week to implement their intervention on the areas of underperformance and submit proof thereof to Departmental Strategic Management unit this is to ensure that the underperformance were addressed before final validation and approval by the Accounting Officer.

Further to this, as part of strengthening the internal control measures a checklist on portfolio of evidence was developed and submitted on a quarterly basis by each Programme to the Departmental Strategic Management unit for verification and validation.

4. CHANGES TO PLANNED TARGETS

There has been no changes to the planned targets for this reporting period.

Linking performance with budgets

Sub- Programme Name	2017/2018			2016/2017		
	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
Special Programmes	17,705	17,705	-	13,725	13,725	-
IGR	4,135	4,135	-	3,484	3,484	-
Provincial Policy Management	19,784	16,039	3,745	14,495	14,495	-
Programme Support	3,034	2,902	132	2,343	2,343	-
Programme 3	44,658	40,781	3,877	34,047	34,047	-

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

SABC – R 3 000.00

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with section 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Premier's Bursary Trust Fund	Trust	Study loans for students	Yes	21,325	21,325	-
Mme Re Ka Thusa	Trust	Financial assistance for previously disadvantaged women to empower them to become economically active	Yes	4,669	4,669	-

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

The Office of the Premier did not pay any conditional grants and earmarked funds for the 2017/18 financial year.

6.2 Conditional grants and earmarked funds received

The Office of the Premier did not receive any conditional grants and earmarked funds for the 2017/18 financial year.

7. DONOR FUNDS

7.1 Donor Funds Received

The Office of the Premier did not receive any donor funds and earmarked funds for the 2017/18 financial year.

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

Infrastructure projects	2017/2018				2016/2017		
	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	-	-	-	-	-	-	
Existing infrastructure assets	-	-	-	-	-	-	
Upgrades and additions	-	-	-	-	-	-	
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	
Maintenance and repairs	-	-	-	106	106	-	
Infrastructure transfer	-	-	-	-	-	-	
Current	-	-	-	-	-	-	
Capital	-	-	-	-	-	-	
Total	-	-	-	106	106	-	

PART C: GOVERNANCE



PART C: GOVERNANCE

1. INTRODUCTION

The management team of the Office of the Premier is committed to maintain the highest standards of governance. This includes the prudent management of public finances and resources, as it would give the necessary assurance that the Office of the Premier has good structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer. These structures are: Top Management Committee, Senior Management Team, Risk Management Committee, independent Audit Committee; independent Internal Audit and supplier chain structures, such as departmental bid committees.

2. RISK MANAGEMENT

The department has implemented risk management in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF). A Risk Management Committee is operational to assist the Accounting Officer in executing his responsibilities relating to risk management. This committee consists of Senior Management, Northern Cape Provincial Treasury Risk Management Support and Northern Cape Provincial Treasury Internal Audit.

The Risk Management Committee advised management on the overall systems of risk management to ensure that risk management is embedded within the systems and controls of the department and further ensure that risks of the department are mitigated to an acceptable level.

The shared service Audit Committee based at Northern Cape Provincial Treasury was utilised by the department. The Audit Committee provided an independent oversight to ensure that the department's system of risk management are effective.

The department's risk management policy and strategy were reviewed during the financial period 2017/18. Risk assessment was performed and the risk register updated with new and emerging risks. The inherent risks were identified and assessed to ensure that high risks were reduced to an acceptable level. All risks were properly mitigated and monitored throughout the financial cycle. The implementation and monitoring of risk management has improved the performance and accomplishment of the strategic and operational objectives of the Office of the Premier.

3. FRAUD AND CORRUPTION

The Office of the Premier has an approved Fraud, Anti- Corruption and Whistle- Blowing policy, Strategy and Implementation Plan. The Anti-Corruption Unit is tasked with giving effect to these governance instruments and in so doing has developed professional relationships with other law enforcement and Ethics centred agencies.

The aim is to develop our local capacity by benchmarking international standards and best practices in fighting the incidence of Fraud and Corruption in our province and communities. Our partnership with local and national agencies has increased awareness amongst government departments and entities as well as civil society and the business sector.

Our awareness sessions are conducted with the aim of advising public servants and the general public on how to report fraud and corruption and to whom such matters should be reported to. We encourage anonymous reporting and provide contact persons and particulars during our advocacy sessions. The Office of the Premier protects the identity and personal information of any person who reports fraud and corruption.

The Accounting Officer is notified of any incident of fraud or corruption reported to the Office of the Premier and this is then recorded in a register.

No incidents of fraud or corruption were reported during the year under review.

4. MINIMISING CONFLICT OF INTEREST

The members of all departmental bid committees including the secretariat, which are officials from Supply Chain Management, declare their interest for each departmental bid committee meeting by signing a Declaration of Interest Register before each meeting. In the event that a conflict of interest is identified, the affected member is excused from the evaluation process. Provincial Treasury forms part of each departmental bid committee meeting to execute their oversight role.

Annually all SMS, MMS, OSD members and Supply Chain Management officials disclose their financial interest. In terms of SMS members, verified declarations are submitted to Public Service Commission via the eDisclosure System. The Ethics Officer verifies the financial disclosures of MMS, OSD members and Supply Chain Management officials and report any discrepancies to the Accounting Officer for implementation of corrective measures.

5. CODE OF CONDUCT

The Public Service Act of 1994 (as amended) charges all appointed employees with the responsibility to comply with the prescribed Code of Conduct. The Public Service Regulation, 2016 that came into effect on 1 August 2016 introduced a new Code of Conduct for the Public Service, which compel the Office of the Premier to promote and maintain the highest level of professionalism and ethical behaviour in the workplace. It further contributes to the department's objective to eradicate corruption and advocate good governance.

The fundamental ethical principles imposes an obligation on employees to comply with relevant laws and regulations and circumvent any action that may bring discredit to the department and public service in general. The department performs an ongoing awareness on Code of Conduct to the existing and newly appointed employees to minimize the breach of the Code of Conduct. Where there is a breach of the Code of Conduct the department action the necessary internal disciplinary processes to address such unethical behaviour.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Office of the Premier is committed to create a safe and healthy working environment for all its employees. To strengthen this commitment the approved Safety Health Environment Risk and Quality (SHERQ); Workplace Health and Productivity Management and Workplace Wellness Policies were all reviewed during this reporting cycle. The department's Health and Safety Committee continued to deliver support by considering and monitoring activities and intervention during the period under review. These activities involved conducting an evacuation drill, continuous hazard identification and reporting on hazard and risk mitigation and other functions as part of routine interventionist function.

In terms of Occupational Health Services utilized by the employees there has been a consistent increase in the number of employees taking responsibility for their individual health risk profile. Further to this, the dedicated Employee Health and Wellness unit in the Office of the Premier established potent relationships with Service Providers. These relationships strengthened the implementation of Health and Wellness programmes.

7. PORTFOLIO COMMITTEES

During the year under review the Office of the Premier appeared before the Standing Committee on the Premier's Affairs and submitted additional reports as outlined below:

- On the 5 June 2017 the department submitted a detailed expenditure report per programme and sub-programme and economic classification levels for the 4th quarter of the prior cycle to the committee.
- 27 June 2017: Annual Performance Report: 2017/18. The department responded to the Committees recommendations by provided detailed report on the Provincial Human Resource Plan, State of the Province Address 2017 and Programme specific
- The 1st Quarterly Performance Report 2017/18 was presented on the 3 November 2017.
- The department responded to the Committees recommendations by providing a detailed report on branding on the Northern Cape Provincial Government, Boegoebaai Project, the bursaries awarded for the 2017 academic year and Special Programmes Directorate
- 13 March 2018: 2016/17 Annual Report.

8. SCOPA RESOLUTIONS

REFERENCE TO 2016/17 ANNUAL REPORT AND SCOPA RESOLUTIONS	SUBJECT/SCOPA RESOLUTION	PROGRESS ON THE FINDINGS
Resolution 1	Submission of progress reports to SCOPA on the: <ol style="list-style-type: none"> 1. Violsdrift & Boegoebaai Project 2. The Premier’s Bursary Fund 3. Provincial Growth Development Strategy 	The department submitted progress reports to SCOPA on the Violsdrift & Boegoebaai Project; The Premier’s Bursary Fund; Provincial Growth Development Strategy and Northern Cape Province Mid-term Review Analysis Report
Resolution 2	Progress on the implementation of the Provincial Growth and Development Plan	The department submitted a detailed report on the progress of the development of the Provincial Growth and Development Plan, which reported that a service provider was appointed, the inception reported was developed and the website with planning portal was launched.
Resolution 3	Report on all sector departments that did not submit sufficient portfolio of evidence to the Office of the Premier	The Office of the Premier implemented the Auditor-General’s Action plan to address the matter of insufficient portfolio of evidence on those indicators that affected approximately 50% of the entire population during the 2016/17 audit process. OTP further established a Departmental Review Committee on Performance Information, with the core purpose and objective to provide assurance on the quality, integrity and reliability of the departmental performance information at strategy formulation and strategy implementation levels. The Internal Audit Unit from Provincial Treasury forms part of these sessions, of which three sessions (for the past three quarters of the 2017/18 financial year) already convened, where the final validated outputs per programme were presented and assurance were provided that sufficient portfolio of evidence were submitted. Further to this, as part of strengthening the internal control measures a checklist on portfolio of evidence was developed and submitted on a quarterly basis by each Programme to the Strategic Management team for verification and validation. Lastly, as per the Auditor-General’s recommendation, registers for indicators were developed, which will accompany the portfolio of evidence during the audit process for 2017/18 cycle. With these internal control measures, we do not anticipate to have the same outcome of 2016/17 financial cycle pertaining to indicators that affected approximately 50% of the entire population.

REFERENCE TO 2016/17 ANNUAL REPORT AND SCOPA RESOLUTIONS	SUBJECT/SCOPA RESOLUTION	PROGRESS ON THE FINDINGS
Resolution 4	OTP as the apex department responsible for provincial oversight must investigate the impact of the moratorium put on the filling of vacant funded posts on the overall performance of the government	Jointly the Office and the Premier and Provincial Treasury formulated Standard Procedures for the management of the moratorium on the filling of critical funded vacant posts, in an effort to manage headcounts. Since the introduction of the moratorium the Office of the Premier and Provincial Treasury has identified improvements and enhancements which will be presented to EXCO on the 30 May 2018. The main change to the Standard Procedures is to streamline the process to ensure that the administration fill critical funded vacancies within the prescribed timeframes.
Resolution 5	The Office of the Premier must seek to swiftly address all labour relations disputes in the provincial administration as it has potential to impact negatively on service delivery	Quarterly the Provincial Report on disciplinary, grievance and dispute cases is presented to the HOD Forum, for their concurrence and to address challenges that might hamper service delivery. As part of governance the provincial labour relation disputes has been a standing agenda item at the Audit Committee quarterly meetings, where the Office of the Premier present progress, challenges and interventions to the Committee. It is important for the Committee to note that this item is a national priority and the Office of the Premier is required to submit same report to the Forum of South African Director-Generals (FOSAD). This report has been submitted quarterly via the Department of Public Service and Administration for presentation to the FOSAD in preparation of the presentation to the President's Coordinating Council (PCC).
Resolution 6	The Office of the Premier must incrementally implement the Provincial Information Technology and Communication Strategic Plan	An Information Technology Shared Service Centre (ITSSC) proposal for the province was developed, presented and adopted. The process of consolidating a provincial IT Budget has started and the implementation of a provincial Virtual Private Network as the first step to address the ICT infrastructure challenges is in its final stages. The Office of the Premier is currently busy investigating the feasibility of establishing the Disaster Recovery Plan and Business Continuity Plan for the Province. There has been engagement with SITA to lead the process. Further to this, engagements with Provincial Treasury for funding has started, as well as the development of an implementation plan for the ITSSC.

REFERENCE TO 2016/17 ANNUAL REPORT AND SCOPA RESOLUTIONS	SUBJECT/SCOPA RESOLUTION	PROGRESS ON THE FINDINGS
<p>Resolution 7</p>	<p>Having completed investigations on irregular expenditure the next step will be to enforce consequences management against officials who negligently caused irregular expenditure.</p>	<p>This relates to the legacy irregular expenditure of R23 500 m dating back from 2008. Services were delivered as per the needs of the department and duly ordered and received in good condition. All goods and services procured were within the mandate of the department. There were no losses incurred by the department as a result of the acquisition of this procurement of goods and services that is part of the legacy irregular expenditure. The last time the department incurred irregular expenditure was in 2014/15. Since 2015/16 the department had been obtaining a score of 4 (A score of 3 is fully compliant and a score of 4 is outstanding achievement) on compliance with supply chain management.</p> <p>Very NB: The guideline on irregular expenditure does not define how the investigation of irregular expenditure should be conducted. For instance, par 27.2 states that “The accounting officer must decide on the level of enquiry/investigation to be undertaken”. The Accounting Officer therefore used his discretion on the level of the enquiry or investigation to be undertaken, taken into account the context of legacy irregular expenditure incurred, as outlined in the first paragraph.</p> <p>Out of the investigations, management took disciplinary actions against certain officials who did not adhere to some of their duties, which resulted in some of the regular expenditure.</p> <p>An application was made to National Treasury to request it to condone the legacy amount. It took National Treasury a number of years before it gave a final determination and feedback on the application for condoning. Once National Treasury made the final determination on the condonation, the Accounting Officer exercised the empowering provisions accorded to him in terms of paragraph 24 (c) and 28.4 of 2015 National Treasury guideline on irregular expenditure to de-recognize the amount in the financial statements, which has reflecting in its books for a number of years. The Accounting Officer had no other option other than to write-off the amount as per the legislation after he had exhausted all other legal avenues, including consultation with the Audit Committee, Provincial Auditor General (PAG) and direct petition to National Treasury, to get a condonement of this legacy amount. The Accounting Officer also consulted (in writing) the office of the Auditor General on how to proceed with the write-off since there is ambiguity in the guideline.</p>

REFERENCE TO 2016/17 ANNUAL REPORT AND SCOPA RESOLUTIONS	SUBJECT/SCOPA RESOLUTION	PROGRESS ON THE FINDINGS
		<p>We had the support of both the Audit Committee and the PAG to proceed with the write-off of the legacy irregular expenditure amount.</p> <p>Management is of the view that it complied with all due processes and the requirements of paragraph 24 (c) and 28.4 of 2015 National Treasury guideline on irregular expenditure when the Accounting Officer wrote off the irregular expenditure.</p> <p>During the 2017/18 audit, AG was not satisfied with how the investigation process was conducted and advised that the amount be written back in the books of account. The Accounting Officer will appoint an investigator during the 2018/19 financial year to deal with the total amount of irregular disclosed in the financial statements for 2017/18 and due processes will be followed for the condonement and write-off of this amount.</p>

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Office of the Premier received a clean audit in the prior year. The department has compiled audit action plans to respond to significant audit issues in the management letter such as leave. The action plans have been elevated to governance structures such as the Audit Committee for their assistance in tracking progress on the implementation thereof. The Accounting Officer has also concluded the special "agreed upon" audit procedures with the Auditor General South Africa to be conducted in those significant audit matters. Internal Audit also performed follow-up internal procedures on the crafted audit action plans so as to provide feedback to those charged with governance of the organisation.

10. INTERNAL CONTROL UNIT

The Office of the Premier does not have a separate Internal control Unit. However, preventative, detective and management controls are embedded in Office of the Premier's organization-wide business processes for execution by the line function officials.

There was no material breakdown of internal controls during the year under review. The internal control environment was sound.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit

Key activities and objectives of the internal audit:

The Executive Council of the Northern Cape Provincial Government has established an Internal Audit Unit (IAU) to provide internal audit services to all 12 departments within the province. The shared PIAU is divided into 4 clusters, Office of the Premier being serviced by the IAU - Health Cluster. The IAU is an independent, objective assurance and consulting activity designed to add value and improve the client's operations.

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

- Annual Financial Statements review
- Audit of Performance Information
- Ethics, code of conduct and governance structures
- Delegations - validation
- Follow up on implementation of audit rectification plans
- Leave and capped leave management
- Risk and fraud management evaluation
- Transfer payments
- Management Performance Assessment Tool certification
- Operational audit – monitoring and evaluations

The internal audit unit also attended and contributed to the departmental risk management committee meetings and ad hoc management meetings as and when requested.

Audit Committee

Key activities and objectives of the audit committee:

The Executive Council of the Northern Cape Provincial Government has established Cluster Audit Committees for the 12 Provincial Departments. The Health Cluster Audit Committee deals with 3 departments including the Office of the Premier. The Audit Committee assists the department by providing advice relating to the reporting process, the system of internal control, the risk management processes, the internal and external audit process and the departments processes for monitoring compliance with laws and regulations and the code of conduct.

The Audit Committee consists of the members listed below. It meets as frequent as mandated by the approved Audit Committee charter and as often as it deems necessary. The AC also provided the MEC with a written report subsequent to the AC meetings to ensure the executive is informed about matters of concern.

During the financial year under review, 4 meetings were convened as per its charter with an additional meeting convened to discuss rectification plan status of implementation.

12. REPORT OF THE AUDIT COMMITTEE ON THE OFFICE OF THE PREMIER

1. Legislative prescripts

The audit committee herewith presents its report for the financial year ended 31 March 2018, as required by section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999) (PFMA) read with Treasury Regulation 3.1.13.

2. Audit committee members and attendance

The audit committee was established in accordance with sections 38(1)(a)(ii) and 77 of the PFMA. The audit committee charter requires that the audit committee comprises a minimum of three members and a maximum of five members, the majority of whom should be from outside the public service. The audit committee comprises five members. In terms of section 77(b) of the PFMA, the audit committee must meet at least twice a year. During the financial year ended 31 March 2018, the audit committee met on five occasions.

The term of audit committee members is three years with an opportunity to be renewed for another 3 year term. The table below reflects the Audit committee membership and attendance as at 30 November 2017 when the term of some audit committee members came to an end:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Bongani Ngqola	Post Graduate Diploma in Business Management, Certified Information Systems Auditor (CISA), Higher Diploma in Computer Auditing, Bachelor of Commerce (Information Systems)	External	n/a	2 Dec 2014	n/a	4
Frans van Der Westhuizen	LLB, B Iuris, Dip Iuris	External	n/a	2 Dec 2014	n/a	1
Charles Motau	B Com (Accounting and Economics), Higher Diploma in Computer auditing, Master of Business Leadership and Master of Information Technology, Certified Member of the Business Continuity Institute (CBCI)	External	n/a	12 Dec 2014	n/a	4
Bafedile Lenkoe	Magister in public administration (MPA)	Internal	Chief Director	12 Dec 2014	n/a	0

The newly appointed audit committee members and their attendance are:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Charles Motau	B Com (Accounting and Economics), Higher Diploma in Computer auditing, Master of Business Leadership and Master of Information Technology, Certified Member fo the Business Continuity Institute (CBCI)	External	n/a	2 Dec 2014 Renewed: 29 November 2017	n/a	2
M Mokgobinyane	B Com, B Com Honours CA(SA)	External	n/a	29 November 2017	n/a	2
R Mnisi	LLB, Post Graduate Certificate in Compliance management	External	n/a	29 November 2017	n/a	2
L Wyngaard	M.SocSC, Masters in Social Science	Internal	Director	29 November 2017	n/a	2
Bafedile Lenkoe	Magister in public administration (MPA)	Internal	Chief Director	12 Dec 2014 Resigned May 2018	n/a	n/a

The members of the audit committee held meetings with the accounting officer, senior management of the department, internal audit function and the external auditors, collectively and individually, on matters related to governance, internal control and risk management in the department, throughout the reporting period.

During the financial year the audit committee sent quarterly reports to the Premier on the activities and observations of the Audit Committee.

3. Audit Committee’s responsibility

The audit committee has complied with its responsibilities arising from section 38(1)(a)(ii) of the PFMA read with treasury regulation 3.1.10, and reports that it operated in terms of the audit committee charter.

4. Effectiveness of internal control

The audit committee acknowledges management’s efforts to maintain internal controls in the department. There is a need for improvement for the system of internal control in the area of Risk Management.

The audit committee is satisfied that the matters reported by the external auditors and the internal audit function in prior years have been fully and satisfactorily addressed. Management has provided assurance that effective corrective action will be implemented in respect of all internal control weaknesses, and the audit committee will monitor these going forward.

Due to the strategic importance and investment in the modernisation of Information and Communication Technology (ICT) in the department, the audit committee has monitored the risks and progress reports on the respective action plans during the year under review. The audit committee remains concerned that not all ICT risks are being addressed or mitigated in implementing in this regard. The audit committee is also monitoring progress on the ICT Shared Services Model.

5. The quality of monthly and quarterly reports submitted in terms of the PFMA and DORA

The audit committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework.

The audit committee has recommended that the department prepare interim financial statements that comply with the financial reporting framework Modified Cash Standard, which could assist in performing reconciliations timely as well as in eliminating year-end adjustments.

The audit committee has reviewed and commented on the department annual financial statements, report on performance information and their timely submission to the external auditors by 31 May.

6. Internal audit function

The accounting officer is obliged, in terms of the PFMA, to ensure that the department has a system of internal audit under the control and direction of the audit committee. The audit committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

The audit committee supports the direction that the internal audit function is adopting in providing the necessary skills and agility required for the function to respond quickly and effectively to the demands for internal audit across the department's different locations.

The committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department. The audit committee is satisfied that the internal audit function maintains an effective internal quality assurance programme that covers all aspects of the internal audit activity. The internal assessment indicates that the term "Conforms with the International Standards for the Professional Practice of Internal Auditing" may be used by the function.

The Audit Committee notes with satisfaction the independence and objectivity of Internal Audit function.

7. Risk management function

The audit committee is responsible for the oversight of the risk management function. The risk management committee reports to the audit committee on the department's management of risk. The committee has reviewed the risk register and the reports from the risk committee and is generally satisfied with the maturity of the risk management process.

8. Evaluation of finance function

On the whole, the audit committee is satisfied with the department's finance function during the year under review.

9. Performance management

The audit committee has performed oversight over the performance management of the department. The Audit Committee has performed a limited review of the annual performance report and was satisfied that the report has been prepared in terms of the PFMA, the Treasury Regulations and any other related regulatory requirements for reporting performance.

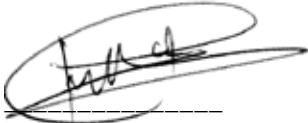
10. Evaluation of the annual financial statements

The audit committee has performed a limited review of the annual financial statements. The audit committee was satisfied that the annual financial statements have been prepared in terms of the modified cash standards and the PFMA.

11. External auditor's report

The audit committee concurs with and accepts the conclusion and audit opinion of the external auditors on the annual financial statements. The committee is of the view that the audited financial statements be accepted and read together with the report of the external auditors. The audit committee confirms that it has been actively involved throughout the audit process and has been thoroughly appraised of the issues giving rise to the audit opinion. The audit committee concurs with the material findings on the reported performance information and compliance with legislation. The external audit function, performed by the AGSA auditors, is independent of the entity. The audit committee has met with the external auditors to ensure that there are no unresolved issues, and acknowledges the diligence and cooperation of the external audit team.

On behalf of the audit committee:



Mr. C Motau

*Chairperson of the Audit Committee
Office of the Premier*

31 July 2018

PART D: HUMAN RESOURCE MANAGEMENT



PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Unlike other departments in the Northern Cape Administration, the Office of the Premier's legislative mandate is to execute an oversight role and the interaction with the broader public is limited to consultative meetings in terms of service delivery. In support of service delivery, our management team play a transferal role in support of provincial departments to ensure that as a collective we improve government's performance through coordination, strategic leadership, integrated planning and monitoring and evaluation. The reality of the annual budget decline, without a doubt impact the attraction of scarce skills, workforce empowerment, career management and creating an enabling environment where employees are able to thrive. However, these challenges has become motivators to the workforce of the Office of the Premier, which drives management to seek innovative ways to "do more with less".

2. OVERVIEW OF HUMAN RESOURCES

A number of priorities have been outlined as per the approved MTEF HR Plan of the Office of the Premier, namely: organisational design; and training & development; recruitment & staffing; employment equity; and systems and information capacity. The impact of prioritising these areas are the alignment of internal and external functions and that of the skills profile of the organisation with its requirements and, by implication, enabling the organisation as a whole to perform at a higher level in delivering on its strategic mandate.

The Department currently has a MTEF HR Plan that is valid until 2020. Due to the review of the organisational structure, it has become important to embarked on renewed workforce planning and review the MTEF HR Plan. *This process will be concluded by 30 June 2018. The workforce planning is two-fold: incorporating priorities in terms of the implementation of the approved organisational structure, while also looking at priority posts which will be incorporated into the organisational structure as funds become available. This process will be supported by a training needs assessment (TNA) process.*

The **implementation of the approved organisational structure** is being guided by a cross-functional management task team, responsible for reporting progress to Senior Management on a monthly basis, and facilitating broad participation from all levels within the organisation. For the financial year under review, all relevant stakeholders were identified and informed of the process, a second round of consultation took place with relevant stakeholders, and a list of priority posts was developed for discussion and decision making at Top Management Committee level.

The main challenges, involved in implementing this strategy was the call for re-consultation by organised labour. Further to this, the complicated nature of implementation of the newly approved organizational structure which was approved on 22 February 2017, due to the fact that the Department largely had to use the current, approved, filled posts within the framework of the financial constraints experienced, resulting in an involved placement process. Implementation is envisaged to be completed within the 2018/19 financial year. The review of the MTEF HR Plan of the Department, to include priority posts, forms part of the implementation process. The implementation of the organisational structure will also form a significant part of the action plan of the reviewed MTEF HR Plan.

Baseline skills needs based on information received from unit heads was consolidated and fed into Workplace Skills Plan (WSP) for 2017-18. **Management and Leadership development** was done as per the WSP. Allocation of thirteen (13) bursaries awarded for 2018 academic year and the roll-out of the Compulsory Induction Programme was concluded. The NSG skills audit/**Training Needs Assessment** will be conducted in the 2018-19 financial year due to delays in the implementation of the re-aligned organizational structure and the Job Description review.

The **recruitment** requisition form was developed, approved and implemented within the reporting period. Phase 1 of the development of electronic recruitment system was also completed. In terms of the attainment of **disability targets**, attempts were made to access applicants from this target group via the Department of Labour disability database, but this strategy did not yield the expected success. The moratorium on the filling of vacancies had an adverse effect on the ability to improve the employment equity profile of the Department. Close partnerships will be fostered with non-governmental organisations working with people with disabilities, and advertisements placed will be more specific as to the type of candidate targeted, in terms of equity profiling.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2017 and 31 March 2018

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	108,034	57,976	-	-	54%	310
Institutional Development	92,611	55,105	1,080	-	60%	204
Policy and Governance	40,913	28,737	-	-	70%	106
Total	241,558	141,818	1,080	-	59%	563

Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Skilled (level 3-5)	15,324	11%	64	239
Highly skilled production (levels 6-8)	23,872	17%	60	398
Highly skilled supervision (levels 9-12)	60,109	42%	95	633
Senior and Top management (levels 13-16)	41,802	29%	32	1,306
Abnormal Appointments (Interns)	711	1%	21	34
Total	141,818	-	272	-

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 and 31 March 2018

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	48,131	82%	1,208	1.5%	1,933	2.4%	3,004	3.8%
Institutional Development	45,783	84%	409	1.2%	765	2.2%	1,133	3.2%
Policy and Governance	23,478	83%	17	0.1%	395	1.5%	964	3.5%
Total	117,392	83%	1,633	1.2%	3,093	2.2%	5,101	3.6%

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 3-5)	10,798	8%	384	0.3%	856	0.6%	1,501	1%
Highly skilled production (levels 6-8)	17,624	12%	522	0.4%	858	0.6%	1,473	1%
Highly skilled supervision (levels 9-12)	53,988	38%	728	0.5%	1,011	0.7%	1,716	1%
Senior management (level 13-16)	34,271	24%	-	-	367	0.3%	410	0.3%
Abnormal Appointments	711	1%	-	-	-	-	-	-
Total	117,392	83%	1,634	1.2%	3,092	2.2%	5,100	3.3%

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	113	109	4%	-
Institutional Development	97	93	4%	-
Policy and Governance	54	50	7%	-
Total	264	252	5%	-

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skilled(3-5)	67	65	3%	-
Highly skilled production (6-8)	61	59	3%	-
Highly skilled supervision (9-12)	104	98	6%	-
Senior management (13-16)	32	30	6%	-
Total	264	252	5%	-

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	89	85	4%	-
Client Information	3	2	33%	-
Communication & Related	4	4	0%	-
Executive Authority	1	1	0%	-
Finance & Economic	11	10	9%	-
Financial Clerks	15	15	0%	-
Food Services	9	9	0%	-
General Assistants	4	4	0%	-
Human Resource & Other	38	36	5%	-
Human Resource Clerks	4	4	0%	-
Information Tech.	7	7	0%	-
Legal Admin & Related Professional	3	3	0%	-
Library & Related	18	18	0%	-
Psychologist	1	1	0%	-
Risk Management	2	2	0%	-
Secretaries	16	15	6%	-
Security Officers	8	7	13%	-
Senior Managers	25	23	8%	-
Top Management	6	6	0%	-
Total	264	252	5%	-

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 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	-	0%
Salary Level 16	1	1	100%	-	0%
Salary Level 15	4	4	100%	-	0%
Salary Level 14	7	6	86%	1	14%
Salary Level 13	19	18	95%	1	5%
Total	32	30	94%	2	6%

Table 3.3.2 SMS post information as on 30 September 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	1	1	100%	0	0%
Salary Level 15	4	4	100%	0	0%
Salary Level 14	8	7	88%	1	13%
Salary Level 13	18	17	94%	1	6%
Total	32	30	94%	2	6%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 and 31 March 2018

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	-	-	-
Salary Level 16	-	-	-
Salary Level 15	-	-	-
Salary Level 14	1	1	-
Salary Level 13	1	-	1
Total	2	1	1

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 2017 and 31 March 2018

Reasons for vacancies not advertised within six months
The Department is in the process of implementing its newly approved organisational structure.

Reasons for vacancies not filled within twelve months
The Department is in the process of implementing its newly approved organisational structure.

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 2017 and 31 March 2018

Reasons for vacancies not advertised within six months
The Department is in the process of implementing its newly approved organisational structure.

Reasons for vacancies not filled within twelve months
The Department is in the process of implementing its newly approved organisational structure.

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 2017 and 31 March 2018

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
Skilled (Levels 3-5)	67	-	0%	-	0%	-	0%
Highly skilled production (Levels 6-8)	61	-	0%	-	0%	-	0%
Highly skilled supervision (Levels 9-12)	104	2	1.9%	-	0%	-	0%
Senior Management Service Band A	19	-	0%	-	0%	-	0%
Senior Management Service Band B	6	-	0%	-	0%	-	0%
Senior Management Service Band C	4	1	25%	-	0%	-	0%
Senior Management Service Band D	3	-	0%	-	0%	-	0%
Total	264	3	1.1%	-	0%	-	0%

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 and 31 March 2018

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	None
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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 2017 and 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	-	N/A	N/A	N/A
Total	-	N/A	N/A	N/A
Total number of employees whose salaries exceeded the level determined by job evaluation				
Percentage of total employed				0%

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 and 31 March 2018

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-	-	-	-	-
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Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Number of employees at beginning of period- 1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Skilled (Levels3-5)	63	2	1	2%
Highly skilled production (Levels 6-8)	60	1	1	2%
Highly skilled supervision (Levels 9-12)	91	3	3	3%
Senior Management Service Bands A	20	-	-	-
Senior Management Service Bands B	4	-	-	-
Senior Management Service Bands C	4	-	-	-
Senior Management Service Bands D	3	-	-	-
Contracts	8	-	-	-
Total	253	6	5	2%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 and 31 March 2018

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	83	4	2	2%
Client Information	2	-	-	-
Communication & Related	4	-	-	-
Executive Authority	1	-	-	-
Finance & Economics	10	-	-	-
Financial Clerks	15	-	-	-
Food Services	9	-	-	-
General Assistants	4	-	-	-
Human Resource & Other	37	-	1	3%
Human Resource Clerks	4	-	-	-
Information Technology	7	-	-	-
Legal Admin & Related Prof.	4	-	-	-
Library & Related	17	2	-	-
Psychologist	1	-	-	-
Risk Management	2	-	-	-
Secretaries	16	-	1	6%
Security Officers	8	-	1	13%
Senior Managers	23	-	-	-
Top Management	6	-	-	-
TOTAL	253	6	5	2%

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 2017 and 31 March 2018

Termination Type	Number	% of Total Resignations
Death	1	20%
Resignation	4	80%
Total	5	100%
Total number of employees who left as a % of total employment	5 of 253	2%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 and 31 March 2018

Occupation	Employees 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	83	1	1%	-	-
Client Information	2	-	-	-	-
Communication & Related	4	-	-	-	-
Executive Authority	1	-	-	-	-
Finance & Economics	10	-	-	-	-
Financial Clerks	15	-	-	-	-
Food Services	9	-	-	-	-
General Assistants	4	-	-	-	-
Human Resource & Other	37	-	-	-	-
Human Resource Clerks	4	-	-	-	-
Information Technology	7	-	-	-	-
Legal Admin & Related Prof.	4	-	-	-	-
Library & Related	17	-	-	-	-
Psychologist	1	-	-	-	-
Risk Management	2	-	-	-	-
Secretaries	16	1	6%	-	-
Security Officers	8	-	-	-	-
Senior managers	23	1	4%	-	-
Top Management	6	-	-	-	-
TOTAL	253	3	1%	-	-

Table 3.5.5 Promotions by salary band for the period 1 April 2017 and 31 March 2018

Salary Band	Employees 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Skilled (Levels3-5)	67	-	-	-	-
Highly skilled production (Levels 6-8)	61	1	2%	-	-
Highly skilled supervision (Levels 9-12)	104	1	1%	-	-
Senior Management (Level 13-16)	32	1	3%	-	-
Total	264	3	1%	-	-

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 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	24	7	2	-	14	9	1	6	63
Professionals	11	5	-	-	10	5	-	2	33
Technicians and associate professionals	16	11	-	1	29	9	-	-	66
Clerks	11	9	-	-	30	12	1	3	66
Elementary occupations	13	-	-	-	9	2	-	-	24
Total	75	32	2	1	92	37	2	11	252
Employees with disabilities	1	2							3

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	1	-	-	1	2	-	-	7
Senior Management	6	3	2	-	4	4	1	3	23
Professionally qualified and experienced specialists and mid-management	17	6	-	1	9	4	-	3	40
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	32	14	-	-	42	18	-	3	109
Semi-skilled and discretionary decision making	9	8	-	-	28	6	1	2	54
Unskilled and defined decision making	8	-	-	-	8	3	-	-	19
Total	75	32	2	1	92	37	2	11	252

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	1	-	-	-	1	-	-	-	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	-	-	-	1	-	-	-	2
Semi-skilled and discretionary decision making	-	2	-	-	-	-	-	-	2
Total	2	2	-	-	2	-	-	-	6
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	-	-	-	-	-	-	1	-	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	-	-	-	1	-	-	-	1
Semi-skilled and discretionary decision making	-	-	-	-	1	-	-	-	1
Total	-	-	-	-	2	-	1	-	3
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	-	-	-	-	1	-	-	-	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	-	-	-	-	1	-	-	3
Unskilled and defined decision making	1	-	-	-	-	-	-	-	1
Total	3	-	-	-	1	1	-	-	5
Employees with Disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Absenteeism	-	1	-	-	-	-	-	-	1
Absenteeism ,poor work performance, poor work performance	-	1	-	-	-	-	-	-	1
Absenteeism, smelling of alcohol and irregular expenditure	-	1	-	-	-	-	-	-	1
Insubordination	-	-	-	-	1	-	-	-	1
Unacceptable/ improper conduct	-	-	-	-	1	-	-	-	1
Unauthorised access into fellow employees e mails	1	-	-	-	-	-	-	-	1
Total	1	3	-	-	2	-	-	-	6

Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	5	3	1	-	4	3	3	1	20
Professionals	5	5	-	-	4	3	-	2	19
Technicians and associate professionals	5	2	-	-	18	7	-	4	36
Clerks	5	4	-	-	10	2	-	-	21
Service and sales workers	1	-	-	-	1	-	-	-	2
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Labourers and related workers	-	-	-	-	1	-	-	-	1
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Interns	5	2	-	-	15	1	-	-	23
Total	26	16	1	-	53	16	3	7	122
Employees with disabilities	-	-	-	-	-	-	-	-	-

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2017

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 15	4	4	4	100%
Salary Level 14	7	6	6	100%
Salary Level 13	19	20	20	100%
Total	31	31	31	100%

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2017.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2018

Reasons
All Members has signed by due date

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2018

Reasons
All Members has signed by due date

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

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 2017 to 31 March 2018

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Male	20	75	27%	669	33
African, Female	20	92	22%	316	16
Asian, Male	-	2	0%	-	-
Asian, Female	-	2	0%	-	-
Coloured, Male	10	32	31%	323	32
Coloured, Female	16	37	43%	492	31
White, Male	-	1	0%	-	-
White, Female	5	11	45%	146	29
Total	71	252	28%	1,946	27

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018

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	
Skilled (level 3-5)	9	65	14%	86	10	0,06%
Highly skilled production (level 6-8)	24	61	39%	816	34	0,58%
Highly skilled supervision (level 9-12)	28	94	30%	781	28	0,55%
Total	61	220	28%	1,683	28	1,19%

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative Related	21	85	25%	422	20
Client Information Clerks /Switchboard/ Reception	-	2	0%	-	-
Communication and Related	-	4	0%	-	-
Executive Authority	-	1	0%	-	-
Finance and Economics	5	10	50%	192	38
Financial Clerks and Credit	3	15	20%	41	14
Food Service Aid	1	9	11%	10	10
General Assistant	-	4	0%	-	-
HR and OD	13	36	36%	274	21
Human Resources Clerks	1	4	25%	6	6
IT and Related	2	7	29%	44	22
Legal Admin and Related	-	3	0%	-	-
Library Mail and Related	1	18	6%	11	11
Psychologists and Related	1	1	100%	31	31
Risk Management and Security	2	2	100%	71	36
Secretaries & Other	8	15	53%	123	15
Security Officers	3	7	43%	41	14
Senior Managers	7	23	30%	371	53
Top Management	3	6	50%	322	107
Total	71	252	28%	1,959	28

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation –

1. in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
2. for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
3. where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
4. in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	7	20	35%	371	53	0.26%
Band B	-	5	0%	-	-	0%
Band C	2	4	50%	170	85	0.12%
Band D	1	3	33%	152	152	0.11%
Total	10	32	31%	693	69	0.49%

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 2017 and 31 March 2018

Salary band	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	-	-	-	-	-	-
Highly skilled production (Lev. 6-8)	1	100%	1	100%	-	0%
Highly skilled supervision (Lev. 9-12)	-	-	-	-	-	-
Contract (level 9-12)	-	-	-	-	-	-
Contract (level 13-16)	-	-	-	-	-	-
Total	1	100%	1	100%	-	0%

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 and 31 March 2018

Major occupation	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative Office workers	1	100%	1	100%	-	0%
Total	1	100%	1	100%	-	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 2017 to 31 December 2018

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	38	81.60	8	3.8%	5	12
Skilled (levels 3-5)	392	81.38	50	23.5%	8	311
Highly skilled production (levels 6-8)	388	73.96	51	23.9%	8	514
Highly skilled supervision (levels 9 -12)	656	77.59	81	38%	8	1,471
Top and Senior management (levels 13-16)	142	84.50	23	10.8%	6	578
Total	1,616	-	213	100%	8	2,886

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

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Skilled (Levels 3-5)	165	100%	7	33.3%	24	128
Highly skilled production (Levels 6-8)	35	100%	3	14.3%	12	44
Highly skilled supervision (Levels 9-12)	469	100%	10	47.6%	47	1,089
Senior management (Levels 13-16)	8	100%	1	4.8%	8	34
Total	677	100%	21	100%	32	1,295

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 2017 to 31 December 2017

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Skilled Levels 3-5)	104	13	8
Highly skilled production (Levels 6-8)	1,282	67	19
Highly skilled supervision (Levels 9-12)	1,422	81	17
Senior management (Levels 13-16)	2,291	104	22
Total	5,099	35	20

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2018

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 2018
Skilled Levels 3-5)	-	-	-	9
Highly skilled production (Levels 6-8)	-	-	-	17
Highly skilled supervision (Levels 9-12)	39	3	13	43
Senior management (Levels 13-16)	2	1	2	28
Total	41	4	10	26

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 2017 and 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Current leave payout on termination of service for 2017/18	507	2	254
Total	507	2	254

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
Interns	Implement programmes on behaviour change communication for non-communicable diseases HCT screening Condoms distributed Brochure developed

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.	√		Bonnie Thekiso Director - Employee Health and Wellness
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.	√		One Senior Manager One Manager: Clinical Psychologist; Two Assistant Directors: Occupational Health Nurse And SHERQ Two support staff personnel R230 000

Question	Yes	No	Details, if yes
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.	√		Fitness Programmes Behaviour Change Communication Programme Occupational Health Services
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.	√		The previous health and safety committee contract expired October 2017. The department is in the process of re-appointing new committee. Two senior managers are occupying chairperson and deputy chairperson position (Mr. Thekisho and Mr. America).
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.	√		HIVAIDS STI AND TB Management Policy, Health and Productivity Management Policy, Wellness Management Policy and Safety Health Environment Risk and Quality Management Policy, and HR Recruitment Policy
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.	√		EHW Framework including four policies protected the rights of employees against stigma and discrimination
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	√		HIV counselling and Testing services offered for the period of April 2017-March 2018. Total Females tested: 57 Total males tested: 25 Grand Total tested: 82
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		-Flu Vaccination Campaign -Fitness Sessions -PAP Smeer and CBE 2016 -Healthy Lifestyle Programme -Diabetes -Wellness Screening -Hygiene in the Workplace Behaviour Change and Communication intervention programme.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2017 and 31 March 2018

Total number of Collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2017 and 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	11.1%
Verbal warning	2	22.2%
Written warning	2	22.2%
Final written warning	3	33.3%
Case withdrawn	1	11.1%
Total	9	100%

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018

Type of misconduct	Number	% of total
Unauthorised access into fellow employees computer	1	14.3%
Unacceptable/ improper conduct	1	14.3%
Absenteeism	3	42.9%
Insubordination	1	14.3%
Failure to follow a lawful instruction	1	14.3%
Total	7	100%

Table 3.12.4 Grievances logged for the period 1 April 2017 and 31 March 2018

Grievances	Number	% of Total
Number of grievances resolved	13	87%
Number of grievances not resolved	2	13%
Total number of grievances lodged	15	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2017 and 31 March 2018

Disputes	Number	% of Total
Number of disputes upheld	1	50%
Number of disputes dismissed	1	50%
Total number of disputes lodged	2	100%

Table 3.12.6 Strike actions for the period 1 April 2017 and 31 March 2018

Total number of persons working days lost	2
Total costs working days lost	1,657
Amount recovered as a result of no work no pay (R'000)	1,657

Table 3.12.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018

Number of people suspended	-
Number of people who's suspension exceeded 30 days	-
Average number of days suspended	-
Cost of suspension(R'000)	-

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 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	30	-	23	-	23
	Male	33	-	19	-	19
Professionals	Female	17	-	52	-	52
	Male	16	-	33	-	33
Technicians and associate professionals	Female	38	-	10	-	10
	Male	28	-	12	-	12
Clerks	Female	46	-	54	-	54
	Male	20	-	28	-	28
Service and sales workers	Female	4	-	-	-	-
	Male	5	-	1	-	1
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Labourers and related workers	Female	7	-	-	-	-
	Male	8	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Interns	Female	14	-	-	-	-
	Male	7	-	-	-	-
Sub Total	Female	156	-	139	-	139
	Male	117	-	93	-	93
Total		273	-	232	-	232

Table 3.13.2 Training provided for the period 1 April 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	30	-	11	-	11
	Male	33	-	9	-	9
Professionals	Female	17	-	9	-	9
	Male	16	-	10	-	10
Technicians and associate professionals	Female	38	-	29	-	29
	Male	28	-	7	-	7
Clerks	Female	46	-	12	-	12
	Male	20	-	9	-	9
Service and sales workers	Female	4	-	1	-	1
	Male	5	-	1	-	1

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Skilled agriculture and fishery workers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Labourers and related workers	Female	7	-	1	-	1
	Male	8	-	-	-	-
Plant and machine operators and assemblers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Interns	Female	14	-	16	-	16
	Male	7	-	7	-	7
Sub Total	Female	156	-	79	-	79
	Male	117	-	43	-	43
Total		273	-	122	-	122

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 2017 and 31 March 2018

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

3.15 Utilisation of Consultants

No consultants utilised for the period 1 April 2017 to 31 March 2018.

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 and 31 March 2018

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)	-	-	-	-
Skilled Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision(Levels 9-12)	-	-	-	-
Senior management (Levels 13-16)	-	-	-	-
Total	-	-	-	-

PART E: FINANCIAL INFORMATION



REPORT OF THE AUDITOR GENERAL

OPINION

1. I have audited the financial statements of the Office of the Premier set out on pages 104 to 185, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the 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 2018, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the 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 the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and 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 code.
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.

UNCERTAINTY RELATING TO THE FUTURE OUTCOME OF EXCEPTIONAL LITIGATION

7. With reference to note 18 to the financial statements, the department is the defendant in a damages lawsuit. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

IRREGULAR EXPENDITURE

8. As disclosed in note 23 to the financial statements, irregular expenditure to the amount of R27 551 000 that was incurred in the previous years was still under investigation.

OTHER MATTER

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

UNAUDITED SUPPLEMENTARY SCHEDULES

10. The supplementary information set out on pages 75 to 98 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

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with MCS prescribed by National Treasury and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the Office of the Premier'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 accounting officer 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

13. 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.
14. 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

15. 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 reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
16. My procedures address 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 also did 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.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2 – Institutional development	31 – 47
Programme 3 – Policy and governance	48 – 60

18. 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.
19. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
- Programme 2 - Institutional development
 - Programme 3 - Policy and governance

OTHER MATTERS

20. I draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

21. Refer to the annual performance report on pages 31 to 60 for information on the achievement of planned targets for the year and explanations provided for the under and over achievement of a number of targets.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

22. 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 the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

INTRODUCTION AND SCOPE

23. 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.
24. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

OTHER INFORMATION

25. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
26. 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.
27. 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 in the audit, or otherwise appears to be materially misstated.
28. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

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

Auditor - General

Kimberley

27 July 2018



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

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per programme									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	110,953	-	(1,696)	109,257	107,912	1,345	98.8%	102,059	100,086
2. Institutional Development	89,839	-	2,772	92,611	92,469	142	99.8%	91,705	89,398
3. Policy and Governance	45,734	-	(1,076)	44,658	40,781	3,877	91.3%	34,047	34,047
Subtotal	246,526	-	-	246,526	241,162	5,364	97.8%	227,811	223,531
TOTAL	246,526	-	-	246,526	-	5,364	97.8%	227,811	-

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18		2016/17	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	207		941	
NRF Receipts				
Aid assistance				
Actual amounts per statement of financial performance (total revenue)	246,733		228,752	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		241,162		223,531

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per economic classification									
	2017/18					2016/17			
	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	222,006		(6,413)	215,593	210,267	5,326	97.5%	202,701	199,542
Compensation of employees	140,432	-	1,386	141,818	141,466	352	99.8%	127,229	127,229
Salaries and wages	116,601	4,921	3,068	124,590	124,238	352	99.7%	111,386	111,386
Social contributions	23,831	(4,921)	(1,682)	17,228	17,228	-	100.0%	15,843	15,843
Goods and services	81,574	-	(7,799)	73,775	68,801	4,974	93.3%	75,472	72,313
Administrative fees	946	816	22	1,784	1,938	(154)	108.6%	915	915
Advertising	525	(75)	(16)	434	434	-	100.0%	1,106	1,106
Minor assets	68	21	(3)	86	86	-	100.0%	122	122
Audit costs: External	3,859	800	-	4,659	4,659	-	100.0%	4,289	4,289
Bursaries: Employees	37	26	-	63	63	-	100.0%	327	327
Catering: Departmental activities	6,273	(2,410)	21	3,884	3,884	-	100.0%	5,372	4,528
Communication	3,649	(575)	(19)	3,055	3,052	3	99.9%	4,388	4,388
Computer services	1,510	1	-	1,511	1,511	-	100.0%	1,489	1,489
Consultants: Business and advisory services	62	216	5	283	283	-	100.0%	32	32
Legal services	871	5	-	876	876	-	100.0%	886	886
Contractors	1,252	(100)	(11)	1,141	1,141	-	100.0%	1,513	923
Agency and support / outsourced services	8,206	(2,605)	(1,852)	3,749	-	3,749	0.00%	18,290	16,888
Fleet services	1,425	542	(2)	1,965	1,961	4	99.8%	1,456	1,456

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

Inventory: Fuel, oil and gas	103	(103)	-	-	-	-	-	-	68	-
Consumable supplies	3,777	606	(141)	4,242	4,246	-	4,246	983	983	983
Consumable: Stationery, printing and office supplies	889	74	(111)	852	852	-	852	1,120	1,120	1,120
Operating leases	13,015	3	(25)	12,993	11,910	-	11,910	15,158	15,158	15,158
Property payments	3,532	13	-	3,545	3,545	-	3,545	2,343	2,343	2,341
Transport provided:										
Departmental activity	4,434	2,063	(949)	5,548	5,260	288	5,260	574	574	574
Travel and subsistence	13,464	4,410	(84)	17,790	17,924	(134)	17,924	12,648	12,648	12,395
Training and development	12,114	(3,889)	(4,487)	3,738	3,598	140	3,598	828	828	828
Operating payments	1,097	169	(27)	1,239	1,240	(1)	1,240	889	889	889
Venues and facilities	334	66	(101)	299	299	-	299	446	446	446
Rental and hiring	132	(74)	(19)	39	39	-	39	230	230	230
Transfers and subsidies	21,029	5,478	5,478	26,507	26,507	-	26,507	20,238	20,238	20,238
Provinces and municipalities	-	-	3	3	3	-	3	-	-	-
Provinces	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	3	3	3	-	3	-	-	-
Departmental agencies and accounts	3	-	-	3	3	-	3	3	3	3
Departmental agencies and accounts	3	-	-	3	3	-	3	3	3	3
Non-profit institutions	20,994	-	-	25,994	25,994	-	25,994	19,651	19,651	19,651
Households	32	-	475	507	507	-	507	584	584	584
Social benefits	32	-	475	507	507	-	507	584	584	584
Payments for capital assets	3,491	865	865	4,356	4,318	38	4,318	4,831	4,831	3,710
Machinery and equipment	3,491	-	856	4,347	4,309	38	4,309	4,789	4,789	3,668
Transport equipment	1,883	-	82	1,965	1,931	34	1,931	1,544	1,544	1,544

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Other machinery and equipment	1,608	-	774	2,382	2,378	4	99.8%	3,245	2,124
Intangible assets	-	-	9	9	9	-	100.0%	42	42
Payments for financial assets	-	-	70	70	70	-	100.0%	41	41
TOTAL	246,526	-	-	246,526	241,162	5,364	97.8%	227,811	223,531

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18						2016/17		
	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									
Sub programme									
1.1 Premier support	21,566	986	27	22,579	22,579	-	100.0%	19,716	19,463
1.2 Executive Council	7,798	(348)	4	7,454	7,376	78	99.0%	7,092	7,092
1.3 Director General Support	39,926	(53)	(2,092)	37,781	36,557	1,224	96.8%	33,340	31,622
1.4 Financial Management	41,663	(585)	365	41,443	41,400	43	99.9%	41,911	41,909
Total for sub programmes	110,953	-	(1,696)	109,257	107,912	1,345	98.8%	102,059	100,086
Economic classification									
Current payments	109,514	-	(2,194)	107,320	106,013	1,307	98.8%	98,931	96,958
Compensation of employees	56,619	-	1,357	57,976	57,898	78	99.9%	50,047	50,047
Salaries and wages	48,229	1,576	1,357	51,162	51,084	78	99.8%	43,790	43,790
Social contributions	8,390	(1,576)	-	6,814	6,814	-	100.0%	6,257	6,257
Goods and services	52,895	-	(3,551)	49,344	48,115	1,229	97.5%	48,884	46,911
Administrative fees	598	205	-	803	957	(154)	119.2%	550	550
Advertising	148	(107)	-	41	41	-	100.0%	527	527
Minor assets	53	(14)	-	39	39	-	100.0%	33	33
Audit costs: External	3,859	800	-	4,659	4,659	-	100.0%	4,289	4,289
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	5,244	(2,531)	-	2,713	2,713	-	100.0%	4,312	3,468
Communication	2,855	(660)	-	2,195	2,192	3	99.9%	2,544	2,544
Computer services	347	12	-	359	359	-	100.0%	364	364

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**APPROPRIATION STATEMENT
for the year ended 31 March 2018**

Consultants: Business and advisory services	18	12	-	30	30	-	32	100.0%	-	32	32
Legal services	871	5	-	876	876	-	886	100.0%	-	886	886
Contractors	748	(63)	-	685	685	-	1,220	100.0%	-	630	630
Agency and support / outsourced services	2,704	(879)	(1,821)	4	-	4	2,985	0.0%	4	2,769	2,769
Entertainment	-	-	-	-	-	-	-	-	-	-	-
Fleet services	1,422	518	(2)	1,938	1,934	4	1,456	99.8%	4	1,456	1,456
Inventory: Fuel, oil and gas	103	(103)	-	-	-	-	68	-	-	-	-
Consumable supplies	3,392	524	-	3,916	3,920	(4)	839	100.1%	(4)	839	839
Consumable: Stationery, printing and office supplies	441	(8)	(27)	406	406	-	529	100.0%	-	529	529
Operating leases	12,934	59	-	12,993	11,910	1,083	15,158	91.7%	1,083	15,158	15,158
Property payments	3,245	(214)	-	3,031	3,031	-	2,237	100.0%	-	2,235	2,235
Transport provided:											
Departmental activity	1,962	(13)	(925)	1,024	736	288	314	71.9%	288	314	314
Travel and subsistence	10,750	2,164	(774)	12,140	12,274	(134)	9,497	101.1%	(134)	9,244	9,244
Training and development	196	141	(1)	336	196	140	678	58.3%	140	678	678
Operating payments	833	149	(1)	981	982	(1)	350	100.1%	(1)	350	350
Venues and facilities	105	49	-	154	154	-	16	100.0%	-	16	16
Rental and hiring	67	(46)	-	21	21	-	-	100.0%	-	-	-
Transfers and subsidies	3	-	3	6	6	-	43	100.0%	-	43	43
Provinces and municipalities	-	-	3	3	3	-	-	100.0%	-	-	-
Municipalities	-	-	3	3	3	-	-	100.0%	-	-	-
Departmental agencies and accounts	3	-	-	3	3	-	3	100.0%	-	3	3
Departmental agencies	3	-	-	3	3	-	3	100.0%	-	3	3
Non-profit institutions	-	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	40	-	-	40	40
Social benefits	-	-	-	-	-	-	40	-	-	40	40

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Payments for capital assets													
Machinery and equipment	1,436	-	425	1,861	1,823	38	98.0%	3,044	3,044				
Transport equipment	1,436	-	425	1,861	1,823	38	98.0%	3,044	3,044				
Other machinery and equipment	762	-	82	844	806	38	95.5%	1,544	1,544				
Intangible assets	674	-	343	1,017	1,017	-	100.0%	1,500	1,500				
	-	-	-	-	-	-	-	-	-				
Payments for financial assets	-	-	70	70	70	-	100.0%	41	41				
TOTAL	110,953	-	(1,696)	109,257	107,912	1,345	98.8%	102,059	100,086				

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**APPROPRIATION STATEMENT
for the year ended 31 March 2018**

	2017/18						2016/17		
	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
1.1 Premier Support									
Economic classification									
Current payments	21,365	986	-	22,351	22,351	-	100.0%	19,469	19,216
Compensation of employees	11,013	34	-	11,047	11,047	-	100.0%	9,884	9,884
Goods and services	10,352	952	-	11,304	11,304	-	100.0%	9,585	9,332
Transfers and subsidies	-	-	1	1	1	-	100%	-	-
Provinces and municipalities	-	-	1	1	1	-	100%	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	201	-	26	227	227	-	100.0%	247	247
Machinery and equipment	201	-	26	227	227	-	100.0%	247	247
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	21,566	986	27	22,579	22,579	-	100.0%	19,716	19,463

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.2 Executive Council Support	2017/18						2016/17		
	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	7,798	(348)	-	7,450	7,372	78	99.0%	7,092	7,092
Compensation of employees	5,777	289	-	6,066	5,988	78	98.7%	5,681	5,681
Goods and services	2,021	(637)	-	1,384	1,384	-	100.0%	1,411	1,411
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	4	4	4	-	100.0%	-	-
Machinery and equipment	-	-	4	4	4	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	7,798	(348)	4	7,454	7,376	78	99.0%	7,092	7,092

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.3 Director General Support	2017/18						2016/17		
	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	39,922	(53)	(2,191)	37,678	36,454	1,224	96.8%	31,664	29,946
Compensation of employees	24,968	262	1,357	26,587	26,587	-	100.0%	21,880	21,880
Goods and services	14,954	(315)	(3,548)	11,091	9,867	1,224	89.0%	9,784	8,066
Transfers and subsidies	3	-	-	3	3	-	100.0%	43	43
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	3	-	-	3	3	-	100.0%	3	3
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	40	40
Payments for capital assets	1	-	29	30	30	-	100.0%	1,592	1,592
Machinery and equipment	1	-	29	30	30	-	100.0%	1,592	1,592
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	70	70	70	-	100.0%	41	41
TOTAL	39,926	(53)	(2,092)	37,781	36,557	1,224	96.8%	33,340	31,622

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.4 Financial Management	2017/18						2016/17		
	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	40,429	(585)	(3)	39,841	39,836	5	100.0%	40,706	40,704
Compensation of employees	14,861	(585)	-	14,276	14,276	-	100.0%	12,602	12,602
Goods and services	25,568	-	(3)	25,565	25,560	5	100.0%	28,104	28,102
Transfers and subsidies	-	-	2	2	2	-	100.0%	-	-
Provinces and municipalities	-	-	2	2	2	-	100.0%	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1,234	-	366	1,600	1,562	38	97.6%	1,205	1,205
Machinery and equipment	1,234	-	366	1,600	1,562	38	97.6%	1,205	1,205
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	41,663	(585)	365	41,443	41,400	43	99.9%	41,911	41,909

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**APPROPRIATION STATEMENT
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	2017/18						2016/17		
	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 2: Institutional Development									
Sub programme									
2.1 Strategic Human resource	61,101	(1,009)	174	60,266	60,124	142	99.8%	64,946	63,977
2.2 Information Communication Service	14,659	(787)	480	14,352	14,352	-	100.0%	13,836	12,715
2.3 Legal Services	6,692	1,127	-	7,819	7,819	-	100.0%	6,482	6,265
2.4 Communication Services	3,550	1,447	2,118	7,115	7,115	-	100.0%	3,416	3,416
2.5 Programme Support	3,837	(778)	-	3,059	3,059	-	100.0%	3,025	3,025
Total for sub programmes	89, 839	-	2, 772	92,611	92,469	142	99.8%	91,705	89,398
Economic classification									
Current payments	71,465	-	(2,615)	68,850	68,708	142	99.8%	74,202	73,016
Compensation of employees	52,994	-	2,111	55,105	54,963	142	99.7%	50,946	50,946
Salaries and wages	42,997	3,259	1,950	48,206	48,064	142	99.7%	44,675	44,675
Social contributions	9,997	(3,259)	161	6,899	6,899	-	100.0%	6,271	6,271
Goods and services	18,471	-	(4,726)	13,745	13,745	-	100.0%	23,256	22,070
Administrative fees	214	492	1	707	707	-	100.0%	143	143
Advertising	329	25	-	354	354	-	100.0%	537	537
Minor assets	5	36	(3)	38	38	-	100.0%	84	84
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	37	26	-	63	63	-	100.0%	327	327

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Catering: Departmental activities	384	141	-	525	525	-	533	100.0%	-	533	533	100.0%
Communication	576	76	(4)	648	648	-	1,692	100.0%	-	1,692	1,692	100.0%
Computer services	1,163	(11)	-	1,152	1,152	-	1,125	100.0%	-	1,125	1,125	100.0%
Consultants: Business and advisory services	14	1	-	15	15	-	-	100.0%	-	-	-	100.0%
Legal services	-	-	-	-	-	-	-	-	-	-	-	-
Contractors	322	77	-	399	399	-	221	100.0%	-	221	221	100.0%
Agency and support / outsourced services	960	(960)	-	-	-	-	15,247	-	-	15,247	14,061	-
Fleet services	-	26	-	26	26	-	-	100.0%	-	-	-	100.0%
Consumable supplies	179	104	(54)	229	229	-	120	100.0%	-	120	120	100.0%
Consumable: Stationery, printing and office supplies	337	(7)	(103)	227	227	-	471	100.0%	-	471	471	100.0%
Operating leases	56	(56)	-	-	-	-	-	-	-	-	-	-
Property payments	287	181	-	468	468	-	92	100.0%	-	92	92	100.0%
Transport provided: Departmental activity	69	2,076	-	2,145	2,145	-	-	100.0%	-	-	-	100.0%
Travel and subsistence	1,282	1,836	120	3,238	3,238	-	1,455	100.0%	-	1,455	1,455	100.0%
Training and development	11,909	(4,021)	(4,486)	3,402	3,402	-	828	100.0%	-	828	828	100.0%
Operating payments	145	(22)	(51)	72	72	-	158	100.0%	-	158	158	100.0%
Venues and facilities	145	8	(123)	30	30	-	42	100.0%	-	42	42	100.0%
Rental and hiring	58	(28)	(23)	7	7	-	181	100.0%	-	181	181	100.0%
Transfers and subsidies	16,325	-	5,000	21,325	21,325	-	15,737	100.0%	-	15,737	15,737	100.0%
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	16,325	-	5,000	21,325	21,325	-	15,205	100.0%	-	15,205	15,205	100.0%
Households	-	-	-	-	-	-	532	-	-	532	532	-

NC OFFICE OF THE PREMIER
VOTE 1

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Social benefits	-	-	-	-	-	-	532	-	532	-	-	532
Payments for capital assets	2,049	387	2,436	2,436	2,436	2,436	645	100.0%	1,766	100.0%	1,766	645
Machinery and equipment	2,049	387	2,427	2,427	2,427	2,427	603	100.0%	1,724	100.0%	1,724	603
Transport equipment	1,121	-	1,121	1,121	1,121	1,121	-	100.0%	-	100.0%	-	-
Other machinery and equipment	928	378	1,306	1,306	1,306	1,306	603	100.0%	1,724	100.0%	1,724	603
Intangible assets	-	9	9	9	9	9	42	100.0%	42	100.0%	42	42
Payments for financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Total	89,839	2,772	92,611	92,469	92,611	92,469	89,398	99.8%	91,705	99.8%	91,705	89,398

NC OFFICE OF THE PREMIER
VOTE 1

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.1 Strategic Human Resources	2017/18						2016/17		
	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	44,775	(1,009)	(4,847)	38,919	38,777	142	99.6%	49,335	48,366
Compensation of employees	30,862	(1,009)	-	29,853	29,711	142	99.5%	30,660	30,660
Goods and services	13,913	-	(4,847)	9,066	9,066	-	100.0%	18,675	17,706
Transfers and subsidies	16,325	-	5,000	21,325	21,325	-	100.0%	15,611	15,611
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	16,325	-	5,000	21,325	21,325	-	100.0%	15,205	15,205
Households	-	-	-	-	-	-	-	406	406
Payments for capital assets	1	-	21	22	22	-	100.0%	-	-
Buildings and other fixed structures	1	-	21	22	22	-	100.0%	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	61,101	(1,009)	174	60,266	60,124	142	99.8%	64,946	63,977

**NC OFFICE OF THE PREMIER
VOTE 1**

**APPROPRIATION STATEMENT
for the year ended 31 March 2018**

2.2 Information Communication Technology	2017/18					2016/17			
	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	12,612	(787)	121	11,946	11,946	-	100.0%	12,080	12,080
Compensation of employees	9,191	(850)	-	8,341	8,341	-	100.0%	8,928	8,928
Goods and services	3,421	63	121	3,605	3,605	-	100.0%	3,152	3,152
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2,047	-	359	2,406	2,406	-	100.0%	1,756	635
Machinery and equipment	2,047	-	350	2,397	2,397	-	100.0%	1,714	593
Intangible assets	-	-	9	9	9	-	100.0%	42	42
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	14,659	(787)	480	14,352	14,352	-	100.0%	13,836	12,715

NC OFFICE OF THE PREMIER
VOTE 1

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.3 Legal Services	2017/18							2016/17	
	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	6,692	1,127	-	7,819	7,819	-	100.0%	6,356	6,139
Compensation of employees	6,340	1,163	-	7,503	7,503	-	100.0%	5,811	5,811
Goods and services	352	(36)	-	316	316	-	100.0%	545	328
Transfers and subsidies	-	-	-	-	-	-	-	126	126
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	126	126
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	6,692	1,127	-	7,819	7,819	-	100.0%	6,482	6,265

NC OFFICE OF THE PREMIER
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APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.4 Communication Services	2017/18						2016/17		
	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	3,549	1,447	2,111	7,107	7,107	-	100.0%	3,416	3,416
Compensation of employees	2,994	1,411	2,111	6,516	6,516	-	100.0%	2,801	2,801
Goods and services	555	36	-	591	591	-	100.0%	615	615
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1	-	7	8	8	-	100.0%	-	-
Machinery and equipment	1	-	7	8	8	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	3,550	1,447	2,118	7,115	7,115	-	100.0%	3,416	3,416

NC OFFICE OF THE PREMIER
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APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.5 Programme Support	2017/18					2016/17			
	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	3,837	(778)	-	3,059	3,059	-	100.0%	3,015	3,015
Compensation of employees	3,607	(715)	-	2,892	2,892	-	100.0%	2,746	2,746
Goods and services	230	(63)	-	167	167	-	100.0%	269	269
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	10	10
Machinery and equipment	-	-	-	-	-	-	-	10	10
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	3,837	(778)	-	3,059	3,059	-	100.0%	3,025	3,025

NC OFFICE OF THE PREMIER
VOTE 1

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18					2016/17			
	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 3: Policy and Governance									
Sub programme									
3.1 Special Programmes	18,336	-	(631)	17,705	17,705	-	100.0%	13,725	13,725
3.2 Intergovernmental Relations	3,579	187	369	4,135	4,135	-	100.0%	3,484	3,484
3.3 Provincial Policy Management	20,867	(187)	(896)	19,784	16,039	3,745	81.1%	14,495	14,495
3.4 Programme Support	2,952	-	82	3,034	2,902	132	95.6%	2,343	2,343
Total for sub programmes	45,734	-	(1,076)	44,658	40,781	3,877	91.3%	34,047	34,047
Economic classification									
Current payments	41,027	-	(1,604)	39,423	35,546	3,877	90.2%	29,568	29,568
Compensation of employees	30,819	-	(2,082)	28,737	28,605	132	99.5%	26,236	26,236
Salaries and wages	25,375	86	(239)	25,222	25,090	132	99.5%	22,921	22,921
Social contributions	5,444	(86)	(1,843)	3,515	3,515	-	100.0%	3,315	3,315
Goods and services	10,208	-	478	10,686	6,941	3,745	65.0%	3,332	3,332
Administrative fees	134	119	21	274	274	-	100.0%	222	222
Advertising	48	7	(16)	39	39	-	100.0%	42	42
Minor assets	10	(1)	-	9	9	-	100.0%	5	5
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	645	(20)	21	646	646	-	100.0%	527	527
Communication	218	9	(15)	212	212	-	100.0%	152	152

NC OFFICE OF THE PREMIER
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APPROPRIATION STATEMENT
for the year ended 31 March 2018

Payments for capital assets													
Machinery and equipment	6	-	53	59	59	-	100.0%	21	21				21
Other machinery and equipment	6	-	53	59	59	-	100.0%	21	21				21
Heritage assets	-	-	-	59	59	-	100.0%	21	21				21
Specialised military assets	-	-	-	-	-	-	-	-	-				-
Biological assets	-	-	-	-	-	-	-	-	-				-
Land and subsoil assets	-	-	-	-	-	-	-	-	-				-
Intangible assets	-	-	-	-	-	-	-	-	-				-
Payments for financial assets													
Total	45,734	-	(1,076)	44,658	40,781	3,877	91.3%	34,047	34,047				34,047

NC OFFICE OF THE PREMIER
VOTE 1

APPROPRIATION STATEMENT
for the year ended 31 March 2018

3.1 Special Programmes	2017/18						2016/17		
	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	13,667	-	(635)	13,032	13,032	-	100.0%	9,256	9,256
Compensation of employees	9,920	-	(869)	9,051	9,051	-	100.0%	8,187	8,187
Goods and services	3,747	-	234	3,981	3,981	-	100.0%	1,069	1,069
Transfers and subsidies	4,669	-	-	4,669	4,669	-	100.0%	4,448	4,448
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	4,669	-	-	4,669	4,669	-	100.0%	4,446	4,446
Households	-	-	-	-	-	-	-	2	2
Payments for capital assets	-	-	4	4	4	-	100.0%	21	21
Machinery and equipment	-	-	4	4	4	-	100.0%	21	21
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	18,336	-	(631)	17,705	17,705	-	100.0%	13,725	13,725

NC OFFICE OF THE PREMIER
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APPROPRIATION STATEMENT
for the year ended 31 March 2018

3.2 Intergovernmental Relations	2017/18						2016/17		
	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	3,579	187	354	4,120	4,120	-	100.0%	3,484	3,484
Compensation of employees	3,343	-	(114)	3,229	3,229	-	100.0%	3,115	3,115
Goods and services	236	187	468	891	891	-	100.0%	369	369
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	15	15	15	-	100.0%	-	-
Machinery and equipment	-	-	15	15	15	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	3,579	187	369	4,135	4,135	-	100.0%	3,484	3,484

NC OFFICE OF THE PREMIER
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APPROPRIATION STATEMENT
for the year ended 31 March 2018

3.3 Provincial Policy Management	2017/18					2016/17			
	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	20,830	(187)	(927)	19,716	15,971	3,745	81.0%	14,485	14,485
Compensation of employees	15,680	-	(896)	14,784	14,784	-	100.0%	13,825	13,825
Goods and services	5,150	(187)	(31)	4,932	1,187	3,745	24.1%	660	660
Transfers and subsidies	32	-	-	32	32	-	100.0%	10	10
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	32	-	-	32	32	-	100.0%	10	10
Payments for capital assets	5	-	31	36	36	-	100.0%	-	-
Machinery and equipment	5	-	31	36	36	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	20,867	(187)	(896)	19,784	16,039	3,745	81.1%	14,495	14,495

**NC OFFICE OF THE PREMIER
VOTE 1**

**APPROPRIATION STATEMENT
for the year ended 31 March 2018**

3.4 Programme Support	2017/18						2016/17		
	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	2,951	-	(396)	2,555	2,423	132	94.8%	2,343	2,343
Compensation of employees	1,876	-	(203)	1,673	1,541	132	92.1%	1,109	1,109
Goods and services	1,075	-	(193)	882	882	-	100.0%	1,234	1,324
Transfers and subsidies	-	-	475	475	475	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	475	475	475	-	100.0%	-	-
Payments for capital assets	1	-	3	4	4	-	100.0%	-	-
Machinery and equipment	1	-	3	4	4	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	2,952	-	82	3,034	2,902	132	95.6%	2,343	2,343

NC OFFICE OF THE PREMIER
VOTE 1

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

2. **Detail of specifically and exclusively appropriated amounts voted (after Virement):**

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

3. **Detail on payments for financial assets**

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

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	109,257	107,912	1,345	1%
Institutional Development	92,611	92,469	142	0%
Policy & Governance	44,658	40,781	3,877	9%

4.2 Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
Current payments				
Compensation of employees	141,818	141,466	352	0%
Goods and services	73,775	68,801	4,974	7%
Transfers and subsidies				
Provinces and municipalities	3	3	0	0%
Departmental agencies and accounts	3	3	0	0%
Non-profit institutions	25,994	25,994	0	0%
Households	507	507	0	0%
Payments for capital assets				
Buildings and other fixed structures	0	0	0	0%
Machinery and equipment	4,356	4,318	38	1%
Intangible assets	9	9	0	0%
Payments for financial assets	70	70	0	0%

NC OFFICE OF THE PREMIER
VOTE 1
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	<u>1</u>	246,526	227,811
Departmental revenue	<u>2</u>	207	941
TOTAL REVENUE		246,733	228,752
EXPENDITURE			
Current expenditure		210,267	199,543
Compensation of employees	<u>3</u>	141,466	127,229
Goods and services	<u>4</u>	68,801	72,314
Transfers and subsidies		26,507	20,238
Transfers and subsidies	<u>6</u>	26,507	20,238
Expenditure for capital assets		4,318	3,709
Tangible assets	<u>7</u>	4,309	3,667
Intangible assets	<u>7</u>	9	42
Payments for financial assets	<u>5</u>	70	41
TOTAL EXPENDITURE		241,162	223,531
SURPLUS/(DEFICIT) FOR THE YEAR		5,571	5,221

**NC OFFICE OF THE PREMIER
VOTE 1
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2018**

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		5,364	4,280
Annual appropriation		5,364	4,280
Conditional grants			
Departmental revenue and NRF Receipts	<u>12</u>	207	941
SURPLUS/(DEFICIT) FOR THE YEAR		5,571	5,221

**NC OFFICE OF THE PREMIER
VOTE 1**

**STATEMENT OF FINANCIAL POSITION
as at 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets		2,560	3,925
Cash and cash equivalents	<u>8</u>	10	10
Prepayments and advances	<u>9</u>	236	366
Receivables	<u>10</u>	2,314	3,549
Non-current assets		4,028	3,575
Receivables	<u>10</u>	4,028	3,575
TOTAL ASSETS		6,588	7,500
LIABILITIES			
Current liabilities		6,586	7,497
Voted funds to be surrendered to the Revenue Fund	<u>11</u>	5,364	4,280
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>12</u>	238	8
Bank overdraft	<u>13</u>	984	3,206
Payables	<u>14</u>	-	3
Non-current liabilities			
Payables	<u>14</u>		
TOTAL LIABILITIES		6,586	7,497
NET ASSETS		2	3

NC OFFICE OF THE PREMIER
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STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000		
Represented by:					
Recoverable revenue		<table border="1"><tr><td>2</td></tr></table>	2	<table border="1"><tr><td>3</td></tr></table>	3
2					
3					
TOTAL		<u>2</u>	<u>3</u>		

**NC OFFICE OF THE PREMIER
VOTE 1**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2018**

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Recoverable revenue			
Opening balance		3	2
Debts recovered (included in departmental receipts)		(1)	(1)
Debts raised			2
Closing balance		<u>2</u>	<u>3</u>
TOTAL		<u>2</u>	<u>3</u>

**NC OFFICE OF THE PREMIER
VOTE 1**

**CASH FLOW STATEMENT
for the year ended 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		246,629	229,018
Annual appropriated funds received	<u>1.1</u>	246,526	227,811
Departmental revenue received	<u>2</u>	103	1,207
Net (increase)/decrease in working capital		909	(2,385)
Surrendered to Revenue Fund		(4,433)	(5,147)
Current payments		(210,267)	(199,543)
Payments for financial assets		(70)	(41)
Transfers and subsidies paid		(26,507)	(20,238)
Net cash flow available from operating activities	<u>16</u>	6,261	1,664
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>7</u>	(4,318)	(3,709)
Proceeds from sale of capital assets	<u>2.2</u>	280	-
Net cash flows from investing activities		(4,038)	(3,709)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(1)	1
Net cash flows from financing activities		(1)	1
Net increase/(decrease) in cash and cash equivalents		2,222	(2,044)
Cash and cash equivalents at beginning of period		(3,196)	(1,152)
Cash and cash equivalents at end of period	<u>17</u>	(974)	(3,196)

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

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	<p>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</p>

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	cost at the reporting date.
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>

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	<p>Advances are expensed in the Statement of Financial Performance once employees have accounted for it.</p> <p>Prepayments are expensed when the project has been completed.</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>
14	<p>Financial assets</p>
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	<p>Capital Assets</p>
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>

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	<p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	<p>Provisions and Contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present</p>

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	obligation at the reporting date.
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>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
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>

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	<p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
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>In cases of departures, the following will be inserted: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.</p>
25	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the 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 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>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Premier'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 the lower of cost and current replacement value.</p> <p>The department does not hold inventories due to its nature.</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> <p>Furthermore, the provision for performance bonus is based on past practices or payments made. To ensure reasonableness and relevance, the performance bonus provision is computed as an average of the two recently available concluded PMDS cycles, in which payment has been effected.</p>

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1. Annual Appropriation

1.1 Annual Appropriation

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

	Final	2017/18	Funds not requested/ not received	2016/17	Appropriation received
	Appropriation	Actual Funds Received		Final Appropriation	
	R'000	R'000		R'000	
Administration	109,257	109,257	-	100,308	100,308
Institutional					
Development	92,611	92,611	-	91,115	91,115
Policy & Government	44,658	44,658	-	36,388	36,388
Total	246,526	246,526	-	227,811	227,811

2. Departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Sales of goods and services other than capital assets	2.1	102	102
Sales of capital assets	2.2	280	
Transactions in financial assets and liabilities	2.4	1	136
Transfer received	3.6	-	969
Total revenue collected		383	1,207
Less: Own revenue included in appropriation	<u>12</u>	<u>(176)</u>	<u>(266)</u>
Departmental revenue collected		207	941

2.1 Sales of goods and services other than capital assets

	Note	2017/18 R'000	2016/17 R'000
Sales of goods and services produced by the department	2	102	102
Other sales		102	102
Total		102	102

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2.2 Sale of capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets	2	280	-
Machinery and equipment	27	280	-
Total		280	-

2.3 Transactions in financial assets and liabilities

	Note	2017/18 R'000	2016/17 R'000
Other Receipts including Recoverable Revenue	3	1	136
Total		1	136

2.4 Transfers received

	Note	2016/17 R'000	2015/16 R'000
Public corporations and private enterprises	2	-	969
Total		-	969

3. Compensation of employees

3.1 Salaries and Wages

	Note	2017/18 R'000	2016/17 R'000
Basic salary		95,561	87,072
Performance award		1,961	1,579
Service Based		196	148
Compensative/circumstantial		3,631	2,188
Other non-pensionable allowances		22,888	20,399
Total		124,237	111,386

3.2 Social contributions

	Note	2017/18 R'000	2016/17 R'000
Employer contributions			
Pension		12,107	11,071
Medical		5,012	4,753
Bargaining council		110	19
Total		17,229	15,843

Total compensation of employees		141,466	127,229
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Average number of employees		263	261
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4. Goods and services

	Note	2017/18 R'000	2016/17 R'000
Administrative fees		2,221	948
Advertising		434	1,106
Minor assets	4.1	87	122
Bursaries (employees)		63	327
Catering		3,884	4,528
Communication		3,052	4,389
Computer services	4.2	1,511	1,488
Legal services		876	885
Contractors		1,140	923
Agency and support / outsourced services		-	16,888
Audit cost – external	4.3	4,659	4,289
Fleet services		1,961	1,455
Consumables	4.4	5,100	2,104
Operating leases		11,910	15,158
Property payments	4.5	3,544	2,340
Rental and hiring		39	230
Transport provided as part of the departmental activities		5,260	574
Travel and subsistence	4.6	17,922	12,397
Venues and facilities		299	446
Training and development		3,598	828
Other operating expenditure	4.7	1,241	889
Total		68,801	72,314

The amount disclosed for training and development consists of employees R 370,187.18 and non-employees R 3,227,910.98.

4.1 Minor assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets	4	87	122
Machinery and equipment		87	122
Intangible assets		-	-
Software		-	-
Total		87	122

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4.2 Computer services

	Note	2017/18	2016/17
	4	R'000	R'000
SITA computer services		1,509	991
External computer service providers		2	497
Total		1,511	1,488

4.3 Audit cost – External

	Note	2017/18	2016/17
	4	R'000	R'000
Regularity audits		4,659	4,289
Total		4,659	4,289

4.4 Consumables

	Note	2017/18	2016/17
	4	R'000	R'000
Consumable supplies		4,249	985
Uniform and clothing		120	-
Household supplies		812	609
Building material and supplies		24	-
Communication accessories		2	6
IT consumables		16	24
Other consumables		3,275	346
Stationery, printing and office supplies		851	1,119
Total		5,100	2,104

4.5 Property payments

	Note	2017/18	2016/17
	4	R'000	R'000
Municipal services		294	90
Property maintenance and repairs		218	283
Other		3,032	1,967
Total		3,544	2,340

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4.6 Travel and subsistence

	Note	2017/18 R'000	2016/17 R'000
Local	4	13,299	10,744
Foreign		4,623	1,653
Total		<u><u>17,922</u></u>	<u><u>12,397</u></u>

4.7 Other operating expenditure

	Note	2017/18 R'000	2016/17 R'000
Professional bodies, membership and subscription fees	4	13	17
Resettlement costs		41	100
Other		1,187	772
Total		<u><u>1,241</u></u>	<u><u>889</u></u>

5. Payments for financial assets

	Note	2017/18 R'000	2016/17 R'000
Debts written off	5.1	70	41
Total		<u><u>70</u></u>	<u><u>41</u></u>

5.1 Debts written off

	Note	2017/18 R'000	2016/17 R'000
Nature of debts written off	5		
Staff debts and third parties		70	41
Total		<u><u>70</u></u>	<u><u>41</u></u>
Total debt written off		<u><u>70</u></u>	<u><u>41</u></u>

6. Transfers and subsidies

		2017/18 R'000	2016/17 R'000
Provinces and municipalities	Note	3	-
Departmental agencies and accounts	Annex 1A	3	3
Non-profit institutions	Annex 1B	25,994	19,651
Households	Annex 1C	507	584
Total		<u><u>26,507</u></u>	<u><u>20,238</u></u>

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7. Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets		4,309	3,667
Machinery and equipment	27	4,309	3,667
Intangible assets		9	42
Software	28	9	42
Total		4,318	3,709

7.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	4,309	-	4,309
Machinery and equipment	4,309	-	4,309
Intangible assets			
Software	9	-	9
Total	4,318	-	4,318

7.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	3,667	-	3,667
Machinery and equipment	3,667	-	3,667
Intangible assets	42	-	42
Software	42	-	42
Total	3,709	-	3,709

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7.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets		2,091	1,628
Machinery and equipment		2,091	1,628
Total		2,091	1,628

8. Cash and cash equivalents

	Note	2017/18 R'000	2016/17 R'000
Cash on hand		10	10
Total		10	10

9. Prepayments and advances

	Note	2017/18 R'000	2016/17 R'000
Prepayments (Not expensed)	9.1	236	366
Total		236	366

9.1 Prepayments (Not expensed)

Note	Balance as at 1 April 2017	Less: Amount expensed in current year	Add: Current Year prepayments	Balance as at 31 March 2018
	R'000	R'000	R'000	R'000
9	366	(366)	236	236
Goods and services	366	(366)	236	236
Total	366	(366)	236	236

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10. Receivables

		2017/18		2016/17		
		Current	Non-current	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000
Claims recoverable	Note 10.1	1,072	3,991	2,561	3,563	6,124
Staff debt	10.2	1,242	37	988	12	1,000
Total		2,314	4,028	3,549	3,575	7,124

10.1 Claims recoverable

	Note	2017/18	2016/17
	10 and Annex 3	R'000	R'000
National departments		340	395
Provincial departments		2,844	3,754
Public entities		1,879	1,937
Private enterprises			38
Total		5,063	6,124

10.2 Staff debt

	Note	2017/18	2016/17
	10	R'000	R'000
Ex-Official		37	12
Current Officials		1,242	988
Total		1,279	1,000

11. Voted funds to be surrendered to the Revenue Fund

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		4,280	3,424
Prior period error			
As restated		4,280	3,424
Transfer from statement of financial performance (as restated)		5,364	4,280
Paid during the year		(4,280)	(3,424)
Closing balance		5,364	4,280

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

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Opening balance		8	524
Prior period error	19.1	-	-
As restated		8	524
Transfer from Statement of Financial Performance (as restated)		207	941
Own revenue included in appropriation		176	266
Paid during the year		(153)	(1,723)
Closing balance		238	8

13. Bank Overdraft

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account		984	3,206
Total		984	3,206

14. Payables – current

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Other payables	14.1	-	3
Total		-	3

14.1 Other payables

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Refunds to ex-employees on tax debt	21	-	3
Total		-	3

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15. Payables – non-current

	Note	2017/18			R'000 Total	2016/17 R'000 Total
		R'000 One to two years	R'000 Two to three years	R'000 More than three years		
Other payables	15.2				-	
Total		-	-	-	-	

16. Net cash flow available from operating activities

	Note	2017/18 R'000	2016/17 R'000
Net surplus/(deficit) as per Statement of Financial Performance		5,571	5,221
Add back non cash/cash movements not deemed operating activities		690	(3,557)
(Increase)/decrease in receivables – current		782	(2,148)
(Increase)/decrease in prepayments and advances		130	(240)
Increase/(decrease) in payables – current		(3)	3
Proceeds from sale of capital assets		(280)	-
Proceeds from sale of investments		-	-
Expenditure on capital assets		4,318	3,709
Surrenders to Revenue Fund		(4,433)	(5,147)
Own revenue included in appropriation		176	266
Net cash flow generated by operating activities		6,261	1,664

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

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account		(984)	(3,206)
Cash on hand		10	10
Total		(974)	3,196

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18. Contingent liabilities and contingent assets**18.1 Contingent liabilities**

		Note	2017/18 R'000	2016/17 R'000
Liable to	Nature			
Housing loan guarantees	Employees	Annex 2A	39	39
Claims against the department		Annex 2B	4,901	6,655
Intergovernmental payables (unconfirmed balances)		Annex 4	673	912
Total			5,613	7,606

Claims against the department are possible obligations that may lead to possible outflows of economic resources depending on the outcome of court processes. There are dependencies on the court roll and finalisation thereof. There is no possibility of any re-imbursement in the aforementioned contingencies.

19. Commitments

	Note	2017/18 R'000	2016/17 R'000
Current expenditure			
Approved and contracted		7,183	16,598
Approved but not yet contracted		-	-
Capital expenditure			
Approved and contracted		-	-
Approved but not yet contracted		-	-
Total Commitments		7,183	16,598

20. Accruals and payables not recognised**20.1 Accruals**

	2017/18 R'000			2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	4,430	-	4,430	5,203
Capital assets	589	-	589	162
Total	5,019	-	5,019	5,365

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	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Administration		3,932	3,704
Institutional Development		901	1,378
Policy & Governance		186	283
Total		5,019	5,365

20.2 Payables not recognised

		2017/18 R'000	2016/17 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	214	-	214
Capital assets	19	-	19
Total	233	-	233

	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Administration		192	410
Institutional Development		35	15
Policy & Governance		6	22
Total		233	447

	Note	2017/18 R'000	2016/17 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 4	87	-
Confirmed balances with other government entities	Annex 4	-	-
Total		87	-

21. Employee benefits

	Note	2017/18 R'000	2016/17 R'000
Leave entitlement		4,101	3,331
Service bonus (Thirteenth cheque)		2,823	2,542
Performance awards		1,770	758
Capped leave commitment		2,188	2,457
Long Service Awards		89	198
Other		1,385	110
Total		12,356	9,396

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The balance of leave entitlement and capped leave commitments was restated to ensure better presentation and understandability to users. Refer to note 29.1

Included in the amounts of leave entitlement and capped leave commitments are negative balances for both years due to normal leave management due processes. The negative balances are as follows:

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Leave entitlement		293	305
Capped Leave Commitments		269	200
Total		562	505
Inclu			

22. Lease commitments

22.1 Operating leases

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2017/18					
Not later than 1 year	-	-	12,992	2,438	15,430
Later than 1 year and not later than 5 years	-	-	5,414	725	6,139
Total lease commitments	-	-	18,406	3,163	21,569

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2016/17					
Not later than 1 year	-	-	5,414	1,357	6,771
Later than 1 year and not later than 5 years	-	-	-	-	-
Total lease commitments	-	-	5,414	1,357	6,771

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22.2 Finance leases

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
2017/18					
Not later than 1 year	-	-		2,462	2,462
Later than 1 year and not later than 5 years	-	-		2,443	2,443
Total lease commitments	-	-		4,905	4,905
2016/17					
Not later than 1 year	-	-	-	1,627	1,627
Later than 1 year and not later than 5 years	-	-	-	2,561	2,561
Total lease commitments	-	-	-	4,188	4,188

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance		29,076	23,500
Prior period error		-	-
As restated		29,076	23,500
Add: Irregular expenditure – relating to prior year		-	5,647
Add: Irregular expenditure – relating to current year		-	1,264
Less: Prior year amounts condoned		(1,525)	-
Less: Current year amounts condoned		-	-
Less: Amounts not condoned and recoverable		-	-
Less: Amounts not condoned and not recoverable		-	(1,335)
Closing balance		27,551	29,076

Analysis of awaiting condonation per age
classification

Current year	-	1,264
Prior years	27,551	27,812
Total	27,551	29,076

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The opening balance for irregular expenditure was restated/reduced with an amount of R247.006.50. Refer to Note 29.3

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

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
		-
Total		-

23.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
Not obtaining original tax clearance certificate	National Treasury	1,525
Total		1,525

An amount of R 1,525,439.10 that was incurred in prior years as a result of not obtaining original tax clearance certificates, was condoned by National Treasury during the 2017/18 financial year.

23.4 Details of irregular expenditure not recoverable (not condoned)

Incident	Not condoned by (condoning authority)	2017/18 R'000
Total		

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23.5 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2016/17		
Overstatement of Irregular Expenditure		(247)
Total prior period errors		(247)

The opening balance for irregular expenditure was restated/reduced with an amount of R247.006.50. Refer to Note 29.3

24. Related party transactions

Trusts under control of the department.	Note	2017/18 R'000	2016/17 R'000
		25,994	19,651
Total		25,994	19,651

24.1 Northern Cape Premier's Education Trust Fund

The primary objective of the Trust Fund is to make higher education opportunities accessible by providing bursary loans to academically and financially deserving students studying on a full time basis at institutions of higher-learning situated in the Republic of South Africa and are registered for the field of study as determined by the trustees.

In terms of the trust deed, the Board of trustees are subject to prior approval by the premier of the Northern Cape Province, who is a patron to the Northern Cape Premier's Education Trust.

Payments made	Note	2017/18 R'000	2016/17 R'000
Northern Cape Premier's Education Trust Fund		21,325	15,205
Total		21,325	15,205

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24.2 Mme Re Ka Thusa Trust Fund

The main objective of the fund is to promote the economic empowerment of women in the province through provision of grant allocations to the qualifying beneficiaries. The Premier appoints the Board of trustees

Payments made	<i>Note</i>	2017/18 R'000	2016/17 R'000
Mme Re Ka Thusa Trust Fund		4,669	4,446
Total		4,669	4,446

24.3 Key management personnel

Key management personnel were identified as having related party relationship as they are having significant influence to the reporting entity (Office of the Premier). The aforesaid personnel are responsible for the strategic direction and operational management personnel and are entrusted with fiduciary responsibility and significant authority over the reporting entity. Key personnel also include the Premier as an Executing Authority of Vote 1.

Remuneration of key management is as follows:

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Payments made		23,172	19,495
Total		23,172	19,495

24.4 Disclosure relating to other provincial government departments and entities.

Related party relationship

The Office of the Premier has related party relationships with the following provincial departments and provincial entities due to common control by the Provincial Legislature as follows:

24.4.1 Provincial Departments

Agriculture, Land Reform and Rural Development;

Co-operative Governance, Human Settlements and Traditional Affairs;

Economic Development and Tourism;

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Education;
Environment and Nature Conservation;
Health;
Northern Cape Provincial Legislature;
Northern Cape Provincial Treasury;
Roads and Public Works;
Social Development;
Sports, Arts and Culture and
Transport, Safety and Liaison

24.4.2 Provincial Entities

Kalahari Kid Corporation (KKC);
McGregor Museum;
Northern Cape Economic Development, Trade and Investment Promotion Agency (NCEDA);
Northern Cape Fleet Management;
Northern Cape Gambling Board;
Northern Cape Liquor Board; and
Northern Cape Tourism Authority

25. Key management personnel

	No. of Individuals	2017/18 R'000	2016/17 R'000
Political office bearers			
Officials:	1	2,260	2,174
Level 15 to 16	6	10,820	8,068
Level 14	8	9,821	9,253
Family members of key management personnel	1	271	-
Total		23,172	19,495

The balance of Key management personnel for level 14 was restated. Please refer to note 29.4

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26. Non-adjusting events after reporting date

Nature of event	2017/18 R'000
Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.	-
Total	<u>-</u>

27. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	18,076	-	2,615	1,496	19,195
Transport assets	2,375	-	1,121	(855)	2,641
Computer equipment	7,921	-	592	(590)	7,923
Furniture and office equipment	7,069	-	902	(51)	7,920
Other machinery and equipment	711	-	-	-	711
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	18,076	-	2,615	(1,496)	19,195

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	9	418

These assets could not be traced during the physical verification process and have been transferred to the loss control register.

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27.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash R'000	Non-cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
MACHINERY AND EQUIPMENT	4,309	-	(2,091)	397	2,615
Transport assets	1,927	-	(806)	-	1,121
Computer equipment	592	-	-	-	592
Furniture and office equipment	429	-	-	473	902
Other machinery and equipment	1,361	-	(1,285)	(76)	-
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	4,309	-	(2,091)	397	2,615

Included in the amount under Furniture and office equipment are assets with a value of R473,421.59 that was delivered at reporting date, but paid during 2018/19 financial year. Furthermore, an asset valued at R76,480.32 was received during the 2016/17 financial year, but paid during the 2017/18 financial year.

27.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIPMENT	855	641	1,496	280
Transport assets	855	-	855	280
Computer equipment	-	590	590	-
Furniture and office equipment	-	51	51	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	855	641	1,496	280

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27.3 Movement for 2016/17

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	17,682	-	2,143	(1,749)	18,076
Transport assets	2,135	-	1,521	(1,281)	2,375
Computer equipment	7,945	-	398	(422)	7,921
Furniture and office equipment	6,990	-	125	(46)	7,069
Other machinery and equipment	612	-	99	-	711
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	17,682	-	2,143	(1,749)	18,076

27.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	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	-	-	-	7,548	-	7,548
Additions	-	-	-	87	-	87
Disposals	-	-	-	(136)	-	(136)
TOTAL MINOR ASSETS	-	-	-	7,499	-	7,499

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	5,238	-	5,238
TOTAL NUMBER OF MINOR ASSETS	-	-	-	5,238	-	5,238

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The opening balance for minor assets was restated. Please refer to note 29.2

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	15	14

These assets could not be traced during the assets verification process and have been transferred to the loss control register.

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

	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	-	-	-	7,648	-	7,648
Additions	-	-	-	135	-	135
Disposals	-	-	-	(235)	-	(235)
TOTAL MINOR ASSETS	-	-	-	7,548	-	7,548

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	5,297	-	5,297
TOTAL NUMBER OF MINOR ASSETS	-	-	-	5,297	-	5,297

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27.4.1 Prior period error

	<i>Note</i>	2016/17 R'000
Nature of prior period error		
Relating to 2016/17		
Duplication of minor assets in asset register		(1,628)
Total prior period errors		(1,628)

*Management erroneously duplicated an amount for library books under minor assets, i.e. the library books were captured on the asset management system (BAUD) as well as on a spreadsheet. The net effect of the incorrect classification is that minor assets were overstated by R1 627,602.52. The restatement was performed to ensure better presentation and understandability to the users. **Please refer to Note 29.2***

27.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2018

	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
Assets written off	-	-	-	136	-	136
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	136	-	136

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017

	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
Assets written off	-	-	-	697	-	697
TOTAL MOVABLE ASETS WRITTEN OFF	-	-	-	697	-	697

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27.6 S42 Movable capital assets

MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA – 31 MARCH 2018

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No. of Assets	-	-	-	-	-	-
Value of the assets (R'000)	-	-	-	-	-	-

MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA – 31 MARCH 2018

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No. of Assets	-	-	-	-	-	-
Value of the assets (R'000)	-	-	-	-	-	-

MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2017

	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
No. of Assets	-	-	-	(5)	-	(5)
Value of the assets (R'000)	-	-	-	(51)	-	(51)

MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2017

	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
No. of Assets	-	-	-	(2)	-	(2)
Value of the assets (R'000)	-	-	-	(6)	-	(6)

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28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	5,983	-	9	-	5,992
TOTAL INTANGIBLE CAPITAL ASSETS	5,983	-	9	-	5,992

28.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash R'000	Non-Cash R'000	(Develop- ment work in progress – current costs) R'000	Received current year, not paid (Paid current year, received prior year) R'000	Total R'000
SOFTWARE	9	-	-	-	9
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	9	-	-	-	9

28.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
SOFTWARE	-	-	-	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	-	-	-	-

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28.3 Movement for 2016/17

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	6,893	-	42	(952)	5,983
TOTAL INTANGIBLE CAPITAL ASSETS	6,893	-	42	(952)	5,983

29. Prior period errors

29.1 Employee benefits

29.1.1 Annual leave

Nature of prior period errors

	Note	2016/17
		R'000
Erroneous non-inclusion of few leave balances under leave entitlement category	21	20
Net effect		20

When implementing prior years' action plans on leave management, it came to management's attention that an error occurred in the valuation of leave entitlement at 31 March 2017 reporting date.

	Note	2016/17
		R'000
Expenditure		-
Net effect		-

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The retrospective restatement does not have an effect on the unauthorised expenditure and voted funds to be surrendered to Provincial Treasury.

29.1.2 Capped leave

Nature of prior period errors

	Note	2016/17
		R'000
Erroneous inclusion of few leave balances under capped leave entitlement category	21	(90)
		(90)
Net effect		(90)

This adjustment relates to the result after all capped leave files were audited during the 2017/18 financial year. The nett effect is that capped leave was overstated at 31 March 2017 reporting date.

	Note	2016/17
		R'000
Expenditure		-
		-
Net effect		-

The retrospective restatement does not have an effect on the unauthorised expenditure and voted funds to be surrendered to Provincial Treasury.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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29.2 Minor Assets

Nature of prior period errors

	<i>Note</i>	2016/17
		R'000
Duplication of minor assets in asset register	27.4	(1 628)
Net effect		(1 628)

Management erroneously duplicated an amount for library books under minor assets, i.e. the library books were captured on the asset management system (BAUD) as well as on a spreadsheet. The net effect of the incorrect classification is that minor assets were overstated by R1 627,602.52. The restatement was performed to ensure better presentation and understandability to the users.

	<i>Note</i>	2016/17
		R'000
Expenditure		-
Net effect		-

The retrospective restatement does not have an effect on the unauthorised expenditure and voted funds to be surrendered to Provincial Treasury.

29.3 Irregular expenditure

Nature of prior period errors

	<i>Note</i>	2017/18
		R'000
Erroneous over stating of irregular expenditure	23	(247)
Net effect		(247)

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Management erroneously included an amount under Irregular expenditure, which was in fact regular. The net effect of the incorrect classification is that Irregular expenditure disclosed under Irregular expenditure – relating to current year was overstated by R247 066.50.

	Note	2017/18
		R'000
Expenditure		-
Net effect		-

The retrospective restatement does not have an effect on the unauthorised expenditure and voted funds to be surrendered to Provincial Treasury.

29.4 Key management personnel

Nature of prior period errors

	Note	2016/17
		R'000
Erroneous understating of Key management personnel	25	304
Net effect		304

Management erroneously excluded an amount under Key management personnel. One official was promoted through a counter offer from salary level 13 to 14. The net effect of the incorrect classification is that Key management personnel disclosed was understated by R304,392.21.

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	<i>Note</i>	2017/18
		R'000
Expenditure		-
Net effect		-

The retrospective restatement does not have an effect on the unauthorised expenditure and voted funds to be surrendered to Provincial Treasury.

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17 Final Appropriation R'000
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
South African Corporation	3	-	-	3	3	100%	3
TOTAL	3	-	-	3	3	100%	3

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ANNEXURE 1B
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION			EXPENDITURE		2016/17 Final Appropriatio n R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjust- ments R'000	Total Available R'000	Actual Transfer R'000	
NON-PROFIT INSTITUTIONS						
Transfers						
Premiers Bursary Trust Fund	21,325	-	-	21,325	21,325	100%
Mme Re Ka Thusa Trust Fund	4,669	-	-	4,669	4,669	100%
	25,994	-	-	25,994	25,994	100%
TOTAL	25,994	-	-	25,994	25,994	100%

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ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2016/17 Final Appropriatio n R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjust- ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
HOUSEHOLDS							
Transfers							
Leave Payouts	507	-	-	507	507	100%	584
	507	-	-	507	507	100%	584
Subsidies							
TOTAL	507	-	-	507	507	100%	584

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ANNEXURE 1D
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2017/18	2016/17
	R '000	R '000
Paid in Cash		
Gifts, donations and sponsorships made from the Discretionary Fund	402	332
Financial assistance	226	21
Subtotal	628	353
Made in kind		
Gifts, donations and sponsorship made from the Discretionary Fund	2,095	1,455
Corporate gifts	128	111
Social responsibility	683	144
Funeral assistance	153	24
Hospital hampers	25	9
Subtotal	3,084	1,743
TOTAL	3,712	2,096

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ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2018 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2017	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2018	Guaranteed interest for year ended 31 March 2018	Realised losses not recoverable i.e. claims paid out
		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
	Motor vehicles								
	Subtotal Housing	-	39	-	-	-	39	-	-
	Subtotal Other	-	39	-	-	-	39	-	-
	Subtotal								
	TOTAL	-	39	-	-	-	39	-	-

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ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2018 R'000
Claims against the department					
Damages	6,655	136	(1,891)	-	4,901
Subtotal	6,655	136	(1,891)	-	4,901

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ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18	
	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000	Receipt date up to six (6) working days after year end	Amount R'000
Department								
Education	-	-	726	726	726	726		
Health	908	1,862	-	-	908	1,862		
Road and Public Works	-	-	616	766	616	766		
Sports Arts and Culture	-	8	-	-	-	8		
Transport Safety and Liaison	313	321	-	-	313	321		
Treasury	88	-	-	-	88	-		
Environment and Nature Conservation	-	2	19	-	19	2		
CoGHSTA	132	69	-	-	132	69		
SAPS	-	-	340	340	340	340		
	1,441	2,262	1,701	1,832	3,142	4,094		
Other Government Entities								
NIHE	-	-	-	33	-	33		
EWSETA	-	-	1,875	1,875	1,875	1,875		
Infinite	-	-	-	10	-	10		
Santam	-	-	-	25	-	25		

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Planning Monitoring and Evaluation	-	56	-	-	-	56
UMSOBOMVU	-	-	2	2	2	2
NCFMTE	-	-	42	29	42	29
TELKOM	-	-	2	-	2	-
	-	56	1,921	1,974	1,921	2,030
TOTAL	1,441	2,318	3,622	3,806	5,063	6,124

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2017/18	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	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								
Justice	-	-	69	188	69	188		188
SAPS	25	-	-	215	25	215		215
National School of Government	74	-	-	-	74	-		-
Government Printing Work	9	-	-	-	9	-		-
Free State Premier's Office	4	-	-	-	4	-		-
Treasury	510	-	32	-	542	-		-
NCFMTE	-	-	9	-	9	-		-
Subtotal	622	-	110	403	732	403		
Non-current								
Justice	-	-	229	175	229	175		175
NCFMTE	-	-	159	159	159	159		159
National School of Government	-	-	175	175	175	175		175
Subtotal	-	-	563	509	563	509		509
TOTAL								
	622	-	673	912	1,295	912		912

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