

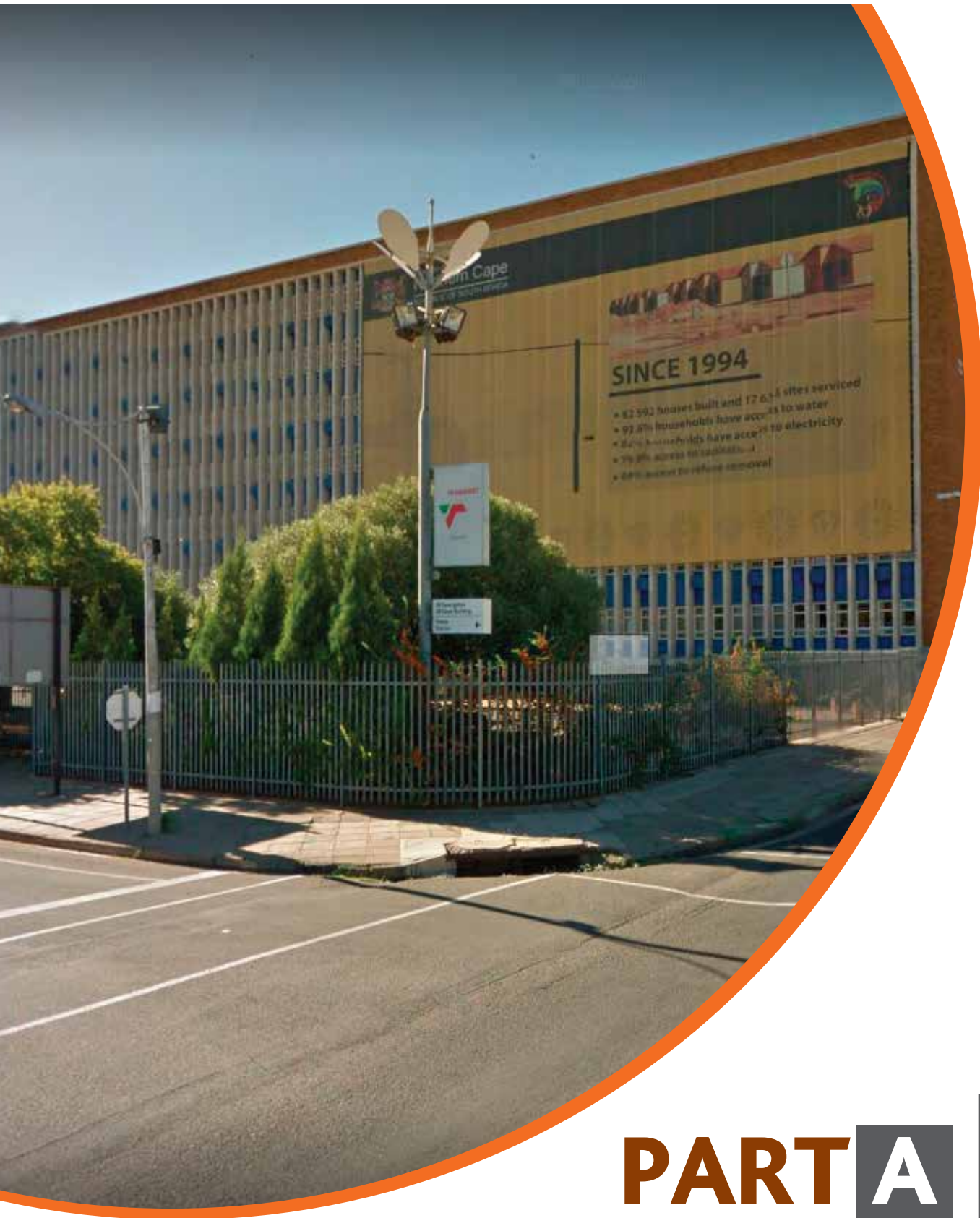
**OFFICE OF THE PREMIER
ANNUAL REPORT
2018/2019**

LEADING THROUGH EXCELLENCE TOWARDS RADICAL SOCIO-ECONOMIC TRANSFORMATION.

TABLE OF CONTENT

PART A: GENERAL INFORMATION	2
1. DEPARTMENT GENERAL INFORMATION	3
2. LIST OF ABBREVIATIONS/ACRONYMS	4
3. FOREWORD BY THE PREMIER	6
4. REPORT OF THE ACCOUNTING OFFICER	7
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	9
6. STRATEGIC OVERVIEW	10
7. LEGISLATIVE AND OTHER MANDATES	11
8. ORGANISATIONAL STRUCTURE	13
9. ENTITIES REPORTING TO THE PREMIER	13
PART B: PERFORMANCE INFORMATION	14
1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES	15
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	15
3. STRATEGIC OUTCOME ORIENTED GOALS	20
4. PERFORMANCE INFORMATION BY PROGRAMME	23
4.1 PROGRAMME 1: ADMINISTRATION	23
4.2 PROGRAMME 2: INSTITUTIONAL DEVELOPMENT	29
4.3 PROGRAMME 3: POLICY AND GOVERNANCE	40
4.4 STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE	47
5. TRANSFER PAYMENTS	48
6. CONDITIONAL GRANTS	48
7. DONOR FUNDS	48
8. CAPITAL INVESTMENT	48
PART C: GOVERNANCE	50
1. INTRODUCTION	51
2. RISK MANAGEMENT	51
3. FRAUD AND CORRUPTION	51
4. MINIMISING CONFLICT OF INTEREST	52
5. CODE OF CONDUCT	52
6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES	52
7. PORTFOLIO COMMITTEES	53
8. SCOPA RESOLUTIONS	54
9. PRIOR MODIFICATIONS TO AUDIT REPORTS	54
10. INTERNAL CONTROL UNIT	54
11. INTERNAL AUDIT AND AUDIT COMMITTEES	54
12. AUDIT COMMITTEE REPORT	55

PART D: HUMAN RESOURCE MANAGEMENT	61
1. INTRODUCTION	62
2. OVERVIEW OF HUMAN RESOURCES	62
3. HUMAN RESOURCES OVERSIGHT STATISTICS	63
PART E: FINANCIAL INFORMATION	80
1. REPORT OF THE AUDITOR GENERAL	81
2. ANNUAL FINANCIAL STATEMENTS	86



PART **A**

GENERAL INFORMATION

1. DEPARTMENTAL GENERAL INFORMATION

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Telephone numbers: 053 838 2950

Fax number: 053 838 2502

Email address: cynthiajoseph@ncpg.gov.za

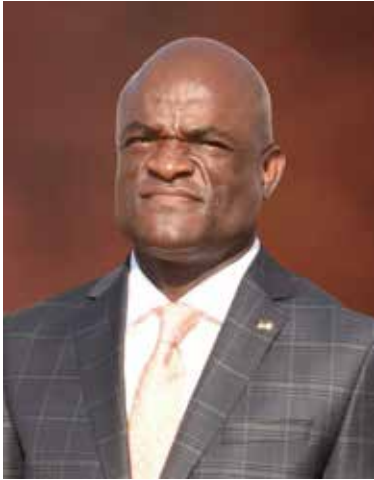
Website address: www.northern-cape.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AIDS	Acquired Immune Deficiency Syndrome
AO	Accounting Officer
APP	Annual Performance Plan
APAP	Agricultural Policy Action Plan
CFO	Chief Financial Officer
CIP	Compulsory Induction Programme
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service Administration
DENC	Department of Economic Development and Nature Conservation
DG	Director General
EH&W	Employee Health and Wellness
EWSETA	Energy and Water Sector Education and Training Authority
EXCO	Executive Council
FSDM	Frontline Service Delivery Monitoring
G&A	Governance and Administration
HOD	Head of Department
HRA	Human Resources Administration
HRD	Human Resource Development
ICT	Information Communication Technology
IFS	Interim Financial Statements
IGR	Intergovernmental Relations
IPAP	Industrial Policy Action Plan
IT	Information Technology
LAN	Local Area Network
MEC	Member of Executive Council\
MISS	Minimum Information Security Standards
MPAT	Management Performance Assessment Tool
MSCC	Mittah Seperepere Convention Centre
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NC	Northern Cape
NCEDA	Northern Cape Economic Development, Trade and Investment Promotion Agency
NCFTME	National Curriculum Framework for Teacher Education
NCPA	Northern Cape Provincial Administration
NCPG	Northern Cape Provincial Government
NDP	National Development Plan
NGP	National Growth Plan
NIHE	National Institute for Higher Education
NSP	National Skills Plan
OD	Organisational Design
ODA	Official Donor Assistance
OTP	Office of the Premier
PAIA	Promotion of Access to Information
PAJA	Promotion to Access to Justice
PCA	Provincial Council on Aids
PGDP	Provincial Growth Development Plan
PGDS	Provincial growth Development Strategy
PFMA	Public Finance Management Act

PIAU	Provincial Internal Audit Unit
PIGF	Provincial Intergovernmental Forum
PIMS	Performance Information Management System
PMEF	Provincial Monitoring and Evaluation Framework
PMTEC	Provincial Medium Term Expenditure Committee
POA	Programme of Action
PPP	Public Private Partnerships
PSP	Provincial Skills Plan / Provincial Strategic Plan on Aids
QPR	Quarterly Performance Report
SAPS	South African Police Services
SASSA	South African Social Security Agency
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SETA	Sector Education and Training Authority
SHERQ	Safety, Health, Environment, Risk and Quality
SITA	State Information Technology Agency
SMS	Senior Management Services
SPLUMA	Spatial Planning and Land Use Management Act
STATSSA	Statistics South Africa
STI	Sexually Transmitted Infection
TB	Tuberculosis
TID	Technical Indicator Description
TR	Treasury Regulations
WAN	Wide Area Network
WIL	Workplace Integrated Learning
WSP	Workplace Skill Plan

3. FOREWORD BY THE PREMIER



It gives me great pleasure to present the 2018/19 audited annual financial statements and performance information pertaining to the Office of the Premier to the people of Northern Cape. This annual report provides a detailed balanced account of the work that was performed by the Office for the period under review. This report includes the achievements that were attained as well as the challenges that were encountered by the Office during the 2018/19 financial year.

I wish to congratulate the Director-General and the entire staff in the Office of the Premier for attaining a financially unqualified audit opinion (Clean Audit) from the Office of the Auditor-General South Africa (AGSA) for the reporting period under review. I also take note that it is the fourth successive clean audit for the Office. Given the idiosyncratic nature of the Office in the Provincial Administration and its associated symbolism, I trust that this outcome will have some modest spillover effect in the entire administration and local government, which will hopefully have an impact to the confidence levels of our people to their government.

Notwithstanding the aforesaid, I must reiterate that there is more work to be done in the subsequent reporting period. This, given the stubborn triple challenges of poverty, inequality and unemployment. We need to do more to realise our collective vision of a Modern, Growing and Successful Province, which must underpin everything that we do in intervening reporting period and years ahead.

I take this opportunity to express my gratitude to all our stakeholders, both external and internal, who collaborated with the Office of the Premier in our endeavour to find solutions to the many challenges confronting our province.

Dr Zamani Saul

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 2018/19 financial year.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT:

Table 1: Departmental Receipts

Departmental receipts	2018/2019			2017/2018		
	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	86	108	(22)	81	102	(21)
Fines, penalties and forfeits	-	1	(1)	-	-	-
Sale of capital assets				95	280	(185)
Financial transactions in assets and liabilities	-	121	(121)	-	2	(2)
Total	136	230	(94)	176	384	(208)

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	2018/2019			2017/2018		
	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	116,118	110,050	6,068	109,257	108,034	1,223
Institutional Development	89,773	82,677	7,096	92,611	92,611	-
Policy and Governance	47,097	45,626	1,471	44,658	40,913	3,745
Total	252,988	238,353	14,635	246,526	241,558	4,968

The positive variance of R14.6 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 page: 88 for relevant disclosures in the AFS

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

No gifts and donations were received for the 2018/19 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, for 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 2019

5. STATEMENT OF RESPONSIBILITIES 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 2019.

Yours faithfully



Accounting Officer
Mr Justice Bekebeke
Date 31 May 2019

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

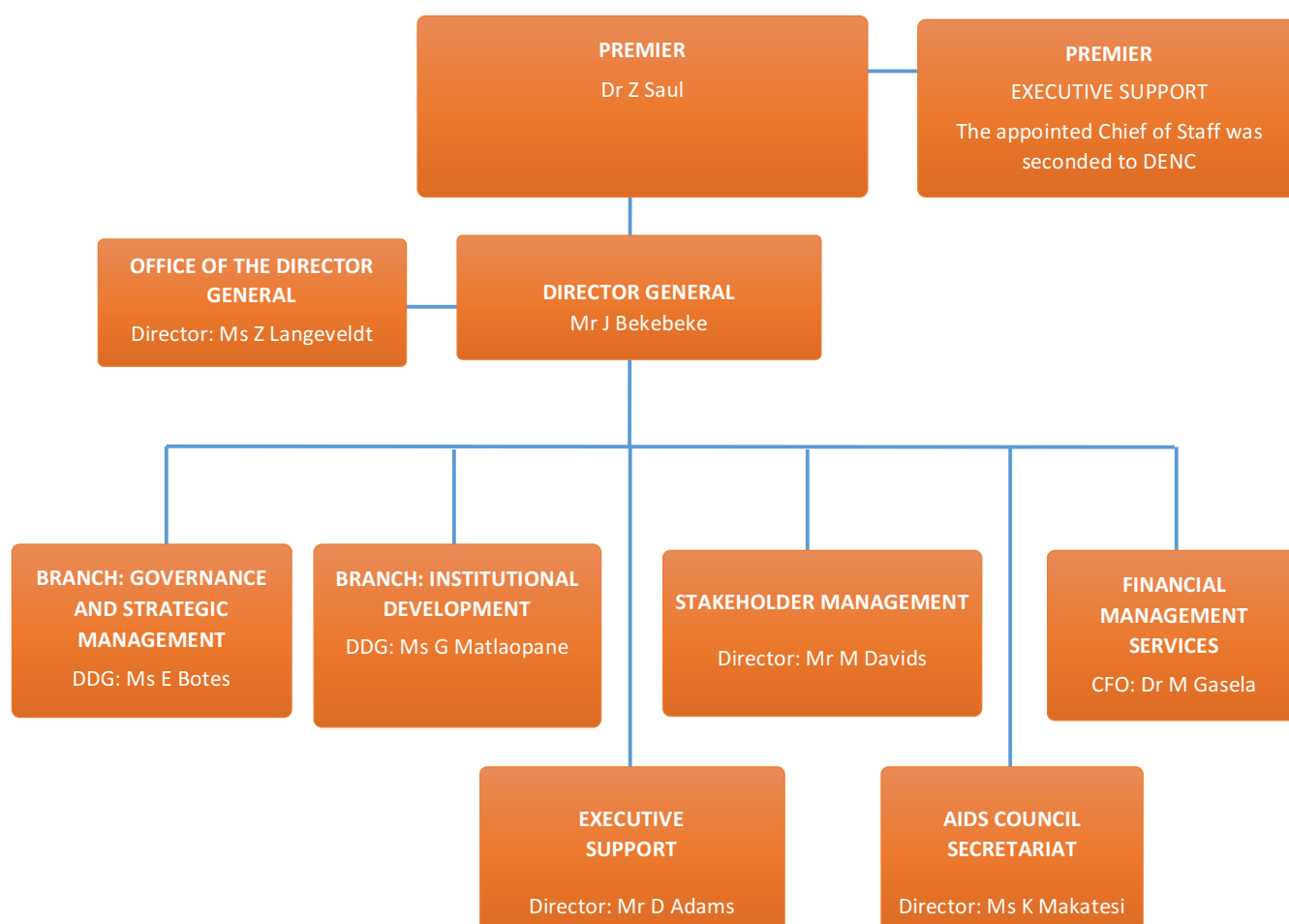
In accordance to Section 125 of the Constitution: The Premier exercises executive authority, together with the other members of the Executive Council, by:

- 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 report indicates the entities that report to the Premier

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operation
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 previous disadvantaged women to empower them to become economically active.



PART **B**

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Refer to page 81 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. The department provide support and technical guidance to sector departments and municipalities. In terms of services provided directly to the public, it should be noted that the Office of the Premier's interaction with the broader public is limited and mostly confined to consultative meetings. Except for Programme 2: Institutional Development, as well as Programme 3: Policy and Governance that play a transversal role in supporting other departments through its various sub-programmes, Programme 1: Administration is mainly concerned with internal management but also provides support to the provincial administration.

Programme 1: Administration pursued the strategic objective by providing strategic leadership, good governance and support to the provincial administration. The department continued to operate in an environment of chronic budget challenges, which mainly contributed to the national and provincial fiscally constrained operational environment. These challenges are compounded by the fact that additional functions have been given to the Office of the Premier without the corresponding additional budget allocation. As a result, these unfunded functions have been given to the existing personnel, adding even more to the existing pressures in terms of the departmental workforce and over-stretching of the existing human resources thin. Notwithstanding these challenges, the Departmental Review Committee continued to provide assurance on the quality, integrity and reliability of the departmental performance information. The department achieved 99% of its performance targets as outlined in the Annual Performance Report of 2018/19 and partially achieved 1% targets, during the year under review. It is worth mentioning that 9% of the overall targets were over-achieved.

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 programme operated under strained resource conditions, which made it difficult to fully realised their strategic objective, namely the finalisation of the HRD Strategy. The finalisation of the HRD strategy was depended on the finalisation and approval of the PGDP, to link HRD interventions with the provincial growth path. In preparation of the finalisation of this strategy, a final draft HRD Strategy was developed. It is envisaged that the strategy will be finalised within the 2019/20 reporting cycle.

The Office of the Premier is mandated to coordinate Human Resource Development initiatives in the province through the Strategic Human Management and Development Chief Directorate. In order to achieve on this mandate, strides have been made to put in place functional governance structures and systems to oversee the implementation of HRD policies in the province in order to accelerate skills development for economic growth. The coordination of HRD initiatives and projects are geared towards the empowerment of citizens to allow them to participate in the economy.

The situational analysis indicates that the under-investment in the ICT domain over a significant period has resulted in critical challenges experienced in the efficacy and efficiency of ICT systems delivering services. A key challenge that has emerged with the decentralization of IT is the alignment and implementation of transversal decisions to ensure that the NCPG is compliant with the Public Service Regulations and MPAT, presenting serious challenges. Added to this is also the management of SITA contracts, Telkom contracts, departmental traffic shaping and support to 5,500 provincial email users with outdated server infrastructure and software. Resource constraints is the number one challenge in driving the ICT agenda of the province. To address these challenges, the Office of the Premier, embarked on various IT initiatives.

The HOD Forum adopted a proposal for a Provincial Shared Service Centre, in 2017, for implementation. Albeit critical budget constraints to kick start the project with respect to initial funding for the appointment of a core-team (CEO and team) and project initiation funding. A high-level project plan as well as a Human Resource Plan was developed for the year under review.

In addition, the HOD Forum approved a proposal for a Provincial VPN, in 2017. For the implementation, a Firewall policy in consultation with all provincial departments was developed and adopted. Implementation on the VPN ended in March 2019. A second phase relating to the modernising of network equipment is planned for, in the new financial year.

Moving forward, the HOD Forum approved a provincial project on Technology Refresh, Business Continuity and a Shared Provincial Disaster Recovery Plan. This three-year project started in the 4th quarter with a Business Impact Assessments for the Office of the Premier.

Programme 3: Policy and Governance strategic objective is to facilitate the implementation of the government programme of action aligned to the NDP Vision 2030 and the MTSF 2014-19. The Programme continued to execute their coordination mandate under tremendous capacity challenges, because of vacancies created by resignations and death.

In her foreword to the 2018/19 APP the Honourable Premier made the following assertion: "In addition our identified outcomes direct the OTP to monitor and evaluate the impact that government services have on the people of our vast province. In this regard our capacity and capabilities will be strengthened and reinforced on an ongoing basis...." The Honourable Premier further highlighted the crucial role of the OTP in regards to coordination, leadership and support of the whole of the Provincial Government, making specific reference to joint planning led by the Office of the Premier "culminating in comprehensive yet practical and pragmatic plans...." However, the updated situational analysis juxtaposed against this assertion clearly depicted the strained fiscal context within which the department had to operate given the budget cut and no additional funding.

Although partial funding was allocated to OTP for strengthening of the provincial planning capacity within the Programme during the reporting period, the unfortunate reality is that very little progress had been made in that regard. Only one post of Senior Manager Policy and Research had been filled through a lateral transfer, while the recruitment processes in respect of the additional four spatial planning and research posts which commenced at the end of the third quarter (December 2018) processes had not been concluded as at end of March 2019. The main challenge faced was the delay in obtaining approval for filling of the posts (having followed the prescribed process emanating from the "Provincial Moratorium" on filling of posts).

Despite strained fiscal and capacity challenges, the Programme managed to diligently pursue what is set out as key deliverables for the reporting cycle in the Annual Performance Plan 2018/19

attaining all targets set for the reporting period. The Programme consistently strives to provide the necessary support and technical guidance through the various Provincial Coordination Forums and platforms towards facilitation of an overall conducive environment and accountability for effective, efficient and economical service delivery and policy implementation in the Northern Cape Province.

Services therefore continued to focus on the: 1) The coordination and monitoring of the implementation of the 2014/19 MTSF Provincial Programme of Action, Frontline Service Delivery Improvement and the Provincial Evaluation Plan through the Provincial Performance Monitoring and Evaluation Forum. 2) The coordination of the development of the PGDP and review of the PSDF as well as policy and research within the province through the Provincial Planning Forum supported by the revived PPRF.

The necessary support and technical guidance was provided through the Provincial Performance Monitoring and Evaluation Plan. The finalisation of the Provincial Evaluation Plan for the period of 2018/19-2020/21 with the implementation as of 2018/19 financial year was a major achievement that puts the province in a position to conduct structured evaluation of programmes and policies to determine appropriateness and impact.

The Programme further coordinated the policy and research within the province and focused on the strengthening and maintenance of stakeholder partnerships to establish a structured research agenda that is relevant and duly aligned to priority policy areas linked to the NDP and MTSF. The approach to develop the PGDP and review the PSDF concurrently has enabled the Northern Cape Government to be the first province to simultaneously compile a 20-year long-term plan with a complementary spatial expression thereof.

The Northern Cape Province has long recognised the need for the renewable energy that found its way through the PGDP and the PSDF. It has also acknowledged the need to finalise the Northern Cape Renewable Energy Strategy that would outline a plan to unlock the existing potential of the province to harness renewable energy to the benefit of its communities and economy. Unfortunately, the strategy was not finalised but the Department of Economic Development and Tourism is mandated to prioritise the development of a Provincial Energy Strategy. This strategy will not only align the exploitation of renewables with the PGDP and PSDF focus, but also take into account the opportunities for improved energy efficiency and exploration of gas and oil reserves as the means for improved energy security and socio-economic development in the Northern Cape. The province has successfully hosted the Northern Cape Renewable Energy Conference in August 2018.

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 and successfully implemented

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Batho Pele and Service Delivery	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	Four quarterly Batho Pele Forums convened were a learning platform was created, which allowed stakeholders to share initiatives, experiences and lessons learnt on improved service delivery.

Complaints mechanism

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

2.3 ORGANISATIONAL ENVIRONMENT

During the 2016-17 financial year, the Department 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. The main shift on the organisational structure was the establishment of a Corporate Management component, which would incorporate those support functions present in all departments, such as departmental strategic management, monitoring and evaluation, human resources management, communications, information technology, security and facilities management, and legal services, which will reside in Programme 1. The proposed document was subjected to pre-consultation with the Department of Public Service and Administration, and the Premier consulted with the Minister of Public Service and Administration.

The Minister of Public Service and Administration indicated concurrence with the proposal, providing the go-ahead for the final approval and implementation of the organisational structure in the 2017-18 financial year, and going forward. An implementation plan was subsequently approved, outlining the broad processes of consultation on implementation issues, 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. Subsidiary draft documents such as the draft migration framework, the change management and communications plan, etc. were also developed. In addition, change agents were identified and training in this regard started in 2018-19. The organisational structure implementation process was also included in the departmental Human Resource planning process, which resulted in the review of the previous HR Plan, and the subsequent approval of the MTEF HR 2018-20.

The approved organisational structure clearly shows the areas where capacity constraints are critical, for example where the Department 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 areas with limited capacity informed the indicators and targets included in the departmental Annual Performance Plans for 2017-18 and 2018-19. Capacity gaps were also taken up 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 continuously 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.

During the 2018-19 financial year, the implementation of the approved organisational structure, as well as the MTEF HR Plan (2018-2021) however faced significant challenges, including the following:

- Severe financial constraints and the moratorium on the filling of funded positions affected the ability of the Department to respond to critical gaps (as identified during the HR Planning process);
- The inclusion of the approved organisational structure on the agenda of the PSSCBC led to delays and the eventual total halt of the implementation of the structure, pending DPSA intervention, which means that no job description reviews, job evaluation, filling of vacancies, movement of staff, etc. can be done, with a ripple effect in terms of the inability to deal with job description gaps/ challenges negatively impacting on processes such as performance management and development.

Going forward, the resolution of the indicated impasse in terms of the implementation of the approved organisational structure is a top priority, to inform impending review processes, as well as to prevent a negative impact on the overall performance of the Department.

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> <ul style="list-style-type: none"> • Beneficial strategic partnership to advance provincial growth and development in realising the NDP vision 2030. • Effective intergovernmental relations and international relations to promote the Northern Cape's competitive advantage. • Pursuing programmes that enhance/promote a common national identity within a diverse society to enhance social cohesion.
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> <ul style="list-style-type: none"> • Driving the provincial vision and strategic, life-changing government priorities which include the fight against and response to HIV & TB; • Coordinate, integrate and mainstream planning across all spheres of government in partnership with all stakeholders, effectively improving Provincial Intergovernmental Relations; and • 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.
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> <ul style="list-style-type: none"> • process reengineering, • strengthening of delegations and accountability, • improving intergovernmental coordination and improving relations between provincial and local government <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>
Linkages	MDG, NDP, Outcome 12, PFMA, Treasury Regulations and SPLUMA
Impact/Outcome	Increased productivity by all departments as measured through productivity measurement tools. Increased departments with unqualified audit opinions.

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

4.1 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:

Sub-programme 1.1: Premier Support

Sub-programme 1.2: Director-General Support

Sub-programme 1.2.1: DG Support

Sub-programme 1.2.2: Security and Records Management

Sub-programme 1.2.3: Provincial Council on AIDS-Secretariat

Sub-programme 1.3: Executive Council Support

Sub-programme 1.4: Financial Management

Sub-programme 1.1: Premier Support

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

Sub-programme 1.2: Director General Support

Sub-programme 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).

Sub-programme 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.

Sub-programme 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).

Sub-programme 1.3: Executive Council Support

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

Sub-programme 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

The department continued to promote good governance and sound financial management. Under the leadership of the Accounting Officer, the Office of the Premier managed to obtain a level 4 score against Key Performance Area Financial Management in the Management of Performance Assessment Tool for the 2018/19 financial year. Further to this, the department overall scored a level 3.3 verse the level 3, which is an essential minimum requirement for a department to be complying with the legal prescripts.

In terms of compliance with the Financial Disclosure Framework for Senior Management, the Office of the Premier successfully coordinated the process and ensured that 100% of all SMS in the Northern Cape Provincial Administration disclosed to the Public Service Commission by the 31 May 2018.

The department submitted all the required strategic documents to the respective oversight bodies within the prescript timeframes. These strategic documents comprised of the Annual Report 2017/18, Annual Performance Plan 2019/20 and four Quarterly Performance Information Reports in respect of 2018/19 reporting cycle.

In support of Anti-Corruption, the Anti-Corruption Official within Office of the Premier monitored provincial departments and departmental Anti-corruption and Ethic Officers were trained to ensure that the provincial administration are familiar with the anti-corruption procedures and frameworks.

The Provincial Council on AIDS (PCA) Secretariat exists to provide leadership, coordination and strategic guidance in the implementation of the Multi-Sectoral Provincial Implementation Plan for HIV, STI's -and TB 2117-2021. During the year under review, the PCA secretariat unit coordinated and participated in activities, namely the Community Dialogue on the implementation of PIP, World TB Day Annual Commemoration and the Hundred Family Programme. These activities included the Community Dialogue, World TB Day Annual Commemoration and the Hundred Family Programme, amongst others.

STRATEGIC OBJECTIVES

Strategic Objective: To provide strategic leadership, good governance and support to the provincial administration.					
Strategic objective Performance indicator	Actual Achievement 2017/18	Planned target 2018/19	Actual Achievement 2018/19	Deviation from the planned target to Actual Achievement for 2018/19	Comment on deviation
Implementation of sound financial management within department evidenced by annual unqualified audit outcomes	Financial unqualified audit opinion with no findings/"clean audit".	Unqualified audit opinion with no findings	Unqualified audit opinion with no findings (clean audit)	Clean Audit	As per the AGSA report

PERFORMANCE INDICATORS

Sub-programme 1.1: Premier Support

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
1.1.1 Number of Premier's statutory and political obligations met	98% (56/57 Engagements met)	98% (56/57 Engagements met)	16 Engagements	16 Engagements	16 Engagements	None	None

Sub-programme 1.2: Director-General Support

Sub-programme 1.2.1: DG Support

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
1.2.1.1 Compliance with the planning framework	3 Planning documents (strategic plan, App, Budget and Anti-corruption strategy/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	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
1.2.1.2 MPAT level obtained by the Office of the Premier	New Indicator	Level 3	Level 3.3	Level 3	Level 3.5	+0.5	The 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	25 Sets of minutes	24 Sets of minutes	24 Sets of minutes	None	None
1.2.1.4 Number of Risk Management documents approved by the Accounting Officer	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	1 Risk Register 1 Risk Management Policy and Strategy 1 Risk Management Implementation Plan	None	None
1.2.1.5 Number of reports on provincial departments achieving 100% submission of SMS members' financial disclosure	New Indicator	New Indicator	New Indicator	1 Report	1 Report	None	None

Sub-programme 1.2.2: Security and Records Management

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	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	4 Reports	4 Reports	16 Units	16 Units	16 Units	None	None
1.2.2.2 Number of Provincial events provided with security management support	New Indicator	New Indicator	12 Provincial events	13 Provincial events	12 Provincial events	-1 Provincial events	The under achievement was due to the fact that 1 provincial event (Work's Day event) was not in need of security management support
1.2.2.3 Percentage of staff screened for employment suitability	New Indicator	New Indicator	100% (of new staff)	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	12 Departments	12 Departments	12 Departments	None	None

Sub-programme 1.2.3: Provincial Council on AIDS-Secretariat

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
1.2.3.1 Number of reports on the functionality of PCA (Provincial Council on AIDS)	New Indicator	4 Reports	4 Reports	4 Reports	4 Reports	None	None
1.2.3.2 Number of report on the Implementation of PIP (Provincial Implementation Plan on AIDS)	New Indicator	4 Reports	4 Reports	4 Reports	4 Reports	None	None

Sub-programme 1.3: Executive Council Support

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
1.3.1 Number of reports on Executive Council engagements	New Indicator	4 Reports	4 Reports	4 Reports	4 Reports	None	None
1.3.2 Number of report on Cluster engagements	New Indicator	4 Reports	4 Reports	4 Reports	4 Reports	None	None

Sub-programme 1.4: Financial Management

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
1.4.1 Compliance with financial accounting reporting requirements and relevant accounting legislation and prescripts (with no material findings)	New Indicator	1 Annual Financial Statement (AFS) 3 Interim Financial Statements (IFS)	1 Annual Financial Statement (AFS)	1 Annual Financial Statement (AFS)	1 Annual Financial Statement (AFS)	None	None
1.4.2 % of uncontested invoices paid within 30 days of receipt date	New Indicator	New Indicator	100% (invoices paid)	97% (invoices paid)	100% (invoices paid)	+3%	The implementation of improved management controls resulted in the over-achievement of 3%.
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	98% (Budget Spent)	98% (Budget Spent)	98% (Budget Spent)	None	None

Linking performance with budgets

Sub-programme name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)Under Expenditure	Final Appropriation	Actual Expenditure	(Over)Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Premier Support	23,033	23,033	-	22,579	22,579	-
Director General Support	8,551	8,551	-	37,781	36,557	1,224
Executive Council Support	39,586	33,632	5,954	7,454	7,376	78
Financial Management	44,948	44,840	108	41,443	41,400	43
Programme 1	116,118	110,056	6,062	109,257	107,912	1,345



**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:

Sub-programme 2.1: Strategic Human Resources Management

Sub-programme 2.1.1: Human Resources Administration

Sub-programme 2.1.2: Efficiency Services

Sub-programme 2.1.3: Labour Relations

Sub-programme 2.1.4: Employee Health and Wellness

Sub-programme 2.2: Strategic Human Capital Development

Sub-programme 2.2.1: Human Resource Strategy and Transversal Co-ordination

Sub-programme 2.2.2: Performance Management and Capacity Development

Sub-programme 2.3: Legal Services

Sub-programme 2.4: Information Communication Services

Sub-programme 2.4.1: Information Technology and Infrastructure

Sub-programme 2.4.2: Communication

Sub-programme 2.5: Programme Support

Sub-Programme 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.

Sub-Programme 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.

Sub-Programme 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.

Sub-Programme 2.1.3: Labour Relations

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

Sub-Programme 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.

Sub-Programme 2.2: Strategic Human Capital Development

Sub-Programme 2.2.1: Human Resource Strategy and Transversal Co-ordination

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

Sub-sub Programme 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

Sub-Programme 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.

Sub-Programme 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.

Sub-Programme 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.

Sub-Programme 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 government's achievement and services through the efficient utilisation of information through the media and other communication platforms in the execution of the Provincial Government functions.

Sub-Programme 2.5: Programme Support

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 Human Resource Management ongoing support and technical guidance was provided to all provincial departments to ensure that the Northern Cape Administration does not exceed the prescribed 10 % vacancy rate, and as a result, the Northern Cape Provincial Administration achieved a positive outcome of 7% vacancy rate. In an effort to enhance governance instruments and the managerial actions in respect of human resource matters and consistent practices within the Northern Cape Administration the Provincial Resettlement Policy, and the Provincial Leave of Absence Policy was developed and approved. The Office of the Premier revised the Recruitment and Selection Policy, as well as the Overtime Policy. These improved management controls ensured the finalisation of the recruitment processes within the maximum period of 3 months.

The Efficiency Service unit provided support to the provincial departments to enable them to map business processes and develop standard operating procedures. Labour Relation support, which included misconduct cases and grievances, was provided to the Provincial Administration. This support culminated in quarterly reports submitted to DPSA. Five labour relations programmes conducted within the Office of the Premier created awareness in pursuit of sound labour relations,

harmony and suitability in the workplace for improved productivity and service delivery. The Employee Health & Wellness unit implemented programmes in the department in pursuit of individual employee and organisational health, safety and wellness.

Strategic Human Capital Development provided support in terms of Outcome 5: "a skilled and capable workforce to support an inclusive growth path" and presented four quarterly memorandums to the oversight bodies. The HRD Forum and Provincial Skills Development Forum coordination and secretariat support allowed engagements at the highest levels, which strengthen the provincial human resource development initiatives in the province. As per the Annual Performance Plan the Office of the Premier planned to assist a number of unemployed youth and with the assistance of SETAs, the department assisted 23 unemployed youth in terms of internships and work integrated learning programmes (WIL).

Legal advisory services were provided to all departments and municipalities in the Northern Cape Administration, which ensured that the constitutional obligations were met. The Legal Service unit achieved all its planned targets, with one area of over-achievement pertaining to legal support agreements. This over-achievement remains positive, given the resource challenges the department faces.

In terms of Information and Communication Services, a high-level implementation plan was developed and presented to the HOD Forum. The plan comprises the development of a number of other plans, of which the development of the HR Plan and the Provincial Technology and Strategic Plan has started but not without challenges. On the positive side, the Office of the Premier has been consistently scoring 99% against the target set by Presidency, in resolving the cases reported to the Presidential Hotline from the Northern Cape Province. In support of Outcome 12, four memorandums that provided quarterly progress were presented to the G&A Technical Cluster.

STRATEGIC OBJECTIVES

Strategic Objective: To ensure an effective, efficient and development orientated provincial administration.					
Strategic objective Performance indicator	Actual Achievement 2017/18	Planned target 2018/19	Actual Achievement 2018/19	Deviation from the planned target to Actual Achievement for 2018/19	Comment on deviation
Reviewed Human Resource Development Strategy and Reports on its implementation	Not finalised	Reviewed HRD Strategy 2016-2030	Final draft completed	The finalisation of the HRD strategy was depended on the finalisation and approval of the PGDP in order to link HRD interventions with the provincial growth path	The strategy will be finalised within the 2019/20 reporting cycle.

PERFORMANCE INDICATORS

Sub-programme 2.1: Strategic Human Resources Management

Sub-programme 2.1.1: Human Resources Administration

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.1.1.1 Average percentage of funded vacant posts on PERSAL (vacancy rate) within the Northern Cape Provincial Administration	New Indicator	4.93%	10%	10%	7%	+3%	The over-achievement was attributed by effective control mechanisms. It should be noted that this is a reverse indicator.
2.1.1.2 Percentage of appointments made in vacant funded posts within a twelve (12) month period within the Office of the Premier	New Indicator	60%	100%	70%	100%	+30%	The over-performance was attributed by effective control mechanism, which included the provincial moratorium process and the recruitment process timelines of a maximum period of 3 months from the date of advertisement.
2.1.1.3 Number of new Provincial Human Resource Administration (HRA) policies approved	New Indicator	0	2 Policies	2 Policies	2 Policies	None	None
2.1.1.4 Number of existing approved Departmental Human Resource (HR) Policies reviewed	New Indicator	2 Policies	2 Policies	2 Policies	2 Policies	None	None

Sub-programme 2.1.2: Efficiency Services

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.1.2.1 A consolidated report on Provincial Departments supported with Business Process Modelling implementation.	New Indicator	New Indicator	New Indicator	1 Consolidated Report	1 Consolidated Report	None	None
2.1.2.2 A consolidated report on Provincial Departments supported with the implementation of Directive on HR Delegations	New Indicator	New Indicator	New Indicator	1 Consolidated Report	1 Consolidated Report	None	None
2.1.2.3 A consolidated report on Provincial Departments supported with the implementation of the Directive on changes to Organizational Structures	New Indicator	New Indicator	New Indicator	1 Consolidated Report	1 Consolidated Report	None	None
2.1.2.4 A consolidated report on Provincial departments supported with the implementation of the Directive on Human Resource Planning	New Indicator	New Indicator	New Indicator	1 Consolidated Report	1 Consolidated Report	None	None
2.1.2.5 Number of Human Resource Planning documents approved for the Office of the Premier	New Indicator	New Indicator	New Indicator	2 HR Planning Documents	3 HR Planning Documents	+1	Apart from the 2 HR Planning Documents planned for the year under review, 1 additional HR Planning Document was developed and approved based on a decision to review the MTEF HR Plan and the impact of the implementation of the approved organisational structure. This decision was taken after the 2018/19 APP was approved.

Sub-programme 2.1.3: Labour Relations

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	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	4 Reports	4 Report	4 Reports	None	None
2.1.3.2 Number of reports on Northern Cape Chamber activities	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None
2.1.3.3 Number of Labour Relations awareness programmes conducted in the Office of the Premier	New Indicator	5 Programmes	5 Programmes	5 Programmes	5 Programme	None	None

Sub-programme 2.1.4: Employee Health and Wellness

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.1.4.1 Number of Employee Health & Wellness (EH&W) programmes implemented within the Office of the Premier.	New Indicator	9 Programmes	11 Programmes	4 Programmes	15 Programmes	+7	The over achievement was due to the fact more programmes were needed to create a safe working environment and promote individual health and wellness.

Sub-programme 2.2: Strategic Human Capital Development

Sub-programme 2.2.1: Human Resource Strategy and Transversal Co-ordination

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.2.1.1 Number of outcome 5 Program of Action (POA) Memorandums	New Indicator	New Indicator	New Indicator	4 Memorandums	4 Memorandums	None	None

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.2.1.2 Number of Human Resource Development Forums convened	New Indicator	New Indicator	New Indicator	4 Forums	4 Forums	None	None
2.2.1.3 Number of reports indicating compliance by Provincial departments with the submission of HRD Plans	New Indicator	New Indicator	1 Report	1 Report	1 Report	None	None
2.2.1.4 Number of Provincial skills Development forums(PSDF) convened	New Indicator	New Indicator	New Indicator	4 Forums	4 Forums	None	None

Sub-programme 2.2.2: Performance Management and Capacity Development

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.2.2.1 Number of employees benefitting from Human Resource Development (HRD) initiatives (trainings and bursaries) within the Office of the Premier	New Indicator	32% (82/256)	122	120	180	+60	The over-achievement was due to the fact that additional training was provided by SETA and online training, which had no cost implication for the department but allowed more employees to be trained and developed.
2.2.2.2 Number of unemployed youth benefitting from youth development programmes within the Office of the Premier to offer experiential learning opportunities (Interns & WIL)	New Indicator	14 (9 Interns & 5 WIL)	26	10	23	+13	The over-achievement was due to the fact that SETA and OTP could allocate more interns/WIL verses the planned target.
2.2.2.3 Number of PMDS status reports submitted on compliance with the submission of Performance Agreements within the Northern Cape Administration.	New Indicator	New Indicator	New Indicator	1 Report	1 Report	None	None

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.2.2.4 Number of annual performance evaluation session co-ordinated for the Heads of Departments (HODs)	New Indicator	New Indicator	1 Session	1 Session	1 Session	None	None

Sub-programme 2.3: Legal Services

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.3.1 Number of structured programmes to minimize legal risks against the Northern Cape Provincial Departments	New Indicator	New Indicator	3 Programmes	2 Programmes	2 Programmes	None	None
2.3.2 Number of quarterly reports on legal matters resolved	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	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	62	44	46	+2	The over-achievement was due to the fact that the demand for legal support from departments and municipalities was higher than what was planned for.

Sub-programme 2.4: Information Communication Services

Sub-programme 2.4.1: Information Technology and Infrastructure

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.4.1.1 Number of departmental ICT documents (Policies, Charters, Plans Frameworks, Manual and Strategies) reviewed in the Office of the Premier	New Indicator	New Indicator	7 Departmental ICT documents	7 Departmental ICT documents	7 Departmental ICT documents	None	None
2.4.1.2 Number of Departmental services, e-enabled, based on the Service Delivery Model	New Indicator	2 Departmental Services	2 Departmental Services	2 Departmental Services	2 Departmental Services	None	None
2.4.1.3 Number of provincial workshops hosted on information security and privacy protection responsibilities	One (1) departmental workshop to educate officials about their information security and privacy protection responsibilities	4 Workshops	2 Workshops	2 Workshops	2 Workshops	None	None
2.4.1.4 Number of Northern Cape Provincial Government Departments websites reviewed	New Indicator	New Indicator	2 Departments	4 Departments	4 Departments	None	None

Sub-programme 2.4.2: Communications

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.4.2.1 Number of reports on Media Communications on Executive Council Outreach programmes	New Indicator	New Indicator	3 Reports	4 Reports	4 Reports	None	None
2.4.2.2 Number of Strategic Speeches drafted for the Premier	New Indicator	24 Strategic Speeches	19 Strategic Speeches	14 Strategic Speeches	16 Strategic Speeches	+2	The over achievement is due to a demand for 2 more strategic speeches.

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.4.2.3 Number of reports on media coverage on the Programme of Action of the Northern Cape Provincial Government.	New Indicator	New Indicator	4 Reports	4 Reports	4 Reports	None	None
2.4.2.4 Percentage of Presidential Hotline cases resolved	New Indicator	98%	99%	99%	99%	None	None
2.4.2.5 Number of Communication Forums convened	New Indicator	2 Forums	5 Forums	4 Forums	4 Forums	None	None

Sub-programme 2.5: Programme support

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
2.5.1 Number of Governance and Administration (G&A) Technical Clusters Meetings held	New Indicator	10	9	9	9	None	None
2.5.2 Number of Outcome 12 Programme of Action (POA) Technical Cluster Memorandums	New Indicator	New Indicator	New Indicator	4 Memorandums	4 Memorandums	None	None

Linking performance with budgets

Sub-programme name	2018/2019			2017/2018		
	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	59,890	52,794	7,096	60,266	60,124	142
ICT	14,283	14,283	-	14,352	14,352	-
Legal Services	8,477	8,477	-	7,819	7,819	-
Communications	3,724	3,724	-	7,115	7,115	-
Programme Support	3,399	3,399	-	3,059	3,059	-
Programme 2	89,773	82,677	7,096	92,611	92,469	142



**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:

Sub-programme 3.1: Intergovernmental Relations

Sub-programme 3.2: Provincial Performance Monitoring and Evaluation

Sub-programme 3.2.1: Provincial Service Delivery Programmes Monitoring and Evaluation

Sub-programme 3.2.2: Provincial Performance Information Monitoring and Evaluation

Sub-programme 3.3: Provincial Policy Management

Sub-programme 3.3.1: Special Programmes

Sub-programme 3.3.2: Policy Coordination, Research and Development

Sub-programme 3.3.3: Development Planning

Sub-programme 3.4: Programme Support

Sub-Programme 3.1: Intergovernmental Relations

Purpose: Promote effective intergovernmental relations and ensure total provincial compliance with Intergovernmental Relations Act of 2005.

Sub-Programme 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.

Sub-Programme 3.3: Provincial Policy Management

Sub-Programme 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

Sub-Programme 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

Sub-Programme 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).

Sub-Programme 3.4: Programme Support

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

Despite the strained fiscal and capacity challenges, the Programme managed to diligently pursue what is set out as key deliverables for the reporting cycle in the Annual Performance Plan 2018/19 attaining all targets set for the reporting period.

Provincial Performance Monitoring and Evaluation: The FSDM programme entails announced as well as unannounced visits to frontline service delivery sites like hospitals, clinics, schools, police stations, grant and pension pay points, etc., to monitor the level, quality and standard of services offered/ rendered based on a Joint Annual Plan in partnership with the DPME. For the 2018/19 financial year, the area-based focus for the FSD was phased in and the following are some of the frontline sites and services monitored as per the approved Joint Annual Plan:

- Three areas of national/ provincial priority: namely
 - Sol Plaatje Municipality: Monitoring of Ministerial Imbizo commitments
 - Health facilities namely the Mental Hospital in Kimberley, Prof ZK Matthews Hospital in Barkly West, Harry Surtie Hospital in Upington and the new De Aar Hospital
 - Three schools namely the Victoria West High School, Umso High School in Colesberg and Langberg High School in Olifantshoek.
- One geographic area namely Joe Morolong Municipality
- One high impact focus area namely the assessment of the readiness of the SA Post Office to disburse social grants following the termination of the CPS /Sassa contract

In terms of the Outcomes-based Provincial Programme of Action the delivery on provincial priorities across all departments were effectively monitored and analysed. Further to this, quarterly outcome integrated progress reports were presented to Clusters and the Executive Council.

Further achievements of monitoring and evaluation relates to the coordination of MPAT and subsequent interventions made towards the improvement of management practice coupled with the assessment of performance information. The final results of MPAT 1.8 are indicative of further overall improvement in the management practices across the 12 departments, achieving an overall provincial fully effective score of 3.1 for MPAT 1.8 compared to the 2.8 score (below effective) attained in MPAT 1.7. Of particular significance is the improvement in respect of Key Performance Area 1 (Strategic Management) across all 12 provincial departments and the province attaining an overall provincial fully effective average score of 3.5, a significant improvement from the provincial average of 2.9 in the reporting cycle of 2017.

In terms of Provincial Policy Management, the development of the PDGP and the review of the PSDF have been concluded and both documents have been approved by the Executive Council following extensive consultations and engagements to obtain broader input, buy-in and ownership, with a specific and dedicated effort to involve the youth. The Provincial Policy and Research Forum has been revived and four quarterly meetings have been successfully held

The rollout of the Socio-economic Impact Assessment System (SEIAS) in the province has commenced in September 2018 following a successful workshop coordinated by OTP in collaboration with DPME. SEIAS is a tool intended to prepare policy makers and law drafters to proactively anticipate the implications and implementation of policies, laws and even programmes, thus minimising the approval of inappropriate or poor policies/ laws and programmes as well as risks, costs, regulatory burden and unintended consequences associated with the implementation thereof.

Special Programmes embarked on a process of analysing departmental APP's and municipal IDP's to determine how responsive they are to issues of target groups. The APP's of the twelve provincial departments and five municipal IDP's were analysed to determine whether the rights of target groups and the values contained in the Charter of Positive Values when developed were considered. The findings and recommendations were communicated to the departments and municipalities. The sub-programme successfully commemorated, celebrated and conducted commemorative, awareness and advocacy programmes to promote the fundamental rights of Women, Children and Persons with Disabilities as per the Constitution. Further to this, conducted trainings on the White Paper of Persons with disabilities, Diversity Management in the Workplace. As well as a workshop on Gender Rights Mainstreaming during the year under review.

STRATEGIC OBJECTIVES

Strategic Objective: Facilitate the Implementation of the government Programme of Action aligned to the NDP Vision 2030 and the MTSF 2014-19.					
Strategic objective Performance indicator +	Actual Achievement 2017/18	Planned target 2018/19	Actual Achievement 2018/19	Deviation from the planned target to Actual Achievement for 2018/19	Comment on deviation
Development of Provincial Growth and Development Plan (PGDP) (Rephrased)	Not finalised	Development of Provincial Growth and Development Plan (PGDP)	Approved PGDP	None	None
Reviewed Provincial Spatial Development Framework (PSDF) (Rephrased)	Not finalised	Implementation of PSDF	Approved PSDF	The PSDF was reviewed and approved after extensive consultation with all stakeholders.	The implementation of the PSDF is now a planned target for 2019/2020
Co-ordinate the development of the Provincial Programme of Action for the period 2014-2019 (Rephrased)	Approved POA	Approved Annual reviewed POA	Not finalised	Dependent on finalisation of the MTSF by the DPME	Development of MTSF still underway. POA will be finalised once the DPME has issued the approved MTSF
Co-ordinate the development of a Provincial Monitoring and Evaluation Framework for the period 2014-2019 (Rephrased)	Not finalised	Approved Monitoring and Evaluation Framework	Not finalised	Draft PMEF	The finalisation PDGP informs the development of the Provincial Monitoring and Evaluation Framework but a process plan was developed. The finalisation of the PMEF will be receiving priority attention in the 2019/20 financial year
Co-ordinate the development of a Provincial Evaluation Plan for the period 2017 – 2020 (Rephrased)	Not finalised	Reviewed Provincial Evaluation Plan	Approved Provincial Evaluation Plan	None	None

PERFORMANCE INDICATORS

Sub-programme 3.1: Intergovernmental Relations

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.1.1 Number of consolidated reports on the Intergovernmental Fora in the province	New Indicator	6 (3 PIGF, 3 Technical)	4 Consolidated reports	4 Consolidated reports	4 Consolidated reports	None	None
3.1.2 Number of International engagements facilitated by the Office of the Premier	New Indicator	80% (4 of 5)	16 Engagements	8 Engagements	17 Engagements	+9 Engagements	9 additional invitations and engagements were received, hence the over achievement.
3.1.3 Number of Provincial Official Donor Assistance (ODA) committee meetings convened	New Indicator	0	3 Meetings	2 Meetings	2 Meetings	None	None
3.1.4 Number of reports on official government events supported with protocol service by the Office of the Premier	New Indicator	22 Official Government events	21 Official Government events	4 Reports	4 Reports	None	None

Sub-programme 3.2: Provincial Performance Monitoring and Evaluation

Sub-programme 3.2.1: Provincial Service Delivery Programmes Monitoring and Evaluation

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.2.1.1 Number of consolidated quarterly reports on the co-ordination of Provincial Monitoring and Evaluation	New Indicator	New Indicator	4 Reports	4 Consolidated Reports	4 Consolidated Reports	None	None
3.2.1.2 Number of consolidated quarterly reports on the implementation of Frontline Service Delivery Monitoring Programme	New Indicator	New Indicator	4 Reports	4 Consolidated Reports	4 Consolidated Reports	None	None

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.2.1.3 Number of consolidated bi-annual reports on the implementation of the Citizen Based Monitoring in the Province	New Indicator	4 Reports	4 Reports	2 Consolidated Reports	2 Consolidated Reports	None	None
3.2.1.4 Number of consolidated reports on interventions across departments towards performance improvement of the Management Performance Assessment Tool (MPAT)	New Indicator	4	4 Reports	2 Consolidated Reports	2 Consolidated Reports	None	None
3.2.1.5 Number of consolidated quarterly reports on the monitoring of the War on Poverty Programme	New Indicator	4	4 Reports	4 Consolidated Reports	4 Consolidated Reports	None	None

Sub-programme 3.2.2: Provincial Performance Information Monitoring and Evaluation

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.2.2.1 Number of consolidated quarterly assessment reports on Provincial Performance Information	New Indicator	New Indicator	4 Reports	4 Consolidated Reports	4 Consolidated 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	2 Reports	2 Consolidated Reports	2 Consolidated Reports	None	None

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.2.2.3 Number of consolidated quarterly performance assessment reports on the Implementation of the Provincial Programme of Action	New Indicator	New Indicator	4 Reports	4 Consolidated Reports	4 Consolidated Reports	None	None

Sub-programme 3.3: Provincial Policy Management

Sub-programme 3.3.1: Special Programme

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.3.1.1 Number of Departments consulted on the policy recommendations of Special Programmes responsive Annual Performance Plans	New Indicator	New Indicator	12 Departments	12 Departments	12 Departments	None	None
3.3.1.2 Number of District Municipalities consulted on the policy recommendations of Special Programmes responsive Integrated Development Plans	New Indicator	New Indicator	5 District Municipalities	5 District Municipalities	5 District Municipalities	None	None
3.3.1.3 Number of Special Programmes Forums convened	New Indicator	New Indicator	5 Forum Meetings	4 Forum Meetings	4 Forum Meetings	None	None
3.3.1.4 Number of Advocacy Programmes coordinated	New Indicator	New Indicator	16 Advocacy Programmes	17 Advocacy Programmes	17 Advocacy Programmes	None	None

Sub-programme 3.3.2: Policy Coordination, Research and Development

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.3.2.1 Number of Socio – Economic Impact Assessment workshop coordinated	New Indicator	New Indicator	New Indicator	1 SEIA Workshop	1 SEIA Workshop	None	None
3.3.2.2 Number of Policy and Research Forums convened	New Indicator	New Indicator	New Indicator	4 Forums	4 Forums	None	None
3.3.2.3 No of departments with approved service delivery charter within the Provincial Administration	New Indicator	1	4 Departments	4 Departments	4 Departments	None	None
3.3.2.4 Number of Batho Pele forums convened	New Indicator	New Indicator	4 Forums	4 Forums	4 Forums	None	None
3.3.2.5 Number of reports on the Service Delivery Improvement Plans (SDIP) across provincial departments	New Indicator	0	4 Reports	4 Reports	4 Reports	None	None

Sub-programme 3.3.3: Development Planning

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.3.3.1 Number of advisory memorandums submitted to Executive Council on the progress of the PGDP	New Indicator	4 Memorandums	6 Memorandums	4 Memorandums	6 Memorandums	+2	The 2 additional memorandums were submitted due to National priorities, which should be aligned to the PGDP Vision 2040 and PSDF. Hence the over achievement.
3.3.3.2 Number of research assignments completed by 31 March 2019	New Indicator	New Indicator	2 Research Assignments completed	2 Research Assignments completed	2 Research Assignments completed	None	None

Sub-programme 3.4: Programme Support

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from planned target to Actual Achievement for 2018/2019	Comment on deviations
3.4.1 Number of reports on programme support engagements	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports	None	None

Linking performance with budgets

Sub-programme name	2018/2019			2017/2018		
	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	17,922	17,922	-	17,705	17,705	-
IGR	4,070	4,070	-	4,135	4,135	-
Provincial Policy Management	22,356	20,885	1,471	19,784	16,039	3,745
Programme Support	2,749	2,749	-	3,034	2,902	132
Programme 3	47,097	45,626	1,471	44,658	40,781	3,877

4.4 STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

The Office of the Premier has a functional Departmental Review Committee on Performance Information, which provided 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 is part of the Departmental Review Committee to ensure that independent assurance is provided.

During the period under review, Unit Heads were afforded an opportunity to present their interventions on addressing underperformance. Thereafter Unit Heads were allowed time to implement their interventions on the areas of underperformance and to submit proof thereof to the Departmental Strategic Management Unit, upon which it was verified that the underperformance was 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 quarterly by Programme Managers to the Departmental Strategic Management Unit for verification and validation.

4.4.1 Changes to planned targets

There were no changes to the planned targets for the period under review.

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
South African Broadcasting Corporation	Television Licence	R3 000.00	R3 000.00	Viewing Services

5.2 Transfer payments all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2018 to 31 March 2019

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with section 38 (1) (j) of 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 student	Yes	16,891	16,891	-
Mme Re Ka Thusa	Trust	Financial assistance for previously disadvantage women to empower them to become economically active	Yes	4,940	4,940	-

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 2018/19 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 2018/19 financial year.

7. DONOR FUNDS

7.1 Donor Funds Received

The Office of the Premier did not receive any donor funds for the 2018/19 financial year.

8. CAPITAL INVESTMENT

Capital investment, maintenance and asset management plan

Refer to Note 4.5 (Property payments) under Notes to financial statements for maintenance appropriated and expended during the financial year. The user asset management plan was compiled and approved for 2018/19 financial year.

Infrastructure projects	2018/19			2017/18		
	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	267	267	-	218	218	-
Infrastructure transfer	-	-	-	-	-	-
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total	267	267	-	218	218	-



PART C
GOVERNANCE

1. INTRODUCTION

The management team of the Office of the Premier is committed to maintain the highest standard 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 taxpayer. These structures are: Top Management; 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 Office of the Premier has complied with Public Finance Management Act (PFMA) section (38)(1)(a)(i), Treasury Regulation 3.2.1 and Public Sector Risk Management Framework (PSRMF) by effectively implementing Risk Management. The department has an established Risk Management Committee and utilise the Shared Service Audit Committee based at Northern Cape Provincial Treasury. The Audit Committee is an independent committee and both the responsibilities of these committees are formally defined in its respective charters.

The Risk Management Committee consists of Senior Management, Northern Cape Provincial Treasury Risk Management Support and the Northern Cape Provincial Treasury Internal Audit. During the reporting cycle, this Committee advised management on the overall systems of risk management, which ensured that risk management was embedded within the systems and controls of the department. The committee further ensured that the departmental risks were mitigated to an acceptable level.

The Audit Committee executed their oversight role in terms of the department's control, governance and risk management effectiveness.

The department reviewed its risk management policy and strategy for the financial period 2018/19 under review. Annual risk assessment was performed on departmental strategic risks and operational risks. The mitigation plans were developed for all strategic and operational risks identified by department. The progress on mitigation plans were monitored on a quarterly basis to ensure that high residual risks are properly mitigated and reduced from high residual level to an acceptable level.

3. FRAUD AND CORRUPTION

The Office of the Premier approved Anti-Corruption & Ethics Strategy; Whistle Blowing Policy and Anti-Corruption & Fraud Management Plan were reviewed during the report cycle, as a means of strengthening the department's governance instruments. 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 cantered 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 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 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 Anti-Corruption Officer, upon which it is 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 the Supply Chain Management, declared their interest for each 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 each departmental bid committee meeting to execute their oversight role.

Annually all SMS, MMS and OSD members, as well as all Supply Chain Management officials disclose their financial interest. In terms of SMS members, verified declarations were submitted to Public Service Commission via the eDisclosure System, which is administered by DPSA. The Ethics Officer verified the financial disclosures of MMS, OSD members and Supply Chain Management officials and has not reported depicted any discrepancies. But in the event that any discrepancies are identified, such will be reported to the Accounting Officer for implantation 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), the 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

The Office of the Premier appeared before the Standing Committee on the Premier's Affairs and submitted additional reports during the 2018/19 financial cycle:

Resolution date	Subject	Details	Response by the department
24 May 2018	2018/19 Annual Performance Plan	The department presented the Annual Performance Plan 2018/19 to the Committee	The Premier and the DG responded to the Committee's questions in the meeting.
03 June 2018	2018/19 Annual Performance Plan and Budget Report	The Committee provided the department with observations and recommendations and requested reports	The department responded to the Committee and the Information requested was submitted to the Committee on the 25 July 2018
21 September 2018	First Quarterly Report 2018/19	The Standing Committee on Premier's Affairs requested a list of information on the First Quarterly Report.	Information requested by the Committee was submitted to the Committee on the 1 October 2018
31 October 2018	First Quarterly Report 2018/19	The Standing Committee on Premier's Affairs recommended the finalization of the HOD appointments	A response dated 1 November 2018 was submitted to the Committee
31 October 2018	Report of the Auditor-General to the NCPL on Financial Statements & Performance Audit of Vote 1: 2017/18	The Office of the Premier received an email from the Provincial Legislature on the report of the Report of the Auditor-General to the NCPL on Financial Statements & Performance Audit of Vote 1: 2017/18 and requested the Office of the Premier to respond to questions.	The Office of the Premier responded to the email received from the Provincial Legislature on the report of the Report of the Auditor-General to the NCPL and submitted written response on the 2 November 2018.
8 November 2018	Annual Report 2017/18	The department presented the Annual Report 2017/18 to the Committee	The Premier and the DG responded to the Committee's questions in the meeting.
22 November 2018	Resolutions of the Annual Report 2017/18	List of observations and recommendations were made by the Committee and reports were requested.	Information requested by the Committee was submitted to the Committee on the 11 December 2018

8. SCOPA RESOLUTIONS

Resolution date/no	Subject	Details	Response by the department	Resolved (yes/no)
23 November 2018	Annual Report 2017/18 – Office of the Premier	<p>Reports were requested based on recommendations made by the Committee:</p> <ul style="list-style-type: none"> ✓ Progress regarding investigations on the reported irregular expenditure and the outcomes of such investigations; ✓ Address key internal controls deficiencies to ensure the number of skilled resources, systems and tools required are available to secure the provincial Information Communication Technology (ICT) environment; ✓ Provide feedback on the strengthening of it's internal mechanisms to ensure sector departments provide the required portfolio of evidence sufficiently 	Information requested by the Committee was submitted to the Committee on the 11 December 2018	Yes

9. PRIOR MODIFICATION TO AUDIT REPORTS

Based on the clean audit the Office of the Premier received in the 2017/18 cycle, the department developed an audit action plan to respond to significant audit issues in the management letter, such as leave. The audit action plan was utilised as a tool to monitor the implementation of the improved control measures. Further to this, the Internal Audit team performed follow-up internal procedures on the crafted audit action plans and provided feedback to those charged with governance of the organisation. The progress on the audit action plan was also elevated to the Audit Committee for their inputs and guidance.

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 the Office of the Premier's organisation-wide business processes for execution by line function officials.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

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
- Follow up on implementation of audit rectification plans
- Risk and ethics 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.

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. AUDIT COMMITTEE REPORT

1. Legislative prescripts

The audit committee herewith presents its report for the financial year ended 31 March 2019, 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 2019, 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 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 (CBI)	External	n/a	2 Dec 2014 Renewed: 29 November 2017	n/a	5
M Mokgobinyane	B Com, B Com Honours CA(SA)	External	n/a	29 November 2017	Nov 2018	1
R Mnisi	LLB, Post Graduate Certificate in Compliance management	External	n/a	29 November 2017	n/a	3
L Wyngaard	M.SocSC, Masters in Social Science	Internal	Director	29 November 2017	n/a	5
Bafedile Lenkoe	Magister in Public Administration (MPA)	Internal	Chief Director	12 Dec 2014	May 2018	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 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.

12. Legislative prescripts

The Audit Committee herewith presents its report for the financial year ended 31 March 2019, 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.

13. 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 2019, 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 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, Associate Member fo the Business Continuity Institute (AMBCI)	External	n/a	2 Dec 2014 Renewed: 29 November 2017	n/a	5
M Mokgobinyane	B Com, B Com Honours CA(SA)	External	n/a	29 November 2017	Nov 2018	1
R Mnisi	LLB, Post Graduate Certificate in Compliance management	External	n/a	29 November 2017	n/a	3
L Wyngaard	M.SocSC, Masters in Social Science	Internal	Director	29 November 2017	n/a	5
Bafedile Lenkoe	Magister in public administration (MPA)	Internal	Chief Director	12 Dec 2014	May 2018	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.

14. 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.

15. Effectiveness of internal control

The Audit Committee acknowledges management's efforts to maintain internal controls in the department. 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. The Audit Committee is also monitoring progress on the ICT Shared Services Model.

16. 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.

17. 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 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. The Audit Committee further notes the vacancies in Internal Audit and is satisfied that the matter is being addressed.

18. 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.

19. Evaluation of finance function

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

20. 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.

21. 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.

22. 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 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

Audit Committee Chair Office of the Premier

8 August 2019



PART **D**

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The legislative mandate of the Office of the Premier is to execute an oversight role. In support of service delivery, our management team play a transferal role in assisting 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

The office has repositioned the Human Resources Management to a more strategic function which does not only focus its attention on transactional HR but on key strategic issues linked to the achievement of the strategic goals of the organisation. This is realised through the development and implementation of a comprehensive Human Resource Plan that is linked to the strategic plan and the financial resources of the office and by ensuring that HR becomes an agenda point in Top Management as well Senior Management meetings.

The MTEF HR plan for the Office of the Premier has been reviewed and extended to cover the period 2018-2022, which was approved during June 2018. The HR plan represents an important blueprint for the repositioning of the Department to respond to its strategic mandate and it outlined a number of priorities namely: leadership development, recruitment & staffing, employment equity, employee wellness and organisational design, which includes the implementation of the revised organisational structure, values and ethic.

The implementation of the approved organisational structure was placed high on the agenda of Human Resources Management during the year under review with structures established and plans developed to implement the project. Some of the Units that were not highly affected by the review processes were moved and placed in line with the approved structure. Key to this project was the change management training that conducted as a key component of the review process for the change agents and management.

The implementation process was however delayed because of the level of buy-in by Organised Labour, which resulted in the implementation of the approved organisational structure being added as an agenda item of the Public Service Coordinating Bargaining Council (PSCBC) Chamber. Subsequently an agreement was reached between the Department (as the employer) and Organised Labour, that the DPSA would fulfill a facilitation role in terms of the implementation of the approved organizational structure.

In order to comply with the Employment Equity Act, the office established an employment equity committee in 2018. Upon which a draft Employment Equity Plan was developed for consultation and finalisation during the 2019/2020 reporting cycle. For the year under review, the department achieved a 50 % level in terms of the women at senior management level; however, the people living with disabilities scored 1.2%. As part of the department's intervention, the final Employment Equity Plan will outline strategies to ensure that the office reaches the target on the disability.

As part of the Office of the Premier's coordination responsibility, the Office of the Premier provides ongoing human resource management support and technical guidance to all provincial departments to ensure that the Northern Cape Administration does not exceed the prescribed 10 % vacancy rate. For the year under review the province achieved a positive outcome of 7% vacancy rate, with the Office of the Premier at 3.99%.

In an effort to enhance the managerial actions in respect of human resource matters and consistent application of practices two provincial policies were developed and approved namely; Resettlement policy and Leave of Absence Policy.

Training and development is critical to the organisation to enhance productive and achieve its set goals. The office implemented training interventions to its staff member that is result-oriented, and aimed at enhancing specific skills and abilities to perform the job. Key to this was the training

of SMS members on Supply Chain Management and Ethics. Furthermore, all employees are afforded the opportunity to continually develop themselves by awarding bursaries to up skill themselves. To strengthen the training and development interventions that are impactful and ensure value for money the office has embarked on a comprehensive Training Needs Analysis (TNA) process, which will include a skills audit. The processes is envisaged to be finalized by the end of the 2019/20 financial year.

The department acknowledge that the employees are the life-blood of the organisation and play a major role in achieving the organisations goals and objectives. Furthermore, the physical, emotional and spiritual well-being of employees affect productivity, as a result the Office of the Premier provides a supporting work environment through the Employee Wellness Programme.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2018 and 31 March 2019

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	110,050	59,204	-	-	53%	239
Institutional Development	89,677	58,766	338	-	65%	237
Policy and Governance	45,626	30,262	-	-	66%	122
Total	238,353	148,232	338	-	62%	597

Table 3.1.2 Personnel costs by salary band for the period 1 April 2018 and 31 March 2019

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Skilled (level 3-5)	15,336	10%	61	251
Highly skilled production (levels 6-8)	24,104	16%	63	383
Highly skilled supervision (levels 9-12)	66,941	45%	95	704
Senior and Top management (levels 13-16)	40,752	27%	30	1,358
Abnormal Appointments (Interns)	1,099	1%	16	69
Total	148,232	-	272	-

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2018 and 31 March 2019

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	51,764	87%	1,139	1%	2,150	3%	3,482	5%
Institutional Development	49,240	83%	31	0%	607	1%	1,061	1%
Policy and Governance	25,250	83%	-	0%	378	1%	939	3%
Total	126,254	85%	1,170	0%	3,135	2%	5,482	3%

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2018 and 31 March 2019

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)	11,531	7%	240	1%	857	3%	1,608	10%
Highly skilled production (levels 6-8)	19,058	12%	469	1%	900	3%	1,657	6%
Highly skilled supervision (levels 9-12)	57,731	38%	461	0%	1,011	1%	1,777	2%
Senior management (level 13-16)	36,835	24%	-	-	367	0%	440	1%
Abnormal Appointments	1,099	0%	-	-	-	-	-	-
Total	126,254	85%	1,170	0%	3,135	2%	5,482	3%

3.2. Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2019

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	115	106	8%	-
Institutional Development	97	92	6%	-
Policy and Governance	59	50	16%	-
Total	271	248	9%	-

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2019

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skilled(3-5)	68	64	6%	-
Highly skilled production (6-8)	62	59	5%	-
Highly skilled supervision (9-12)	106	92	14%	-
Senior management (13-16)	35	33	6%	-
Total	271	248	9%	-

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2019

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	91	81	11%	-
Client Information	2	1	50%	-
Communication & Related	4	4	0%	-
Executive Authority	1	1	0%	-
Engineering and Related	2	0	100%	-
Finance & Economic	11	10	10%	-
Financial Clerks	12	12	0%	-
Food Services	9	9	0%	-
General Assistants	4	4	0%	-
Human Resource & Other	39	35	11%	-
Human Resource Clerks	4	4	0%	-
Information Tech.	7	7	0%	-
Legal Admin & Related Professional	4	4	0%	-
Library & Related	21	21	0%	-
Psychologist	1	1	0%	-
Risk Management	2	2	0%	-
Secretaries	17	16	6%	-
Security Officers	8	6	25%	-
Senior Managers	27	25	8%	-
Top Management	5	5	0%	-
Total	271	248	9%	-

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 2019

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	-	0%
Salary Level 16	1	1	100%	-	0%
Salary Level 15	5	5	100%	-	0%
Salary Level 14	7	6	85%	1	15%
Salary Level 13	19	18	94%	1	6%
Total	33	31	93%	2	7%

Table 3.3.2 SMS post information as on 30 September 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	5	5	100%	-	0%
Salary Level 14	7	6	85%	1	15%
Salary Level 13	19	17	89%	2	11%
Total	33	30	90%	3	10%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2018 and 31 March 2019

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	-	-	-
Salary Level 13	1	-	1
Total	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 2018 and 31 March 2019

Reasons for vacancies not advertised within six months
The Department was compelled to delay the implementation process of its revised approved organisational structure.

Reasons for vacancies not filled within twelve months
The Department was compelled to delay the implementation process of its revised 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 2018 and 31 March 2019

Reasons for vacancies not advertised within six months
The Department was compelled to delay the implementation process of its revised approved organisational structure

Reasons for vacancies not filled within six months
The Department was compelled to delay the implementation process of its revised 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 2018 and 31 March 2019

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)	68	-	0%	-	0%	-	0%
Highly skilled production (Levels 6-8)	62	-	0%	-	0%	-	0%
Highly skilled supervision (Levels 9-12)	106	4	0.03%	-	0%	-	0%
Senior Management Service Band A	21	1	0.04%	-	0%	-	0%
Senior Management Service Band B	7	1	0.14%	-	0%	-	0%
Senior Management Service Band C	5	-	0%	-	0%	-	0%
Senior Management Service Band D	2	-	0%	-	0%	-	0%
Total	271	6	0.02%	-	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 2018 and 31 March 2019

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 2018 and 31 March 2019

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 2018 and 31 March 2019

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

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

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 2018 and 31 March 2019

Salary band	Number of employees at beginning of period- 1 April 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Skilled (Levels3-5)	62	-	1	2%
Highly skilled production (Levels 6-8)	57	1	1	2%
Highly skilled supervision (Levels 9-12)	91	1	5	5%
Senior Management Service Bands A	18	1	-	-
Senior Management Service Bands B	6	-	-	-
Senior Management Service Bands C	5	1	1	20%
Senior Management Service Bands D	2	-	-	-
Contracts	11	-	-	-
Total	252	4	8	3%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2018 and 31 March 2019

Critical occupation	Number of employees at beginning of period-April 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	86	1	5	5%
Client Information	1	-	-	-
Communication & Related	4	-	-	-
Executive Authority	1	-	-	-
Finance & Economics	10	-	-	-
Financial Clerks	12	-	-	-
Food Services	9	-	-	-
General Assistants	4	-	-	-
Human Resource & Other	35	-	1	2%
Human Resource Clerks	4	-	-	-
Information Technology	7	-	-	-
Legal Admin & Related Prof.	4	-	-	-
Library & Related	21	-	-	-
Psychologist	1	-	-	-
Risk Management	2	-	-	-
Secretaries	15	1	-	-
Security Officers	7	-	1	14%
Senior Managers	24	1	-	-
Top Management	5	1	1	20%
TOTAL	252	4	8	3%

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 2018 and 31 March 2019

Termination Type	Number	% of Total Resignations
Death	1	12%
Resignation	1	12%
Retirement	3	37%
Ill Health	2	25%
Contract Expiry	1	12%
Total	8	100%
Total number of employees who left as a % of total employment	8 of 248	3%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2018 and 31 March 2019

Occupation	Employees 1 April 2018	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	86	2	2%	-	-
Client Information	1	-	-	-	-
Communication & Related	4	-	-	-	-
Executive Authority	1	-	-	-	-
Finance & Economics	10	-	-	-	-
Financial Clerks	12	-	-	-	-
Food Services	9	-	-	-	-
General Assistants	4	-	-	-	-
Human Resource & Other	35	-	-	-	-
Human Resource Clerks	4	-	-	-	-
Information Technology	7	-	-	-	-
Legal Admin & Related Prof.	4	-	-	-	-
Library & Related	21	3	14%	-	-
Psychologist	1	-	-	-	-
Risk Management	2	-	-	-	-
Secretaries	15	-	-	-	-
Security Officers	7	1	14%	-	-
Senior managers	24	-	-	-	-
Top Management	5	-	-	-	-
TOTAL	252	6	2%	-	-

Table 3.5.5 Promotions by salary band for the period 1 April 2018 and 31 March 2019

Salary Band	Employees 1 April 2018	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 (Levels 3-5)	65	2	3%	-	-
Highly skilled production (Levels 6-8)	59	3	5%	-	-
Highly skilled supervision (Levels 9-12)	96	1	1%	-	-
Senior Management (Level 13-16)	32	-	-	-	-
Total	252	6	2%	-	-

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 2019

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	9	3	2	-	5	7	1	4	31
Professionals	1	2	-	-	-	1	-	-	4
Technicians and associate professionals	43	18	-	1	45	18	-	4	129
Clerks	9	9	-	-	30	10	1	3	62
Elementary occupations	11	-	-	-	9	2	-	-	22
Total	73	32	2	1	89	38	2	11	248
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 2019

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	-	-	-	1	3	-	-	7
Senior Management	6	3	2	-	4	4	1	4	24
Professionally qualified and experienced specialists and mid-management	17	7	-	1	6	4	-	2	37
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	31	14	-	-	42	18	-	3	108
Semi-skilled and discretionary decision making	9	8	-	-	28	6	1	2	54
Unskilled and defined decision making	7	-	-	-	8	3	-	-	18
Total	73	32	2	1	89	38	2	11	248

Table 3.6.3 Recruitment for the period 1 April 2018 to 31 March 2019

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

Table 3.6.4 Promotions for the period 1 April 2018 to 31 March 2019

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	1	-	-	-	-	-	-	1
Semi-skilled and discretionary decision making	4	1	-	-	-	-	-	-	5
Total	4	2	-	-	-	-	-	-	6
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.5 Terminations for the period 1 April 2018 to 31 March 2019

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	1	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management	1	-	-	-	2	-	-	1	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	-	-	-	-	1	-	-	2
Unskilled and defined decision making	1	-	-	-	-	-	-	-	1
Total	3	1	-	-	2	1	-	1	8
Employees with Disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.6 Disciplinary action for the period 1 April 2018 to 31 March 2019

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Insubordination	-	-	-	-	1	-	-	-	1
Unacceptable/improper conduct	-	-	-	-	1	-	-	-	1
Falsification of PMDS documents	-	-	-	-	-	-	-	1	1
Stolen laptops & Unauthorised leave	-	1	-	-	-	-	-	-	1
Total	-	1	-	-	2	-	-	1	4

Table 3.6.7 Skills development for the period 1 April 2018 to 31 March 2019

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	11	3	2	-	26	9	1	8	60
Professionals	3	1	-	-	3	2	-	-	9
Technicians and associate professionals	13	5	-	-	24	7	-	-	49
Clerks	8	3	-	-	33	5	-	-	49
Service and sales workers	-	-	-	-	3	-	-	-	3
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Labourers and related workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Interns	3	-	-	-	7	-	-	-	10
Total	38	12	2	-	96	23	1	8	180
Employees with disabilities	1	-	-	-	-	-	-	-	1

3.7. Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2018

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	6	6	6	100%
Salary Level 13	20	20	20	100%
Total	31	31	31	100%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2019

Reasons
Not applicable because all SMS members signed by due date

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2019

Reasons
Not applicable because all SMS members signed by due date

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 2018 to 31 March 2019

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	73	27%	687	34
African, Female	29	89	32%	586	20
Asian, Male	-	2	0%	-	-
Asian, Female	-	2	0%	-	-
Coloured, Male	6	32	18%	121	20
Coloured, Female	18	38	47%	494	27
White, Male	-	1	0%	-	-
White, Female	8	11	72%	268	34
Total	81	248	32%	2,157	27

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2018 to 31 March 2019

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)	17	64	26%	156	9	0,1%
Highly skilled production (level 6-8)	25	59	42%	406	16	0,3%
Highly skilled supervision (level 9-12)	29	92	31%	865	30	0,6%
Total	71	215	33%	1,427	20	1%

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2018 to 31 March 2019

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	29	81	35%	664	23
Client Information Clerks /Switchboard/ Reception	-	1	0%	-	-
Communication and Related	-	4	0%	-	-
Executive Authority	-	1	0%	-	-
Finance and Economics	5	10	50%	134	26
Financial Clerks and Credit	7	12	58%	103	15
Food Service Aid	4	9	44%	33	8
General Assistant	-	4	0%	-	-
HR and OD	5	35	14%	121	24
Human Resources Clerks	4	4	100%	42	11
IT and Related	0	7	0%	-	-
Legal Admin and Related	4	4	100%	60	15
Library Mail and Related	2	21	0.1%	31	15
Psychologists and Related	1	1	100%	41	41
Risk Management and Security	1	2	50%	54	54
Secretaries & Other	5	16	31%	76	15

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Security Officers	4	6	66%	67	17
Senior Managers	8	25	32%	472	59
Top Management	2	5	40%	258	129
Total	81	248	32%	2,156	27

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2018 to 31 March 2019

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	5	20	25%	270	54	0.2%
Band B	2	6	33%	126	63	0.1%
Band C	2	5	40%	153	77	0.1%
Band D	1	2	50%	181	181	0.1%
Total	10	33	30%	730	73	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 2018 and 31 March 2019

Salary band	01 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Lev. 6-8)	1	100%	1	100%	-	0%
Total	1	100%	1	100%	-	0%

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2018 and 31 March 2019

Major occupation	01 April 2018		31 March 2019		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 2018 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)
Skilled (levels 3-5)	365	81%	41	24%	9	307
Highly skilled production (levels 6-8)	386	82%	45	26%	9	541
Highly skilled supervision (levels 9 -12)	441	75%	63	37%	7	1,202
Top and Senior management (levels 13-16)	99	81%	18	10%	6	413
Total	1,291	-	167	100	8	2,463

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2018 to 31 December 2018

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)	123	92%	8	25%	15	102
Highly skilled production (Levels 6-8)	208	100%	10	32%	21	276
Highly skilled supervision (Levels 9-12)	356	100%	10	32%	36	833
Senior management (Levels 13-16)	26	100%	3	9%	9	136
Total	713	-	31	100%	23	1,347

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 2018 to 31 December 2018

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Skilled Levels 3-5)	1,470	25	59
Highly skilled production (Levels 6-8)	1,537	25	61
Highly skilled supervision(Levels 9-12)	2,370	26	91
Senior management (Levels 13-16)	663	25	27
Total	6,040	101	60

Table 3.10.4 Capped leave for the period 1 January 2018 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)	1	1	1	14
Highly skilled production (Levels 6-8)	1	1	1	16
Highly skilled supervision(Levels 9-12)	8	2	4	43
Senior management (Levels 13-16)	-	-	-	29
Total	10	4	3	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 2018 and 31 March 2019

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annuity discounting with resignation	71	2	36
Annual- Gratuity: death/retirement/medical retirement	198	5	40
Capped - Gratuity: death/retirement/medical retirement	89	1	89
Total	358	8	45

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 <ul style="list-style-type: none"> • 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 Thekisho 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 R215 000
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 health and safety committee was appointed for period of 3 years. Two senior managers serve as management representatives (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.
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 2018-March 2019. Total Females tested: 35 Total males tested: 21 Grand Total tested: 56
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 -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 2018 and 31 March 2019

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 2018 and 31 March 2019

Outcomes of disciplinary hearings	Number	% of total
Written warning	1	100%
Total	1	100%

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2018 and 31 March 2019

Type of misconduct	Number	% of total
Unacceptable/ improper conduct	1	25%
Insubordination	2	50%
Falsification of PMDS documents	1	25%
Total	4	100%

Table 3.12.4 Grievances logged for the period 1 April 2018 and 31 March 2019

Grievances	Number	% of Total
Number of grievances resolved	15	100%
Total number of grievances lodged	15	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2018 and 31 March 2019

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

Table 3.12.6 Strike actions for the period 1 April 2018 and 31 March 2019

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2018 and 31 March 2019

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 2018 and 31 March 2019

Occupational category	Gender	Number of employees as at 1 April 2018	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	15	-	32	-	32
	Male	15	-	35	-	35
Professionals	Female	1	-	14	-	14
	Male	3	-	8	-	8

Occupational category	Gender	Number of employees as at 1 April 2018	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Technicians and associate professionals	Female	71	-	18	-	18
	Male	63	-	6	-	6
Clerks	Female	43	-	10	-	10
	Male	18	-	6	-	6
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Labourers and related workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Interns	Female	11	-	-	-	-
	Male	12	-	-	-	-
Sub Total	Female	141	-	74	-	74
	Male	111	-	55	-	55
Total		252	-	129	-	129

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

Occupational category	Gender	Number of employees as at 1 April 2018	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	15	-	29	-	29
	Male	15	-	31	-	31
Professionals	Female	1	-	2	-	2
	Male	3	-	7	-	7
Technicians and associate professionals	Female	71	-	31	-	31
	Male	63	-	18	-	18
Clerks	Female	43	-	37	-	37
	Male	18	-	12	-	12
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Labourers and related workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Interns	Female	11	-	10	-	10
	Male	12	-	3	-	3
Sub Total	Female	141	-	109	-	109
	Male	111	-	71	-	71
Total		252	-	180	-	180

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 2018 and 31 March 2019

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

3.15. Utilisation of Consultants

No consultants utilised for the period 1 April 2018 to 31 March 2019.

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2018 and 31 March 2019

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 TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE ON VOTE NO. 1: OFFICE OF THE PREMIER

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Office of the Premier set out on pages 86 to 147, which comprise the appropriation statement, the statement of financial position as at 31 March 2019, 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.

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 2019, 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

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.

I am independent of the Office of the Premier in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code), parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* 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 codes.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Irregular expenditure

As disclosed in note 22 to the financial statements, irregular expenditure of R20 887 000 that was incurred in the previous years was still under investigation in the current year.

Uncertainty relating to the future outcome of exceptional litigation

With reference to note 17 to the financial statements, the Office of the Premier 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.

Material underspending of the vote

As disclosed in the appropriation statement, the Office of the Premier materially underspent the budget by R13 164 000 on administration and institutional development.

Other matter

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

Unaudited supplementary schedules

The supplementary information set out on pages 137 to 147 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

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.

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 appropriate governance structure either intends to liquidate the Office of the Premier or to cease operations, or has no realistic alternative but to do so.

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

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.

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

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.

My procedures address the reported performance information, which must be based on the approved performance planning documents of the Office of the Premier. 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.

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 Office of the Premier for the year ended 31 March 2019:

Programmes	Pages in the annual performance report
Programme 2 – Institutional development	28-38
Programme 3 – Policy and governance	39-47

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.

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 matter

I draw attention to the matter below.

Achievement of planned targets

Refer to the annual performance report on pages 22 to 47 for information on the achievement of planned targets for the year and explanations provided for the over achievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

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 Office of the Premier with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

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

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.

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.

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.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, 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

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

31 July 2019



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the Office of the Premier’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Premier’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Premier’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a Office of the Premier to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

**APPROPRIATION STATEMENT
for the year ended 31 March 2019**

Appropriation per programme									
	2018/19					2017/18			
	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	110,908	-	5,210	116,118	110,050	6,068	94.8%	109,257	107,912
2. Institutional Development	91,756	-	(1,983)	89,773	82,677	7,096	92.1%	92,611	92,469
3. Policy and Governance	50,324	-	(3,227)	47,097	45,626	1,471	96.9%	44,658	40,781
Subtotal	252,988	-	-	252,988	238,353	14,635	94.2%	246,526	241,162
TOTAL	252,988	-	-	252,988	238,353	14,635	94.2%	246,526	241,162

	2018/19		2017/18	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	94		207	
Actual amounts per statement of financial performance (total revenue)	253,082		246,733	
ADD				
Actual amounts per statement of financial performance (total expenditure)		238,353		241,162

APPROPRIATION STATEMENT
for the year ended 31 March 2019

Appropriation per economic classification	2018/19						2017/18		
	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	226,361	-	(303)	226,058	211,531	14,527	93.6%	215,593	210,267
Compensation of employees	149,313	-	(190)	149,123	148,232	891	99.4%	141,818	141,466
Salaries and wages	127,417	1,442	2,110	130,969	130,079	890	99.3%	124,590	124,238
Social contributions	21,896	(1,442)	(2,300)	18,154	18,153	1	100.0%	17,228	17,228
Goods and services	77,048	-	(113)	76,935	63,299	13,636	82.3%	73,775	68,801
Administrative fees	1,030	24	199	1,253	1,253	-	100.0%	1,784	1,938
Advertising	459	(31)	13	441	442	(1)	100.2%	434	434
Minor assets	108	-	73	181	181	-	100.0%	86	86
Audit costs: External	3,435	-	57	3,492	3,492	-	100.0%	4,659	4,659
Bursaries: Employees	143	-	68	211	211	-	100.0%	63	63
Catering: Departmental activities	5,603	(1,556)	294	4,341	4,076	265	93.9%	3,884	3,884
Communication	3,764	(461)	(379)	2,924	2,918	6	99.8%	3,055	3,052
Computer services	1,762	(2)	(834)	926	926	-	100.0%	1,511	1,511
Consultants: Business and advisory services	4,829	1,861	(2,333)	4,357	3,777	580	86.7%	283	283
Legal services	103	-	67	170	170	-	100.0%	876	876
Contractors	897	(150)	(36)	711	712	(1)	100.1%	1,141	1,141
Agency and support / outsourced services	50	(50)	-	-	-	-	-	3,749	-
Fleet services	2,232	(129)	98	2,201	2,201	-	100.0%	1,965	1,961
Inventory: Fuel, oil and gas	72	-	(72)	-	-	-	-	-	-
Consumable supplies	4,717	(315)	134	4,536	4,535	1	100.0%	4,242	4,246
Consumable: Stationery, printing and office supplies	931	(57)	(42)	832	832	-	100.0%	852	852
Operating leases	15,204	1,083	(1,114)	15,173	12,992	2,181	85.6%	12,993	11,190
Property payments	3,151	-	445	3,596	3,596	-	100.0%	3,545	3,545

APPROPRIATION STATEMENT
for the year ended 31 March 2019

Appropriation per economic classification										
	2018/19						2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
Transport provided: Departmental activity	2,567	(789)	579	2,357	2,357	-	100.0%	5,548	5,260	
Travel and subsistence	14,298	652	2,193	17,143	16,170	973	94.3%	17,790	17,924	
Training and development	10,251	(112)	(2,691)	7,448	352	7,096	4.7%	3,738	3,598	
Operating payments	1,040	-	2,751	3,791	1,255	2,536	33.1%	1,239	1,240	
Venues and facilities	392	32	416	840	840	-	100.0%	299	299	
Rental and hiring	10	-	1	11	11	-	100.0%	39	39	
Transfers and subsidies	22,517	1	190	22,708	22,708	-	100.0%	26,507	26,507	
Provinces and municipalities	1	1	-	2	2	-	100.0%	3	3	
Municipalities	1	1	-	2	2	-	100.0%	3	3	
Municipal agencies and funds	1	1	-	2	2	-	100.0%	-	-	
Departmental agencies and accounts	3	-	-	3	3	-	100.0%	3	3	
Departmental agencies and accounts	3	-	-	3	3	-	100.0%	3	3	
Non-profit institutions	21,831	-	-	21,831	21,831	-	100.0%	25,994	25,994	
Households	682	-	190	872	872	-	100.0%	507	507	
Social benefits	682	-	190	872	872	-	100.0%	507	507	
Payments for capital assets	4,110	(1)	1	4,110	4,002	108	97.4%	4,356	4,318	
Machinery and equipment	4,062	(1)	(5)	4,056	3,948	108	97.3%	4,347	4,309	
Transport equipment	1,567	(59)	(470)	1,038	930	108	89.6%	1,965	1,931	
Other machinery and equipment	2,495	58	465	3,018	3,018	-	100.0%	2,382	2,378	
Intangible assets	48	-	6	54	54	-	100.0%	9	9	
Payments for financial assets	-	-	112	112	112	-	100.0%	70	70	
	252,988	-	-	252,988	238,353	14,635	94.2%	246,526	241,162	

APPROPRIATION STATEMENT
for the year ended 31 March 2019

Programme 1: Administration										
	2018/19					2017/18				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Sub programme										
1.1 Premier Support	21,955	(365)	1,443	23,033	23,033	-	100.0%	22,579	22,579	
1.2 Executive Council	8,891	(449)	109	8,551	8,551	-	100.0%	7,454	7,376	
1.3 Director General Support	35,360	1,375	2,851	39,586	33,632	5,954	85.0%	37,781	36,557	
1.4 Financial Management	44,702	(561)	807	44,948	44,834	114	99.7%	41,443	41,400	
Total for sub programmes	110,908	-	5,210	116,118	110,050	6,068	94.8%	109,257	107,912	
Economic classification										
Current payments	107,370	-	5,390	112,760	106,800	5,960	94.7%	107,320	106,013	
Compensation of employees	56,200	-	3,004	59,204	59,204	-	100.0%	57,976	57,898	
Salaries and wages	49,535	368	2,211	52,114	52,114	-	100.0%	51,162	51,084	
Social contributions	6,665	(368)	793	7,090	7,090	-	100.0%	6,814	6,814	
Goods and services	51,170	-	2,386	53,556	47,596	5,960	88.9%	49,344	48,115	
Administrative fees	668	1	55	724	724	-	100.0%	803	957	
Advertising	156	(123)	(5)	28	28	-	100.0%	41	41	
Minor assets	98	-	10	108	108	-	100.0%	39	39	
Audit costs: External	3,435	-	57	3,492	3,492	-	100.0%	4,659	4,659	
Bursaries: Employees	-	-	-	-	-	-	-	-	-	
Catering: Departmental activities	4,775	(1,801)	2	2,976	2,712	264	91.1%	2,713	2,713	
Communication	3,040	(380)	(457)	2,203	2,197	6	99.7%	2,195	2,192	
Computer services	345	-	69	414	414	-	100.0%	359	359	
Consultants: Business and advisory services	21	1,861	(1,537)	345	345	-	100.0%	30	30	
Legal services	99	-	67	166	166	-	100.0%	876	876	
Contractors	618	(94)	(132)	392	393	(1)	100.3%	685	685	
Agency and support / outsourced services	-	-	-	-	-	-	-	4	-	

**APPROPRIATION STATEMENT
for the year ended 31 March 2019**

Programme 1: Administration		2018/19						2017/18		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Entertainment	-	-	-	-	-	-	-	-	-	-
Fleet services	2,232	(159)	98	2,171	2,171	-	100.0%	1,938	1,934	
Inventory: Fuel, oil and gas	72	-	(72)	-	-	-	-	-	-	
Consumable supplies	4,385	(257)	174	4,302	4,301	1	100.0%	3,916	3,920	
Consumable: Stationery, printing and office supplies	482	(28)	(17)	437	437	-	100.0%	406	406	
Operating leases	15,175	1,083	(1,085)	15,173	12,992	2,181	85.6%	12,993	11,910	
Property payments	2,971	-	300	3,271	3,271	-	100.0%	3,031	3,031	
Transport provided: Departmental activity	1,147	(789)	-	358	358	-	100.0%	1,024	736	
Travel and subsistence	10,382	780	1,680	12,842	11,869	973	92.4%	12,140	12,274	
Training and development	126	(116)	-	10	10	-	100.0%	336	196	
Operating payments	712	-	2,788	3,500	964	2,536	27.5%	981	982	
Venues and facilities	225	22	391	638	638	-	100.0%	154	154	
Rental and hiring	6	-	-	6	6	-	100.0%	21	21	
Transfers and subsidies	530	1	161	692	692	-	100.0%	6	6	
Provinces and municipalities	1	1	-	2	2	-	100.0%	3	3	
Municipalities	1	1	-	2	2	-	100.0%	3	3	
Municipal agencies and funds	1	1	-	2	2	-	100.0%	3	3	

APPROPRIATION STATEMENT
for the year ended 31 March 2019

Programme 1: Administration		2018/19						2017/18	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Departmental agencies and accounts	3	-	-	3	3	-	100.0%	3	3
Departmental agencies	3	-	-	3	3	-	100.0%	3	3
Non-profit institutions									
Households	526	-	161	687	687	-	100.0%	-	-
Social benefits	526	-	161	687	687	-	100.0%	-	-
Payments for capital assets	3,008	(1)	(453)	2,554	2,446	108	95.8%	1,861	1,823
Machinery and equipment	3,008	(1)	(453)	2,554	2,446	108	95.8%	1,861	1,823
Transport equipment	1,567	(59)	(470)	1,038	930	108	89.6%	844	806
Other machinery and equipment	1,441	58	17	1,516	1,516	-	100.0%	1,017	1,017
Heritage assets									
Intangible assets									
Payments for financial assets	-	-	112	112	112	-	100.0%	70	70
	110,908	-	5,210	116,118	110,050	6,068	94.8%	109,257	107,912

APPROPRIATION STATEMENT
for the year ended 31 March 2019

1.1 Premier Support	2018/19						2017/18		
	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	21,321	(406)	1,443	22,358	22,358	-	100.0%	22,351	22,351
Compensation of employees	10,277	-	1,443	11,720	11,720	-	100.0%	11,047	11,047
Goods and services	11,044	(406)	-	10,638	10,638	-	100.0%	11,304	11,304
Transfers and subsidies	527	-	-	527	527	-	100.0%	1	1
Provinces and municipalities	1	-	-	1	1	-	100.0%	1	1
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	107	41	-	148	148	-	100.0%	227	227
Machinery and equipment	107	41	-	148	148	-	100.0%	227	227
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
	21,955	(365)	1,443	23,033	23,033	-	100.0%	22,579	22,579

APPROPRIATION STATEMENT
for the year ended 31 March 2019

1.2 Executive Council Support		2018/19						2017/18		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	8,427	(456)	-	7,971	7,971	-	100.0%	7,450	7,372	
Compensation of employees	6,504	(499)	-	6,005	6,005	-	100.0%	6,066	5,988	
Goods and services	1,923	43	-	1,966	1,966	-	100.0%	1,384	1,384	
Transfers and subsidies	-	1	109	110	110	-	100.0%	-	-	
Provinces and municipalities	-	1	-	1	1	-	100.0%	-	-	
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	-	-	109	109	109	-	100.0%	-	-	
Payments for capital assets	464	6	-	470	470	-	100.0%	4	4	
Machinery and equipment	464	6	-	470	470	-	100.0%	4	4	
Intangible assets	-	-	-	-	-	-	-	-	-	
Payments for financial assets	-	-	-	-	-	-	-	-	-	
	8,891	(449)	109	8,551	8,551	-	100.0%	7,454	7,376	

APPROPRIATION STATEMENT
for the year ended 31 March 2019

		2018/19						2017/18	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments		35,305	1,364	2,687	39,356	33,402	84.9%	37,678	36,454
Compensation of employees		24,003	1,001	1,561	26,565	26,565	100.0%	26,587	26,587
Goods and services		11,302	363	1,126	12,791	6,837	53.5%	11,091	9,867
Transfers and subsidies		3	-	52	55	55	100.0%	3	3
Provinces and municipalities									
Departmental agencies and accounts		3	-	-	3	3	100.0%	3	3
Non-profit institutions		-	-	-	-	-	-	-	-
Households		-	-	52	52	52	100.0%	-	-
Payments for capital assets		52	11	-	63	63	100.0%	30	30
Machinery and equipment		52	11	-	63	63	100.0%	30	30
Intangible assets		-	-	-	-	-	-	-	-
Payments for financial assets		-	-	112	112	112	100.0%	70	70
		35,360	1,375	2,851	39,586	33,632	85.0%	37,781	36,557

APPROPRIATION STATEMENT
for the year ended 31 March 2019

1.4 Financial Management									
2018/19							2017/18		
	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	42,317	(502)	1,260	43,075	43,069	6	100.0%	39,841	39,836
Compensation of employees	15,416	(502)	-	14,914	14,914	-	100.0%	14,276	14,276
Goods and services	26,901	-	1,260	28,161	28,155	6	100.0%	25,565	25,560
Transfers and subsidies	-	-	-	-	-	-	-	2	2
Provinces and municipalities	-	-	-	-	-	-	-	2	2
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	2,385	(59)	(453)	1,873	1,765	108	94.2%	1,600	1,562
Machinery and equipment	2,385	(59)	(453)	1,873	1,765	108	94.2%	1,600	1,562
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
	44,702	(561)	807	44,948	44,834	114	99.7%	41,443	41,400

APPROPRIATION STATEMENT
for the year ended 31 March 2019

		2018/19					2017/18		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme 2: Institutional Development									
Sub programme									
2.1 Strategic Human Resources		62,944	(524)	(2,530)	59,890	52,794	88.2%	60,266	60,124
2.2 Information Communication Services		13,333	522	428	14,283	14,283	100.0%	14,352	14,352
2.3 Legal Services		7,157	931	389	8,477	8,477	100.0%	7,819	7,819
2.4 Communication Services		3,959	(235)	-	3,724	3,724	100.0%	7,115	7,115
2.5 Programme Support		4,363	(694)	(270)	3,399	3,399	100.0%	3,059	3,059
Total for sub programmes		91,756	-	(1,983)	89,773	82,677	92.1%	92,611	92,469
Economic classification									
Current payments		73,856	-	(2,386)	71,470	64,374	90.1%	68,850	68,708
Compensation of employees		57,762	-	1,004	58,766	58,766	100.0%	55,105	54,963
Salaries and wages		49,433	1,074	960	51,467	51,467	100.0%	48,206	48,064
Social contributions		8,329	(1,074)	44	7,299	7,299	100.0%	6,899	6,899
Goods and services		16,094	-	(3,390)	12,704	5,608	44.1%	13,745	13,745
Administrative fees		185	(3)	(19)	163	163	100.0%	707	707
Advertising		282	-	17	299	300	100.3%	354	354
Minor assets		10	-	63	73	73	100.0%	38	38
Audit costs: External		-	-	-	-	-	-	-	-
Bursaries: Employees		143	-	68	211	211	100.0%	63	63
Catering: Departmental activities		335	5	76	416	415	99.8%	525	525
Communication		563	(11)	110	662	662	100.0%	648	648
Computer services		1,417	(2)	(903)	512	512	100.0%	1,152	1,152
Consultants: Business and advisory services		25	-	-	25	25	100.0%	15	15

APPROPRIATION STATEMENT
for the year ended 31 March 2019

Programme 2: Institutional Development									
	2018/19					2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Legal services	4	-	-	4	4	-	100.0%	-	-
Contractors	173	-	86	259	259	-	100.0%	399	399
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	26	26
Consumable supplies	201	(16)	(22)	163	163	-	100.0%	229	229
Consumable: Stationery, printing and office supplies	236	-	(15)	221	221	-	100.0%	227	227
Operating leases	29	-	(29)	-	-	-	-	-	-
Property payments	180	-	145	325	325	-	100.0%	468	468
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1,901	27	(232)	1,696	1,696	-	100.0%	2,145	2,145
Training and development	10,125	-	(2,691)	7,434	338	7,096	4.5%	3,402	3,402
Operating payments	209	-	(39)	170	170	-	100.0%	72	72
Venues and facilities	76	-	(5)	71	71	-	100.0%	30	30
Rental and hiring	-	-	-	-	-	-	-	7	7
Transfers and subsidies	16,891	-	21	16,912	16,912	-	100.0%	21,325	21,325
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	16,891	-	-	16,891	16,891	-	100.0%	21,325	21,325
Households	-	-	21	21	21	-	100.0%	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2019

Programme 2: Institutional Development									
	2018/19					2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Social benefits	-	-	21	21	21	-	100.0%	-	-
Payments for capital assets	1,009	-	382	1,391	1,391	-	100.0%	2,436	2,436
Machinery and equipment	961	-	376	1,337	1,337	-	100.0%	2,427	2,427
Transport equipment	-	-	-	-	-	-	-	1,121	1,121
Other machinery and equipment	961	-	376	1,337	1,337	-	100.0%	1,306	1,306
Intangible assets	48	-	6	54	54	-	100.0%	9	9
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	91,756	-	(1,983)	89,773	82,677	7,096	92.1%	92,611	92,469

APPROPRIATION STATEMENT
for the year ended 31 March 2019

		2018/19						2017/18	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Current payments	45,991	(524)	(2,552)	42,915	35,819	83.5%	38,919	38,777
	Compensation of employees	34,103	(524)	-	33,579	33,579	100.0%	29,853	29,711
	Goods and services	11,888	-	(2,552)	9,336	2,240	24.0%	9,066	9,066
	Transfers and subsidies	16,891	-	21	16,912	16,912	100.0%	21,325	21,325
	Provinces and municipalities	-	-	-	-	-	-	-	-
	Departmental agencies and accounts	-	-	-	-	-	-	-	-
	Non-profit institutions	16,891	-	-	16,891	16,891	100.0%	21,325	21,325
	Households	-	-	21	21	21	100.0%	-	-
	Payments for capital assets	62	-	1	63	63	100.0%	22	22
	Buildings and other fixed structures	-	-	1	63	63	100.0%	22	22
	Machinery and equipment	62	-	-	-	-	-	-	-
	Intangible assets	-	-	-	-	-	-	-	-
	Payments for financial assets	-	(524)	-	59,890	52,794	-	60,266	60,124
		62,944	(524)	(2,530)	59,890	52,794	88.2%	60,266	60,124

APPROPRIATION STATEMENT
for the year ended 31 March 2019

2.2 Information Communication Technology									
	2018/19					2017/18			
	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	12,417	522	59	12,998	12,998	-	100.0%	11,946	11,946
Compensation of employees	9,825	524	616	10,965	10,965	-	100.0%	8,341	8,341
Goods and services	2,592	(2)	(557)	2,033	2,033	-	100.0%	3,605	3,605
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	916	-	369	1,285	1,285	-	100.0%	2,406	2,406
Machinery and equipment	868	-	363	1,231	1,231	-	100.0%	2,397	2,397
Intangible assets	48	-	6	54	54	-	100.0%	9	9
Payments for financial assets	-	-	-	-	-	-	-	-	-
	13,333	522	428	14,283	14,283	-	100.0%	14,352	14,352

APPROPRIATION STATEMENT
for the year ended 31 March 2019

2.3 Legal Services	2018/19						2017/18		
	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	7,152	931	388	8,471	8,471	-	100.0%	7,819	7,819
Compensation of employees	6,777	929	388	8,094	8,094	-	100.0%	7,503	7,503
Goods and services	375	2	-	377	377	-	100.0%	316	316
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	5	-	1	6	6	-	100.0%	-	-
Machinery and equipment	5	-	1	6	6	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
	7,157	931	389	8,477	8,477	-	100.0%	7,819	7,819

APPROPRIATION STATEMENT
for the year ended 31 March 2019

		2018/19						2017/18		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments		3,933	(235)	(11)	3,687	3,687	-	100.0%	7,107	7,107
Compensation of employees		3,201	(235)	-	2,966	2,966	-	100.0%	6,516	6,516
Goods and services		732	-	(11)	721	721	-	100.0%	591	591
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Provinces and municipalities		-	-	-	-	-	-	-	-	-
Departmental agencies and accounts		-	-	-	-	-	-	-	-	-
Non-profit institutions		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Payments for capital assets		26	-	11	37	37	-	100.0%	8	8
Machinery and equipment		26	-	11	37	37	-	100.0%	8	8
Intangible assets		-	-	-	-	-	-	-	-	-
Payments for financial assets		-	-	-	-	-	-	-	-	-
		3,959	(235)	-	3,724	3,724	-	100.0%	7,115	7,115

APPROPRIATION STATEMENT
for the year ended 31 March 2019

2.5 Programme Support		2018/19					2017/18		
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4,363	(694)	(270)	3,399	3,399	-	100.0%	3,059	3,059
Compensation of employees	3,856	(694)	-	3,162	3,162	-	100.0%	2,892	2,892
Goods and services	507	-	(270)	237	237	-	100.0%	167	167
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	4,363	(694)	(270)	3,399	3,399	-	100.0%	3,059	3,059

APPROPRIATION STATEMENT
for the year ended 31 March 2019

	2018/19					2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
3.1 Special Programmes	18,035	181	(294)	17,922	17,922	-	100.0%	17,705	17,705
3.2 Intergovernmental Relations	4,093	-	(23)	4,070	4,070	-	100.0%	4,135	4,135
3.3 Provincial Policy Management	25,071	35	(2,750)	22,356	20,885	1,471	93.4%	19,784	16,039
3.4 Programme Support	3,125	(216)	(160)	2,749	2,749	-	100.0%	3,034	2,902
Total for sub programmes	50,324	-	(3,227)	47,097	45,626	1,471	96.9%	44,658	40,781
Economic classification									
Current payments	45,135	-	(3,307)	41,828	40,357	1,471	96.5%	39,423	35,546
Compensation of employees	35,351	-	(4,198)	31,153	30,262	891	97.1%	28,737	28,605
Salaries and wages	28,449	-	(1,061)	27,388	26,498	890	96.8%	25,222	25,090
Social contributions	6,902	-	(3,137)	3,765	3,764	1	100.0%	3,515	3,515
Goods and services	9,784	-	891	10,675	10,095	580	94.6%	10,686	6,941
Administrative fees	177	26	163	366	366	-	100.0%	274	274
Advertising	21	92	1	114	114	-	100.0%	39	39
Minor assets	-	-	-	-	-	-	-	9	9
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	493	240	216	949	949	-	100.0%	646	646
Communication	161	(70)	(32)	59	59	-	100.0%	212	212
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	4,783	-	(796)	3,987	3,407	580	85.5%	238	238
Legal services	-	-	-	-	-	-	-	-	-
Contractors	106	(56)	10	60	60	-	100.0%	57	57

APPROPRIATION STATEMENT
for the year ended 31 March 2019

Agency and support / outsourced services	50	(50)	-	-	-	-	-	-	-	3,745	-	100.0%	-
Fleet services	-	30	-	30	-	-	-	-	-	1	1	100.0%	-
Consumable supplies	131	(42)	(18)	71	-	-	-	-	-	97	97	100.0%	-
Consumable: Stationery, printing and office supplies	213	(29)	(10)	174	-	-	-	-	-	219	219	100.0%	-
Operating leases	-	-	-	-	-	-	-	-	-	-	-	-	46
Property payments	-	-	-	-	-	-	-	-	-	46	46	-	-
Transport provided:	1,420	-	579	1,999	-	-	-	-	-	2,379	2,379	100.0%	-
Departmental activity	2,015	(155)	745	2,605	-	-	-	-	-	2,412	2,412	100.0%	-
Travel and subsistence	-	4	-	4	-	-	-	-	-	-	-	100.0%	-
Training and development	119	-	2	121	-	-	-	-	-	186	186	100.0%	-
Operating payments	91	10	30	131	-	-	-	-	-	115	115	100.0%	-
Venues and facilities	4	-	1	5	-	-	-	-	-	11	11	100.0%	-
Rental and hiring	5,096	-	8	5,104	-	-	-	-	-	5,176	5,176	100.0%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	4,940	-	-	4,940	-	-	-	-	-	4,669	4,669	100.0%	-
Households	156	-	8	164	-	-	-	-	-	507	507	100.0%	-
Social benefits	156	-	8	164	-	-	-	-	-	507	507	100.0%	-
Other transfers to households	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	93	-	72	165	-	-	-	-	-	59	59	100.0%	-
Machinery and equipment	93	-	72	165	-	-	-	-	-	59	59	100.0%	-
Transport equipment	93	-	72	165	-	-	-	-	-	59	59	100.0%	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	50,324	-	(3,227)	47,097	45,626	1,471	96.9%	44,658	40,781				

APPROPRIATION STATEMENT
for the year ended 31 March 2019

3.1 Special Programmes	z2018/19						2017/18		
	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	13,082	181	(307)	12,956	12,956	-	100.0%	13,032	13,032
Compensation of employees	10,383	-	(601)	9,782	9,782	-	100.0%	9,051	9,051
Goods and services	2,699	181	294	3,174	3,174	-	100.0%	3,981	3,981
Transfers and subsidies	4,940	-	-	4,940	4,940	-	100.0%	4,669	4,669
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	4,940	-	-	4,940	4,940	-	100.0%	4,669	4,669
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	13	-	13	26	26	-	100.0%	4	4
Machinery and equipment	13	-	13	26	26	-	100.0%	4	4
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	18,035	181	(294)	17,922	17,922	-	100.0%	17,705	17,705

APPROPRIATION STATEMENT
for the year ended 31 March 2019

3.2 Intergovernmental Relations	2018/19					2017/18			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4,064	-	(37)	4,027	4,027	-	100.0%	4,120	4,120
Compensation of employees	3,566	-	(75)	3,491	3,491	-	100.0%	3,229	3,229
Goods and services	498	-	38	536	536	-	100.0%	891	891
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	29	-	14	43	43	-	100.0%	15	15
Machinery and equipment	29	-	14	43	43	-	100.0%	15	15
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	4,093	-	(23)	4,070	4,070	-	100.0%	4,135	4,135

**APPROPRIATION STATEMENT
for the year ended 31 March 2019**

3.3 Provincial Policy Management									
	2018/19					2017/18			
	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	24,871	35	(2,781)	22,125	20,654	1,471	93.4%	19,716	15,971
Compensation of employees	19,396	-	(3,340)	16,056	15,165	891	94.5%	14,784	14,784
Goods and services	5,475	35	559	6,069	5,489	580	90.4%	4,932	1,187
Transfers and subsidies	156	-	8	164	164	-	100.0%	32	32
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	156	-	8	164	164	-	100.0%	32	32
Payments for capital assets	44	-	23	67	67	-	100.0%	36	36
Machinery and equipment	44	-	23	67	67	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
	25,071	35	(2,750)	22,356	20,885	1,471	93.4%	19,784	16,039

APPROPRIATION STATEMENT
for the year ended 31 March 2019

3.4 Programme Support	2018/19						2017/18		
	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	3,118	(216)	(182)	2,720	2,720	-	100.0%	2,555	2,423
Compensation of employees	2,006	-	(182)	1,824	1,824	-	100.0%	1,673	1,541
Goods and services	1,112	(216)	-	896	896	-	100.0%	882	882
Transfers and subsidies	-	-	-	-	-	-	-	475	475
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	475	475
Payments for capital assets	7	-	22	29	29	-	100.0%	4	4
Machinery and equipment	7	-	22	29	29	-	100.0%	4	4
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
	3,125	(216)	(160)	2,749	2,749	-	100.0%	3,034	2,902

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

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 - C) 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	116,118	110,050	6,068	5%
Institutional Development	89,773	82,677	7,096	8%
Policy and Governance	47,097	45,626	1,471	3%
4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	149,123	148,232	891	1%
Goods and services	76,935	63,299	13,636	18%
Transfers and subsidies				
Provinces and municipalities	2	2	0	0%
Departmental agencies and accounts	3	3	0	0%
Non-profit institutions	21,831	21,831	0	0%
Households	872	872	0	0%
Payments for capital assets				
Machinery and equipment	4,056	3,948	108	3%
Intangible assets	54	54	0	0%
Payments for financial assets	112	112	0	0%

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
REVENUE			
Annual appropriation	<u>1</u>	252,988	246,526
Departmental revenue	<u>2</u>	94	207
TOTAL REVENUE		253,082	246,733
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>3</u>	148,232	141,466
Goods and services	<u>4</u>	63,299	68,801
Total current expenditure		211,531	210,267
Transfers and subsidies			
Transfers and subsidies	<u>6</u>	22,709	26,507
Total transfers and subsidies		22,709	26,507
Expenditure for capital assets			
Tangible assets	<u>7</u>	3,948	4,309
Intangible assets	<u>7</u>	53	9
Total expenditure for capital assets		4,001	4,318
Payments for financial assets	<u>5</u>	112	70
TOTAL EXPENDITURE		238,353	241,162
SURPLUS/(DEFICIT) FOR THE YEAR		14,729	5,571
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		14,635	5,364
Annual appropriation		14,635	5,364
Departmental revenue and NRF Receipts	<u>12</u>	94	207
SURPLUS/(DEFICIT) FOR THE YEAR		14,729	5,571

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

	<i>Note</i>	2018/19 R'000	2017/18 R'000
ASSETS			
Current assets		10,323	2,560
Cash and cash equivalents	8	6,985	10
Prepayments and advances	9	292	236
Receivables	10	3,046	2,314
Non-current assets		4,340	4,028
Receivables	10	4,340	4,028
TOTAL ASSETS		14,663	6,588
LIABILITIES			
Current liabilities		14,661	6,586
Voted funds to be surrendered to the Revenue Fund	11	14,635	5,364
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	10	238
Bank overdraft	13	-	984
Payables	14	16	-
Non-current liabilities			
TOTAL LIABILITIES		14,661	6,586
NET ASSETS		2	2
	<i>Note</i>	2018/19 R'000	2017/18 R'000
Represented by:			
Recoverable revenue		2	2
TOTAL		2	2
	<i>Note</i>	2018/19 R'000	2017/18 R'000
Recoverable revenue			
Opening balance		2	3
Debts recovered (included in departmental receipts)		-	(1)
Debts raised			
Closing balance		2	2
TOTAL		2	2

CASH FLOW STATEMENT

	<i>Note</i>	2018/19 R'000	2017/18 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		253,218	246,629
Annual appropriated funds received	<u>1</u>	252,988	246,526
	:		
Departmental revenue received	<u>2</u>	230	103
	-		
Net (increase)/decrease in working capital		(1,084)	909
Surrendered to Revenue Fund		(5,822)	(4,433)
Current payments		(211,531)	(210,267)
Payments for financial assets		(112)	(70)
Transfers and subsidies paid		(22,709)	(26,507)
Net cash flow available from operating activities	<u>1</u> <u>5</u>	11,960	6,261
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received			
Payments for capital assets	<u>7</u>	(4,001)	(4,318)
Proceeds from sale of capital assets	<u>2</u>	-	280
	:		
Net cash flows from investing activities	<u>3</u>	(4,001)	(4,038)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		-	(1)
Increase/(decrease) in non-current payables			
Net cash flows from financing activities		-	(1)
Net increase/(decrease) in cash and cash equivalents		7,959	2,222
Cash and cash equivalents at beginning of period		(974)	(3,196)
Cash and cash equivalents at end of period	<u>1</u> <u>6</u>	6,985	(974)

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

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

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

	<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	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <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	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	Aid assistance paid

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

	Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments are expensed when the project has been completed.
12	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13	Investments Investments are recognised in the statement of financial position at cost.
14	Financial assets
14.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	Payables Payables recognised in the statement of financial position are recognised at cost.
16	Capital Assets
16.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	Movable capital assets 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. 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. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

	Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
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	Provisions and Contingents
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	<p>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

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

	<ul style="list-style-type: none"> • 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> <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 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</p>

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

	period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
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 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. 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>

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

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 Appropriation	Actual Funds Received	2018/19 Funds not requested/not received	Final Appropriation	2017/18 Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	110,908	110,908	-	109,257	109,257
Institutional Development	91,756	91,756	-	92,611	92,611
Policy & Governance	50,324	50,324	-	44,658	44,658
Total	252,988	252,988	-	246,526	246,526

2. Departmental revenue

	Note	2018/19 R'000	2017/18 R'000
Sales of goods and services other than capital assets	2.1	108	102
Fines, penalties and forfeits	2.2	1	-
Sales of capital assets	2.3	-	280
Transactions in financial assets and liabilities	2.4	121	1
Total revenue collected		230	383
Less: Own revenue included in appropriation	12	(136)	(176)
Departmental revenue collected		94	207

2.1 Sales of goods and services other than capital assets

	Note	2018/19 R'000	2017/18 R'000
Sales of goods and services produced by the department	2	108	102
Other sales		108	102
Total		108	102

2.2 Fines, penalties and forfeits

	Note	2018/19 R'000	2017/18 R'000
Forfeits	2	1	-
Total		1	-

2.3 Sale of capital assets

	Note	2018/19 R'000	2017/18 R'000
Tangible assets	2	-	280
Machinery and equipment		-	280

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

Total	-	280
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2.4 Transactions in financial assets and liabilities

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Other Receipts including Recoverable Revenue	2	121	1
Total		121	1

3. Compensation of employees

3.1 Salaries and Wages

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Basic salary		101,467	95,561
Performance award		2,157	1,961
Service Based		83	196
Compensative/circumstantial		2,483	3,631
Other non-pensionable allowances		23,890	22,888
Total		130,080	124,237

3.2 Social contributions

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Employer contributions			
Pension		12,638	12,107
Medical		5,492	5,012
Bargaining council		22	110
Total		18,152	17,229
Total compensation of employees		148,232	141,466
Average number of employees		267	263

Included in compensation of employees is the salary of the Chief of staff valued at R1,754,031.04, who was seconded by the Premier to be the Acting Head of Department for the Department of Environment and Nature Conservation with effect from 01 April 2018 to 31 March 2019. The secondment was in terms of paragraph 15 of the Public Service Act, read in conjunction with paragraph 62 of the amended Public Service Regulation of 2016.

4. Goods and services

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Administrative fees		1,291	2,221
Advertising		443	434
Minor assets	4.1	181	87
Bursaries (employees)		211	63
Catering		4,100	3,884
Communication		2,918	3,052
Computer services	4.2	927	1,511
Consultants: Business and advisory services		3,714	

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

Legal services		170	876
Contractors		712	1,140
Agency and support / outsourced services		-	-
Audit cost – external	4.3	3,492	4,659
Fleet services		2,200	1,961
Consumables	4.4	5,367	5,100
Operating leases		12,992	11,910
Property payments	4.5	3,595	3,544
Rental and hiring		11	39
Transport provided as part of the departmental activities		2,357	5,260
Travel and subsistence	4.6	16,170	17,922
Venues and facilities		840	299
Training and development		352	3,598
Other operating expenditure	4.7	1,256	1,241
Total		63,299	68,801

4.1 Minor assets

	<i>Note</i> 4	2018/19 R'000	2017/18 R'000
Tangible assets		181	87
Machinery and equipment		181	87
Intangible assets		-	-
Software		-	-
Total		181	87

4.2 Computer services

	<i>Note</i> 4	2018/19 R'000	2017/18 R'000
SITA computer services		927	1,509
External computer service providers		-	2
Total		927	1,511

4.3 Audit cost – External

	<i>Note</i> 4	2018/19 R'000	2017/18 R'000
Regularity audits		3,492	4,659
Total		3,492	4,659

4.4 Consumables

	<i>Note</i> 4	2018/19 R'000	2017/18 R'000
Consumable supplies		4,535	4,249
Uniform and clothing		14	120
Household supplies		663	812
Building material and supplies		48	24
Communication accessories		7	2

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

IT consumables	44	16
Other consumables	3,759	3,275
Stationery, printing and office supplies	832	851
Total	5,367	5,100

4.5 Property payments

	<i>Note</i> <u>4</u>	2018/19 R'000	2017/18 R'000
Municipal services		233	294
Property maintenance and repairs		267	218
Other		3,095	3,032
Total		3,595	3,544

4.6 Travel and subsistence

	<i>Note</i> <u>4</u>	2018/19 R'000	2017/18 R'000
Local		12,791	13,299
Foreign		3,379	4,623
Total		16,170	17,922

4.7 Other operating expenditure

	<i>Note</i> <u>4</u>	2018/19 R'000	2017/18 R'000
Professional bodies, membership and subscription fees		31	13
Resettlement costs		396	41
Other		829	1,187
Total		1,256	1,241

5. Payments for financial assets

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Debts written off	5.1	112	70
Total		112	70

The debts written off is irrecoverable and written off in line with the debt management policy of the Department

5.1 Debts written off

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Nature of debts written off			
Staff debts and third parties	5	112	70
Total		112	70
Total debt written off		112	70

6. Transfers and subsidies

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Provinces and municipalities		3	3
Departmental agencies and accounts	Annex 1A	3	3
Non-profit institutions	Annex 1B	21,831	25,994
Households	Annex 1C	872	507
Total		22,709	26,507

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

7. Expenditure for capital assets

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Tangible assets		3,948	4,309
Machinery and equipment	6	3,948	4,309
Intangible assets		53	9
Software	7	53	9
Total		4,001	4,318

7.1 Analysis of funds utilised to acquire capital assets – 2018/19

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	3,948	-	3,948
Heritage assets			
Machinery and equipment	3,948	-	3,948
Intangible assets	53	-	53
Software	53	-	53
Total	4,001	-	4,001

7.2 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	9	-	9
Software	9	-	9
Total	4,318	-	4,318

7.3 Finance lease expenditure included in Expenditure for capital assets

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Tangible assets		-	2,091
Machinery and equipment		-	2,091
Total		-	2,091

8. Cash and cash equivalents

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Consolidated Paymaster General Account		6,975	-
Cash on hand		10	10
Total		6,985	10

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

9. Prepayments and advances

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Prepayments (Not expensed)	9.1	292	236
Total		292	236

9.1 Prepayments (Not expensed)

	<i>Note</i>	Balance as at 1 April 2018	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2019
		R'000	R'000	R'000	R'000	R'000
Goods and services	14	236	(236)	-	292	292
Total		236	(236)	-	292	292

10. Receivables

	<i>Note</i>	2018/19			2017/18		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	10.1	1,780	4,274	6,054	1,072	3,991	5,063
Staff debt	10.2	1,266	66	1,332	1,242	37	1,279
Total		3,046	4,340	7,386	2,314	4,028	6,342

10.1 Claims recoverable

	<i>Note</i>	2018/19 R'000	2017/18 R'000
National departments	10 and Annex 3	360	340
Provincial departments		3,768	2,844
Public entities		1,926	1,879
Total		6,054	5,063

10.2 Staff debt

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Ex-Officials	10	66	37
Current Officials		1,266	1,242
Total		1,332	1,279

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

11. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Opening balance		5,364	4,280
Prior period error		-	-
As restated		5,364	4,280
Transfer from statement of financial performance (as restated)		14,635	5,364
Paid during the year		(5,364)	(4,280)
Closing balance		<u>14,635</u>	<u>5,364</u>

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

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Opening balance		238	8
Prior period error		-	-
As restated		238	8
Transfer from Statement of Financial Performance (as restated)		94	207
Own revenue included in appropriation		136	176
Paid during the year		(458)	(153)
Closing balance		<u>10</u>	<u>238</u>

13. Bank Overdraft

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Consolidated Paymaster General Account		-	984
Total		<u>-</u>	<u>984</u>

14. Payables – current

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Clearing accounts	14.1	16	-
Total		<u>16</u>	<u>-</u>

14.1 Clearing accounts

	<i>Note</i>	2018/19 R'000	2017/18 R'000
PERSAL	14	16	-
Total		<u>16</u>	<u>-</u>

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

15. Net cash flow available from operating activities

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Net surplus/(deficit) as per Statement of Financial Performance		14,729	5,571
Add back non cash/cash movements not deemed operating activities		(2,769)	690
(Increase)/decrease in receivables		(1,044)	782
(Increase)/decrease in prepayments and advances		(56)	130
Increase/(decrease) in payables – current		16	(3)
Proceeds from sale of capital assets		-	(280)
Expenditure on capital assets		4,001	4,318
Surrenders to Revenue Fund		(5,822)	(4,433)
Own revenue included in appropriation		136	176
Net cash flow generated by operating activities		11,960	6,261

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

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Consolidated Paymaster General account		6,975	(984)
Cash on hand		10	10
Total		6,985	(974)

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

Liable to	Nature	<i>Note</i>	2018/19 R'000	2017/18 R'000
Housing loan guarantees	Employees	<i>Annex 2A</i>	39	39
Claims against the department		<i>Annex 2B</i>	2,659	4,901
Intergovernmental payables (unconfirmed balances)		<i>Annex 4</i>	940	673
Total			3,638	5,613

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-imburement in the aforementioned contingencies.

18. Commitments

	<i>Note</i>	2018/19 R'000	2017/18 /R'000
Current expenditure			
Approved and contracted		120,426	7,120
Approved but not yet contracted		-	-
Capital expenditure			
Approved and contracted		-	-
Approved but not yet contracted		-	-
Total Commitments		120,426	7,120

The following commitments (R65,244,755) is for longer than 1 year:
SITA – R59,025,865
Mokokong Trading – R3,240,207
Morning Glory Security – R1,365,120
C Tlhagale – R236,074
Ifihlile Training Academy – R1,377,488

The 2017/18 balance of this note was restated. Refer to note 28.1 for further details on the restatement.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

19. Accruals and payables not recognised

19.1 Accruals

			2018/19 R'000	2017/18 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	8,467	-	8,467	4,430
Capital assets	251	-	251	589
Total	8,718	-	8,718	5,019

	Note	2018/19 R'000	2017/18 R'000
Listed by programme level			
Administration		7,859	3,932
Institutional Development		698	901
Policy & Governance		161	186
Total		8,718	5,019

19.2 Payables not recognised

			2018/19 R'000	2017/18 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	5	-	5	214
Capital assets	-	-	-	19
Total	5	-	5	233

	Note	2018/19 R'000	2017/18 R'000
Listed by programme level			
Administration		1	192
Institutional Development		2	35
Policy & Governance		2	6
Total		5	233

	Note	2018/19 R'000	2017/18 R'000
<i>Included in the above totals are the following:</i>			
Confirmed balances with other departments	Annex 4	8	87
Total		8	87

20. Employee benefits

	Note	2018/19 R'000	2017/18 R'000
Leave entitlement		4,899	4,101
Service bonus		2,971	2,823
Performance awards		2,059	1,770
Capped leave commitments		2,382	2,188
Long Service Awards		104	89
Other		995	1,385
Total		13,410	12,356

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

Included in the amounts of leave entitlement and capped leave commitments are negative balances for 2018/19 due to normal leave management due processes. The negative balances are as follows:

	Note	2018/19	2017/18
		R'000	R'000
Leave entitlement		285	293
Capped leave commitments		322	269
Total		607	562

21. Lease commitments

21.1 Operating leases

2018/19	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	5,413	1,430	6,843
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	5,413	1,430	6,843

2017/18	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
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

21.2 Finance leases **

2018/19	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2,075	2,075
Later than 1 year and not later than 5 years	-	-	-	719	719
Total lease commitments	-	-	-	2,794	2,794

2017/18	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
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

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	<i>Note</i>	2018/19 R'000	2017/18 R'000
Opening balance		27,551	29,076
Prior period error		-	-
As restated		27,551	29,076
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		1,391	-
Less: Prior year amounts condoned		(6,664)	(1,525)
Closing balance		22,278	27,551
Analysis of awaiting condonation per age classification			
Current year		1,391	-
Prior years		20,887	27,551
Total		22,278	27,551

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

Incident	Disciplinary steps taken/criminal proceedings	2018/19 R'000
Non-compliance with SCM processes	Under investigation	1,391
Total		1,391

Further instances of irregular expenditure that might have resulted from non-compliance with the supply chain management processes are under investigation to determine the full extent of the amount.

22.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2018/19 R'000
Non-compliance with SCM processes	National Treasury	6,664
Total		6,664

An amount of R6,663,813.63, that was incurred in prior years as a result of deviating from supply chain management processes, was condoned by National Treasury during the 2018/19 financial year.

At 31 March 2018 reporting date, the legacy irregular expenditure which is valued at R20,8 million was being investigated by the Chief State Advisor. In terms of the investigations roadmap, it will be concluded during October 2019, culminating in the application for condonation to the relevant condoning authority.

22.4 Details of irregular expenditures under determination or investigation (not included in the main note)

Incident	2018/19 R'000
Supply of rental motor vehicles	4,685
Total	4,685

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

The supply of motor vehicles from rental companies are under investigation to confirm if it will result in irregular expenditure.

23. Related party transactions

	<i>Note</i>	2018/19	2017/18
		R'000	R'000
Trusts under the control of the department		21,831	25,994
Total		21,831	25,994

23.1 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.

	<i>Note</i>	2018/19	2017/18
		R'000	R'000
Payments made			
Northern Cape Premier's Education Trust Fund		16,891	21,325
Total		16,891	21,325

23.2 Mme Re Ka Thusa Trust Fund

The main objective of the fund is to promote the economic empowerment of women in the province of grant allocations to the qualifying beneficiaries. The premier appoints the board of trustees.

	<i>Note</i>	2018/19	2017/18
		R'000	R'000
Payments made			
Mme Re KaThusa Trust Fund		4,940	4,669
Total		4,940	4,669

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

23.3 Key Management Personnel

Key management personnel were identified as having related party relationships 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 the fiduciary responsibility and significant authority over the reporting entity. Key management personnel also include the Premier as the Executing Authority of Vote 1.

Payments made	Note	2018/19	2017/18
		R'000	R'000
		22,933	23,172
Total		22,933	23,172

23.4 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:

23.4.1 Provincial Departments

Agriculture, Land Reform and Rural Development;
Co-operative Governance, Human Settlements and Traditional Affairs;
Economic Development and Tourism;
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**23.4.2 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

24. Key management personnel

	No. of Individuals	2018/19	2017/18
		R'000	R'000
Political office bearers			
Officials:			
Level 15 to 16	1	2,261	2,260
Level 14	7	11,462	10,820
Level 13	7	8,900	9,821
Family members of key management personnel	1		
		310	271
Total		22,933	23,172

A portion of the remuneration of the Chief of Staff valued at R1,754,031.04, was paid by the Office of the Premier. However, he was seconded by the Premier to be the Acting Head of Department for the Department of Environment and Nature Conservation with effect 01 April 2018 to 31 March 2019 in terms of the Public Service Act, read in conjunction with paragraph 62 of the amended Public Service Regulations of 2016.
During the secondment period (1 April 2018 to 31 March 2019) an Acting Chief of Staff was appointed. The remuneration of the Acting Chief of Staff was included in the Key Management Personnel note.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

25. Non-adjusting events after reporting date

	2018/19
Nature of event	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>

Even though there were no non-adjusting post balance sheet events at reporting date, two legal notices were received during the post balance period, which have been classified as adjusting events and accommodated accordingly in the notes to the financial statements. Refer to note 17, Contingent liabilities.

26. Movable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	19,195	-	1,006	(516)	19,685
Transport assets	2,641	-	-	-	2,641
Computer equipment	7,923	-	794	(442)	8,275
Furniture and office equipment	7,920	-	207	(74)	8,053
Other machinery and equipment	711	-	5	-	716
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	19,195	-	1,006	(516)	19,685

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	19	325

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

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

26.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Cash*	Non-cash**	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	3,948	17	(2,486)	(473)	1,006
Transport assets	930	-	(930)	-	-
Computer equipment	777	17	-	-	794
Furniture and office equipment	680	-	-	(473)	207
Other machinery and equipment	1,561	-	(1,556)	-	5
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	3,948	17	(2,486)	(473)	1,006

26.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	516	516	-
Transport assets	-	-	-	-
Computer equipment	-	442	442	-
Furniture and office equipment	-	74	74	-
Other machinery and equipment	-	-	-	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	516	516	-

26.3 Movement for 2017/18

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

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	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

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

26.4 Minor assets

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	7,499	-	7,499
Additions	-	-	-	181	-	181
Disposals	-	-	-	(153)	-	(153)
TOTAL MINOR ASSETS	-	-	-	7,527	-	7,527

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	4,964	-	4,964
TOTAL NUMBER OF MINOR ASSETS	-	-	-	4,964	-	4,964

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	36	56

These assets could not be verified during the asset 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 2018

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	7,548	-	7,548
Prior period error	-	-	-	-	-	-
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

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

TOTAL NUMBER OF MINOR ASSETS	-	-	-	5,238	-	5,238
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26.5 Movable assets written off

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

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	153	-	153
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	153	-	153

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

27. Intangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	5,992	-	53	(9)	6,036
TOTAL INTANGIBLE CAPITAL ASSETS	5,992	-	53	(9)	6,036

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2019

27.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Cash	Non-Cash	(Develop- ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	53	-	-	-	53
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	53	-	-	-	53

27.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
SOFTWARE	-	9	9	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	-	9	9	-

27.3 Movement for 2017/18

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

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

28. Prior period errors

28.1 Accruals and payables not recognised

28.1.1 Commitments

	Note	Amount before error correction	Prior period error	Restated Amount
	18	2017/18 R'000	2017/18 R'000	2018/19 R'000
Erroneous non-inclusion of balances under accruals		7,183	(63)	7,120
Net effect		7,183	(63)	7,120

New information emerged during the 2018/19 financial year regarding the employment status of one of the MPCC's casual workers. The effect of the new information is that the 2017/18 amount disclosed was overstated by R63,000. Hence the restatement to correct the error.

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

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2017/18 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 Broadcasting Corporation	3	-	-	3	3	100%	3
TOTAL	3	-	-	3	3	100%	3

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

ANNEXURE 1B
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2017/18
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
NON-PROFIT INSTITUTIONS							
Transfers							
Premiers Bursary Trust Fund	16,891	-	-	16,891	16,891	100%	21,325
Mme Re Ka Thusa Trust Fund	4,940	-	-	4,940	4,940	100%	4,669
TOTAL	21,831	-	-	21,831	21,831	100%	25,994

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2017/18	
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	%	R'000	
HOUSEHOLDS								
Transfers								
Leave Payouts	396	-	-	396	396	100%	507	
Severance packages	476	-	-	476	476	100%	-	
TOTAL	872	-	-	872	872	100%	507	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

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)	2018/19	2017/18
	R'000	R'000
Paid in Cash		
Gifts, donations and sponsorships made from the Discretionary Fund		
Financial assistance	456	402
	86	226
Subtotal	542	628
Made in kind		
Gifts, donations and sponsorships made from the Discretionary Fund		
Corporate gifts	2,041	2,095
Social responsibility	82	128
Funeral assistance	795	683
Hospital hampers	259	153
	14	25
Subtotal	3,191	3,084
TOTAL	3,733	3,712

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2019 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2018	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2019	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2019
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing	-	39	-	-	-	39	-	-
	Subtotal	-	39	-	-	-	39	-	-
	TOTAL	-	39	-	-	-	39	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2019

Nature of Liability	Opening Balance 1 April 2018 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 2019 R'000
Claims against the department					
Damages	4,901	554	(2,796)	-	2,659
Subtotal	4,901	554	(2,796)	-	2,659
TOTAL	4,901	554	(2,796)	-	2,659

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

**ANNEXURE 3
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19 *
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	
	R'000	R'000	R'000	R'000	R'000	R'000	Receipt date up to six (6) working days after year end
Department							Amount
Agriculture	-	-	4	-	4	-	-
CoGHSTA	-	132	-	-	-	132	-
Economic Development	4	-	-	-	4	-	-
Education	-	-	734	726	734	726	-
Environment and Nature Conservation	21	-	-	19	21	19	-
Health	-	908	805	-	805	908	-
Road and Public Works	4	-	616	616	620	616	-
Social Development	4	-	-	-	4	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19 *	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Sports Arts and Culture	-	-	4	-	4	-	-	-
Transport Safety and Liaison	317	313	-	-	317	313	-	-
Treasury	-	88	35	-	35	88	-	-
SAPS	-	-	340	340	340	340	-	-
Health Western Cape	-	-	1,221	-	1,221	-	-	-
National School of Government	-	-	20	-	20	-	-	-
	350	1,441	3,779	1,701	4,129	3,142		
Other Government Entities								
EWSETA	-	-	1,875	1,875	1,875	1,875	-	-

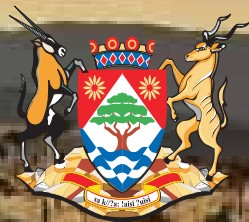
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19 *	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
UMSOBOMVU	-	-	2	2	2	2	-	-
NCFMTE	-	-	42	42	42	42	-	-
TELKOM	-	-	-	2	-	2	-	-
Liquid Telecom	-	-	6	-	6	-	-	-
	-	-	1,925	1,921	1,925	1,921	-	-
TOTAL	350	1,441	5,704	3,622	6,054	5,063	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2018/19 *
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	
	R'000	R'000	R'000	R'000	R'000	R'000	Payment date up to six (6) working days before year end
DEPARTMENTS							
Current							
Justice	-	-	245	69	245	69	-
SAPS	-	25	113	-	113	25	-
National School of Government	-	74	-	-	-	74	-
Government Printing Works	8	9	9	-	17	9	-
Free State Premiers Office	-	4	-	-	-	4	-
Provincial Treasury	-	510	-	32	-	542	-
NCFMTE	-	-	-	9	-	9	-
Roads and Public Works	-	-	1	-	1	-	-
Environment and Nature Conservation	153	-	-	-	153	-	-
Subtotal	161	622	368	110	529	732	-
Non-current							
Justice	-	-	175	229	175	229	-



OFFICE OF THE PREMIER

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