



**Western Cape  
Government**

Department of the Premier

# Annual Report

2018/19



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# PART A





# GENERAL INFORMATION

## 1. DEPARTMENT GENERAL INFORMATION

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## 2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
APRM	Africa Peer Review Mechanism
BBBEE	Broad-based Black Economic Empowerment
BI	Business Intelligence
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BAS	Basic Accounting System
BPIA	Batho Pele Impact Assessment
BPIAN	Batho Pele Impact Assessment Network
BPO	Business Process Optimisation
BRICS	Brazil, Russia, India, China and South Africa
BSC	Bid Specification Committee
CAPEX	Capital Expenditure
CCPWP	Co-ordinating Chamber of the PSCBC of the Western Cape Province
CD	Chief Director
CEI	Centre for e-Innovation
CFO	Chief Financial Officer
CGRO	Corporate Governance Review and Outlook
CHEC	Cape Higher Education Consortium
COBIT	Control Objectives for Information and Related Technology
COCT	City of Cape Town
COE	Compensation of Employees
COMAF	Communication of Audit Findings
COTS	Commercial Off the Shelf
COGTA	Cooperative Governance and Traditional Affairs
CPUT	Cape Peninsula University of Technology
CSC	Corporate Services Centre
CTP	Cape Town Partnership
DCAS	Department of Cultural Affairs and Sports
DDG	Deputy Director-General
DEDAT	Department of Economic Development and Tourism
DGS	Digital Government Strategy
DOCS	Department of Community Safety
DOTP	Department of the Premier
DORA	Division of Revenue Act
DPME	Department of Planning Monitoring and Evaluation
DPASA	Department of Public Service and Administration
DQM	Data Quality Management
DSD	Department of Social Development
DSU	Delivery Support Unit
DTP	Digital Transformation Plan
DTPW	Department of Transport and Public Works
ECM	Electronic Content Management
EDP	Economic Development Partnership
EHW	Employee Health and Wellness
EPD	Executive Projects Dashboard
EPM	Enterprise Project Management

ERM	Enterprise Risk Management
EXCO	Executive Committee
EU	European Union
FIFA	Fédération Internationale de Football Association
FGRO	Financial Governance Review and Outlook
FMPPi	Framework for Managing Programme Performance Information
FOSAD	Forum of South-African Directors-General
FSD	Frontline Service Delivery
GCIS	Government Communication and Information System
GEHS	Government Employees Housing Scheme
GG	Government Garage
GIAMA	Government Immovable Asset Management Act
GITO	Government Information Technology Officer
GMT	Government Motor Transport
GOVCOM	Governance Committee
GPS	Growth Potential of Towns Study
GPSSBC	General Public Service Sectoral Bargaining Council
GWME	Government-wide Monitoring and Evaluation
HBP	Hout Bay Partnership
HCM	Human Capital Management
HCT	HIV & Aids Counselling and Testing
HIV/Aids	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
HOD	Head of Department
HR	Human Resources
HRD	Human Resource Development
HRM	Human Resource Management
HRM	Health Risk Manager
ICAS	Independent Counselling Advisory Services
ICT	Information and Communication Technology
IFMS	Integrated Financial Management System
IGC	Intergovernmental Committee
ILSF	Individually Linked Savings Facility
IMS	Information Management System
IR	International Relations
IRF	International Relations Forum
IRS	International Relations Strategy
IT	Information Technology
JE	Job Evaluation
KPA	Key Performance Area
LAN	Local Area Network
LBC	Library Business Corners
LDW	Logical Data Warehouse
LGMTEC	Local Government Medium-term Expenditure Committee
LP	Learning Programme
MAY	Mayors Advancement of Youth
MDM	Master Data Management
M&E	Monitoring and Evaluation
MEC	Member of Executive Council
MGRO	Municipal Governance Review and Outlook
MISS	Minimum Information Security Standards
MITS	Maintenance, Innovation, Termination and Succession

MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
NPO	Non Profit Organisation
MPSA	Minister of Public Service and Administration
MTEC	Medium-term Expenditure Committee
MTEF	Medium-term Expenditure Framework
MTSF	Medium-term Strategic Framework
NDP	National Development Plan
NGO	Non-governmental Organisation
NQF	National Qualifications Framework
NSG	National School of Government
NT	National Treasury
OAG	Office of the Auditor-General
OD	Organisation Development
ODA	Overseas Development Assistance
OECD	Organisation for Economic Cooperation and Development
OHS	Occupational Health and Safety
OHSA	Occupational Health and Safety Act
OPEX	Operational Expenditure
PAA	Public Audit Act of South Africa
PAY	Premier's Advancement of Youth Project
PAC	Provincial Assessment Centre
PC	Personal Computer
PCF	Premier's Coordinating Forum
PERM	Priority Escalation and Resolution Management
PERMIS	Performance Management Information System
PERSAL	Personnel Salary System
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PERO	Provincial Economic Review and Outlook
PFMA	Public Finance Management Act
PGMTEC	Provincial Government Medium-term Expenditure Committee
PILLIR	Policy on Incapacity Leave and Ill-health Retirement
PM	People Management
PMP	People Management Practices
POA	Programme of Action
POPI	Protection of Personal Information
PSA	Public Servants Association
PSCBC	Public Service Coordinating Bargaining Council
PSDF	Provincial Spatial Development Framework
PSG	Provincial Strategic Goal
PSO	Provincial Strategic Objective
PSP	Provincial Strategic Plan
PT	Provincial Treasury
PTE	People Training and Empowerment
PTI	Provincial Training Institute
PTM	Provincial Top Management
PTMS	Provincial Transversal Management System
PWDG	Province-wide Data Governance
PWMES	Provincial-wide Monitoring and Evaluation System
QPR	Quarterly Performance Report

RBME	Results-based Monitoring and Evaluation
RLS	Regional Leaders Summit
RFI	Request for Information
SA	South Africa
SALGA	South African Local Government Association
SAP	Systems Applications Products
SAQA	South African Qualifications Authority
SASSA	South African Social Security Agency
SAPS	South African Police Services
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDG	Sustainable Development Goals
SDIP	Service Delivery Improvement Plan
SHEQ	Safety Health Environment and Quality
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
SMI	Strategic Management Information
SMS	Senior Management Service
SOP	Standard Operating Procedure
SOPA	State of the Province Address
SP	Strategic Plan
SQL	Structured Query Language
STATS SA	Statistics South Africa
STI	Sexually Transmitted Infection
STP	Strategic Transformation Plan
SWOT	Strengths, Weaknesses, Opportunities and Threats
TAC	Technical Assistance Unit
TB	Tuberculosis
TR	Treasury Regulations
UCT	University of Cape Town
UNDP	United Nations Development Programme
USA	United States of America
VBLD	Values-based Leadership Development
VOIP	Voice Over Internet Protocol
VPUU	Violence Prevention through Urban Upgrading
WAN	Wide Area Network
WCGDS	Western Cape Government Digital Strategy
WCED	Western Cape Education Department
WCG	Western Cape Government
WIL	Work Integrated Learning
WOSA	Whole of Society Approach
YEBO	Year Beyond programme



### 3. FOREWORD BY THE PREMIER



The Department of the Premier continued to mature in its role as the leading Department of the Western Cape Government. During the year under review particular strides were made towards the attainment of its Departmental strategic goals as reflected in the End of Term Review. The Department's strategic trajectory over the past term was informed by global, national and local strategic imperatives.

In support of the departmental vision and mission the Department developed three strategic goals that guided its work over the term:

- (a) To improve good governance in the Western Cape Government;
- (b) To enable strategic decision-making and stakeholder management in the Western Cape Government; and
- (c) To enable service excellence to the people of the Western Cape with people, technology and processes.

The progress towards the three goals was illustrated by the 92% achievement against its performance indicators ensuring that the Department maintained an average of 94% achievement of annual targets for the four consecutive years of the 5-year electoral cycle. The quality of governance support rendered to the executive and accounting officer was yet again reflected in the financial conformance and performance. In this respect, the Department achieved clean audits for the past five financial years. In addition, the Departmental MPAT score reflected a 95% on a level 3 and 4 score which is higher than the previous rating of 91% achieved during the 2017/18 financial year.

The clean audit achieved for the year under review, coupled with the performance on its targets against predetermined objectives and MPAT are testimony of a well-governed and capable Department.

The Broadband Strategy remains another key achievement for the Department. This is reflected in the achievement of the 100% milestone delivery target to provide the Western Cape with Broadband connectivity in accordance with phase 1 of the project. Phase 2 of the project commenced successfully during the year under review. In this respect the 1 875 sites (including schools and clinics) which were connected in phase 1 of the broadband project has now been complemented with 684 sites that have been upgraded to the phase 2 network speed of 100mbps as at the end of the 2018/19 financial year. The process of rolling out limited broadband to the municipal sphere of government also commenced with 18 municipalities having been connected by 31 March 2019. Furthermore, the Centre for e-Innovation continued to provide support to the e-learning game changer lead by the Department of Education.

The Corporate Governance Framework and Maturity Model for the Western Cape Government was completed and approved during the year under review and this paved the way for determining a provincial baseline for corporate governance in the ensuing financial year.

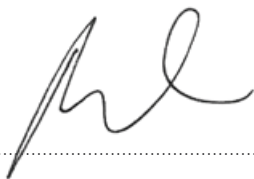
The strides made during the year under review were achieved despite continued cuts to the departmental budget over the term. To ensure the achievement of departmental predetermined objectives against a diminished budget, emphasis thus shifted to prioritising evaluations and monitoring via various departmental platforms, eg the Compensation of Employees Funding committee, as well as ad-hoc budget interrogations and are indicative of increasing organisational maturity. In addition, the departmental EXCO is tracking the implementation of recommendations emanating from Internal Audit Reports more closely than before.

The Department successfully coordinated the End-of-Term Review of the 2014-2019 Provincial Strategic Plan, including an Implementation Evaluation of the Provincial Transversal Management System. This paved the way for supporting the Executive in the development of the next Provincial Strategic Plan informed from an evidence-based perspective.

As articulated in the State of the Province Address, we remain committed to a vision for the Western Cape Government “to realise an open-opportunity society for all, so that residents of the Province can use their freedom to live lives they value” with more focus on following people-centred approaches to service delivery and being more impactful in the lives of all who live in the province. Governance is therefore not pursued for the sake of governance, but rather to impact positively on the people of the province by maintaining and continuously developing a capable state. The Western Cape Government remains committed to clean and honest governance. It also recognises the importance of building partnerships and working collaboratively to the benefit of all.

In pursuit of building a Province that is prosperous, safe, mobile, skilled and growing, healthy, inclusive with a distinct competitive edge, we will devote the next five years to the prioritised areas of Safety (A province in which we live free from fear), Economic Growth (A province in which hard work and dedication brings us success), People Empowerment (A province in which our children grow up healthy and are prepared for tomorrow’s economy), Transport and Spatial Transformation (A province in which your life has value no matter where you live or work) and Innovation and Culture (A province in which we embrace new ideas, and always do the right thing).

I am confident that the acting Director-General and his team are capable of steering the Department and the Western Cape Government towards achieving the ambitious results which will see the citizens of this Province “live lives they value”.



**A R Winde**  
**Premier of the Western Cape**  
**Date: 31 July 2019**

## 4. REPORT OF THE ACCOUNTING OFFICER



### 4.1. Overview of the operations of the Department

Deliverables in the 2018/19 Annual Performance Plan were largely informed by Provincial Strategic Goal 5, which relates to embedding good governance and integrated service delivery through partnerships and spatial alignment. Strategic Goal 5 has the following outcomes, which directed much of what the Department undertook during the year under review:

- enhanced governance through efficient, effective and responsive local and provincial governance;
- an inclusive society through improving the service interface between citizens and government and fostering community engagement; and
- integrated management through partnerships, PSP and game changer implementation, integrated planning, budgeting and implementation and a province-wide Monitoring and Evaluation system.

It must be noted that the Department supported all the other four provincial strategic goals, most notably through the support it delivers in the provision of strategic support, related information, and Ce-I support that inform strategic decision making.

The Department is structured in five budget programmes:

- Programme 1: Executive Support delivers governance support services to the Premier, Cabinet, Director-General, the Provincial Top Management and the Department of the Premier's Executive Committee by enabling effective decision making and communication by the Executive.
- Programme 2: Provincial Strategic Management provides strategic support to the Executive in relation to policy and strategy development, international relations and priority programmes, and strategic management information.
- The Corporate Services Centre makes up the rest of the Department and consists of transversal provincial support services in respect of people management (Programme 3), the provision of ICT services (Programme 4), and corporate assurance functions that comprise internal audit, enterprise-wide risk management, forensic, legal, and communication services (Programme 5).

The Department's functions are transversal in nature. In addition to the Executive, its primary clients are the other Western Cape Government departments, which are the main beneficiaries of the Department's core functions. This creates a dependency on third-party cooperation, both provincially and nationally, to achieve goals and objectives. Services are also demand driven. The Department often has to respond to ad hoc demands, especially in the Corporate Services Centre space, which places strain on already finite resources. In response, management has continued with the refinement of a demand management strategy in collaboration with other provincial departments. The aim of the strategy is to bring predictability and stability in CSC's annual service delivery planning.

In pursuit of Provincial Strategic Goal 5 and the departmental strategic goals, a number of achievements were registered, confirming the Department's ability to maintain high standards of good governance.

The Department recorded a 92% achievement of indicator targets for the 2018/19 financial year. This is reflective of the Department's ability to maintain high levels of performance, as evidenced by previous consecutive years. The average achievement of indicator targets stands at 94% for the previous term of office (2015/16–2018/19). This was

mainly due to an increased emphasis on monitoring and reporting on performance across the core management functions of the Department and strengthening of internal controls.

The Department has managed to achieve a clean audit report for the 2018/19 financial year.

The departmental Corporate Governance Review and Outlook continued to show positive results towards improving the quality of financial management since its inception and will increasingly be used as a management tool for monitoring turnaround strategies where improvements are required.

The continued weakened economic outlook and subsequent Compensation of Employees restraints continued to constrain the departmental budget further. To ensure the achievement of departmental predetermined objectives against a diminished budget, emphasis thus shifted to prioritising evaluations and monitoring via various departmental platforms, e.g. the Compensation of Employees Funding committee, as well as ad hoc budget interrogations and are indicative of increasing organisational maturity. In addition, the departmental EXCO is tracking the implementation of recommendations emanating from Internal Audit Reports more closely than before.

Budget challenges during the year under review related to the impact of the R/\$ exchange rate on goods and services and capital assets specific to Programme 4 (Centre for e-Innovation), which created significant spending risks for Cel licensing and meant that fewer imported assets could be afforded with the same budget.

The implementation of the Broadband Strategy and Implementation Plan progressed well during the year under review, despite challenges experienced. In addition to the 1 875 sites (including schools and clinics) that were connected in Phase 1 of the Broadband project, the phase 2 implementation has commenced, and 684 sites have been upgraded to the phase 2 network speed as at the end of the 2018/19 financial year. The process of rolling out limited Broadband to the municipal sphere of government has commenced with 18 municipalities having been connected by 31 March 2019. Furthermore, the Centre for e-Innovation provided support to the e-learning game changer lead by the Department of Education.

A Corporate Governance Framework and Maturity Model for the Western Cape Government was completed and approved during the year under review. This paved the way for determining a provincial baseline for corporate governance in the ensuing financial year.

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

### 4.2.1. Departmental receipts

Departmental receipts	2018/19			2017/18		
	Estimate	Actual Amount Collected	(Over)/ Under Collec-tion	Estimate	Actual Amount Collected	(Over)/ Under Collec-tion
	R'000	R'000	R'000	R'000	R'000	R'000
Tax receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	1 786	1 588	198	1 742	1 859	(117)
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land	12	2	10	12	16	(4)
Sale of capital assets	-	4	(4)	-	32	(32)
Financial transactions in assets and liabilities	-	361	(361)	-	2 173	(2 173)
<b>Total</b>	<b>1 798</b>	<b>1 955</b>	<b>(157)</b>	<b>1 754</b>	<b>4 080</b>	<b>(2 326)</b>

The Department remains a non-revenue-generating organisation, though has through annual revision of its tariffs successfully delivered on its plan to collect departmental revenue. The Department over-collected revenue by R157 000. The better than anticipated performance is due to sales relating to the provincial gazettes and the hiring of the venues at Kromme Rhee. It remains an impossible task to budget accurately for these items given that these items are demand driven.

The bad debts were written off in terms of the Provincial Debt Management Policy. During the year under review, four debts valued at R4 528.72 were written off.

### 4.2.2. Programme expenditure

Programme Name	2018/19			2017/18		
	Final Appropria-tion	Actual Expendi-ture	(Over)/ Under Expendi-ture	Final Appropria-tion	Actual Expendi-ture	(Over)/ Under Expendi-ture
	R'000	R'000	R'000	R'000	R'000	R'000
Executive Support (Administration)	117 304	112 196	5 108	106 041	101 449	4 592
Provincial Strategic Management	52 983	51 674	1 309	55 023	50 284	4 739
People Management (CSC)	196 316	190 818	5 498	190 831	185 796	5 035
Centre for e-Innovation (CSC)	99 338	967 634	30 704	923 099	903 040	20 059
Corporate Assurance (CSC)	131 662	127 682	3 980	123 130	117 716	5 414
<b>Total</b>	<b>1 496 603</b>	<b>1 450 004</b>	<b>46 599</b>	<b>1 398 124</b>	<b>1 358 285</b>	<b>39 839</b>

The Department's total expenditure for the period ending 31 March 2019 was R1, 450 million, representing 96.89% of the allocated funds. The amount of underspending valued at R46, 599 million translates into 3.11% and had no impact on the achievement of departmental targets as it, amongst others, includes a saving on COE (R18, 689 million), which is due to staff exits. Savings on Goods and Services of R6, 016 million is due to credits received from the service provider relating to Broadband Services as well as delays in the Public Wi-Fi Hotspots. Underspending under payments for capital assets is mainly due to a shift from capital expenditure to operating expenditure on the server side to a cloud-based services platform and delays in the delivery of network equipment.

#### 4.2.3. Virements/roll-overs

- Virements were applied between programmes for the following reasons:
  - R29 000 was viremented from Sub-programme: Strategic Programmes to Sub-programme: Financial Management to accommodate the impact of the usage of GG vehicles and kilometre allowances due to overtime worked during certain periods.
  - R398 000 was shifted from Sub-programme: Strategic Programme to Sub-programme: GITO Management Services to assist with the impact of the expansion of the WCG Network, Microsoft Licensing shortfall and the Cloud Migration within the Centre for e-Innovation space.
  - R6 429 000 was shifted from Sub-programme: Organisation Development to Sub-programme: GITO Management Services to assist with the impact of the expansion of the WCG Network, Microsoft Licensing shortfall and the Cloud Migration within the Centre for e-Innovation space.
  - R2 601 000 was viremented from various sub-programmes within Programme 5: Corporate Assurance to Sub-programme: GITO Management Services to assist with the impact of the expansion of the WCG Network, Microsoft Licensing shortfall and the Cloud Migration within the Centre for e-Innovation space.
- Roll-overs were requested with regard to the:
  - After-School Game Changer;
  - Client Relationship Management System; and
  - Purchase of IT capital equipment.
- Revenue retention was requested to be utilised for IT Refresh within the Department.

### 4.3. Irregular and fruitless and wasteful expenditure

#### Fruitless and wasteful expenditure:

- 16 cases of possible fruitless and wasteful expenditure were identified during the year.
- Of the 16 cases:
  - 4 cases amounting to R4 104.36 were concluded as valid expenses;
  - 3 cases amounting to R1 372.40 were transferred to receivables for recovery;
  - 1 case amounting to R22 587.00 was written off; and
  - 8 cases amounting to R3 398.70 are still under investigation.

#### Irregular expenditure:

- 24 cases of irregular expenditure were identified during the year.
- Of the 24 cases:
  - 18 cases amounting to R946 224.36 are still under investigation/awaiting condonation;
  - 1 case amounting to R6 641.25 was deemed as a valid expense (not recoverable/not condoned) subsequent to year end; and
  - 5 cases amounting to R1 224 740.19 were condoned during the year.
- 28 prior year cases amounting to R401 185.10 were condoned during the year.
- 8 prior year cases amounting to R77 328.63 were deemed a valid expense (not recoverable/not condoned) during the year.

## 4.4. Future plans of the Department

Following the successful implementation of the IT Services Blueprint, which was approved by Cabinet in 2009, the Centre for e-Innovation will revise the WCG IT Strategy.

The Department has achieved the 100% milestone delivery target to provide Broadband connectivity to WCG sites in accordance with Phase 1 of the Broadband initiative. Implementation has started on Phase 2 of the initiative, and 684 of the WCG's sites have been upgraded to minimum connectivity speeds of 100 megabits per second as per phase 2 of the Broadband initiative, as at the end of the 2018/19 financial year. The Department has signed a new Wi-Fi agreement, which commenced on 1 December 2018. The new agreement will allow the Department to expand the Wi-Fi Hotspots to as many as 1 600 of its buildings.

In support of the e-Learning game changer, the Centre for e-Innovation will, amongst others, assist with the implementation of Local Area Networks at schools and the ICT training of educators.

The Western Cape Government Digital Government Strategy (WCGDGS) was approved by the Provincial Cabinet in November 2017. During 2018/19, the Department commenced with developing the Digital Transformation Plan (DTP) and this will continue in the 2019/20 financial year, with 13 departmental Strategic Transformation Plans (STP), as well as a consolidated provincial DTP. The DTP, which will be the implementation plan of the WCGDGS, will unpack the objectives and deliverables that will contribute to improvement of existing service delivery processes and develop new processes towards enhancing our citizens' experiences when engaging with government. The WCGDGS aims to achieve five goals, which are:

- digitally empowered and informed citizens;
- optimised and integrated citizen-centric services;
- connected government and sound ICT governance;
- digitally empowered employees; and
- data-driven service delivery and decision making.

Province-wide Data Governance (PWDG) has been established as a programme to incrementally deliver identified benefits such as improved data management, common data quality standards, collaboration with partners and efficiency gains. PWDG is a strategic response to the complexity in which government operates within the area of managing disparate data, applications and business processes. These benefits to be achieved over the short and longer term are interdependent on the Digital Government Strategy (DGS) and the Departmental e-Vision Strategies.

The PWDG programme has progressed into Stage 3 (implementation) and is taking a three-phased approach, which includes scoping, delivery and benefits realisation. Five (5) high-level outputs have been prioritised, which are unpacked further in Volume 4 of the PWDG documentation. These outputs are aligned to the broader PWDG Framework and address the data governance focus areas. This entails Data Quality Management (DQM), Master Data Management (MDM), a Logical Data Warehouse (LDW), Data and Information Governance as well as Data Analytic Capability.

The Department has coordinated the End-of-term Review of the 2014–2019 Provincial Strategic Plan, including an Implementation Evaluation of the Provincial Transversal Management System. This has informed the way forward for the next term for the consideration of the new administration in the development and implementation of the next Provincial Strategic Plan.

A more proactive approach to implementing the International Relations strategy in support of advancing government's strategic priorities, particularly with regard to economic growth, trade, investment, tourism and skills development, will be undertaken through for example engagements with the consular corps, briefings and reviewing the International Relations forum.

Focus areas with regard to Provincial Priority programmes include: coordinating implementation on the Framework for the Implementation of the Human Rights of Priority Groups in the Western Cape and Frontline Monitoring and Support.



## 4.5. Public Private Partnerships

No public private partnerships were entered into.

## 4.6. Discontinued activities/activities to be discontinued

No activities will be discontinued.

## 4.7. New or proposed activities

- Development of the Provincial Strategic Plan 2019–2024 and implementation mechanisms.
- Establishment of the structure to monitor the implementation of the Human Rights of Priority Groups in the Western Cape.

## 4.8. Supply chain management

There were no unsolicited bid proposals for the year under review.

The SCM component continued to inculcate in the Department a culture of compliance with procurement prescripts to ensure good governance (accountability, credibility, clean government) through its training programmes, awareness sessions and collaboration between line functions and the SCM officials. SCM processes and systems are in place to prevent irregular expenditure. To this end the Auditor-General's report did not find any irregular processes in procurement transactions for the period under review.

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

The following in kind goods and services were received from parties other than related parties during the year:

Name of organisation	Nature of gift, donation or sponsorship	2018/19	2017/18
		R'000	R'000
Received in kind			
Huawei Technologies	Sponsorship to cover travel and accommodation costs for three officials who attended the Huawei Connect Conference from 6 until 14 October 2018 in the People's Republic of China.	180	-
Microsoft	Sponsorship to cover accommodation cost for one official who attended the Microsoft's Smart City Expo World Congress from 11 to 16 November 2018 in Barcelona.	40	-
Friedrich Naumann Foundation	Sponsorship to cover travel and accommodation cost for one official to co-facilitate a seminar on translating values into policy, programmes and delivery in Government from 25 November 2018 until 7 December 2018 in Germany.	16	-
<b>TOTAL</b>		<b>236</b>	<b>-</b>



## 4.10. Exemptions and deviations received from the National Treasury

Deviations:

Project	Reason
Department (Vote 1) deviated from the National Budget Programme Structure.	Organisational redesign process as part of the modernisation programme relatively large-scale and the aim is to: <ul style="list-style-type: none"><li>• improve functional, organisational and budget alignment;</li><li>• improve management and control; and</li><li>• improve resource provisioning, relevant efficiencies as well as monitoring and evaluation.</li></ul>
	Renaming Programme 1 from Executive Support (Administration) to Executive Governance and Integration (Administration).

## 4.11. Events after the reporting date

There were no events after the reporting date.

## 4.12. Other

To the best of my knowledge there are no other material facts or circumstances that may have an effect on the understanding of the financial state of affairs not addressed elsewhere in this report.

I wish to express my sincere appreciation to the management and every employee of this Department who continuously strive towards continuous improvement in service delivery and steady increase in the value add that this Department brings to the Western Cape Government.

I hereby approve the 2018/19 Annual Report of the Department of the Premier.



Accounting Officer  
Department of the Premier  
Date: 31 July 2019

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

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

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

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

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

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

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

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

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

In my opinion, 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



Director-General  
Date: 31 July 2019

## 6. STRATEGIC OVERVIEW

### 6.1. Vision

The vision of the Department of the Premier is to be a leading department enabling the Western Cape Government to improve the quality of life of all its people.

### 6.2. Mission

The mission of the Department of the Premier is to embed good governance and to enable integrated service delivery in the Western Cape through partnerships, innovation and people excellence.

### 6.3. Values

We commit ourselves to delivering services according to the following values:

#### **Competence (The ability and capacity to do the job appointed to do)**

- We are able to do the job we have been appointed to do and always strive for excellence.
- We develop and grow our people, enabling and empowering them to do their jobs in support of service delivery.
- We empower employees to render an excellent service to the people of the Western Cape and we focus on this.
- We demonstrate knowledge and an understanding of executing our task in terms of the constitutional, legislative and electoral mandates and we work together to achieve this.

#### **Accountability (We take responsibility)**

- We have a clear understanding of our vision, mission, strategic objectives, roles, delegations and responsibilities.
- We deliver on our outcomes and targets with quality, on budget and in time.
- We hold each other accountable as public servants and know we can trust each other to deliver.
- We take individual responsibility for and ownership of our work, actions and decisions.

#### **Integrity (To be honest and do the right thing)**

- We create an ethical environment by being honest, showing respect and living out positive values.
- We seek the truth and do the right things in the right way in each situation.
- We are reliable and trustworthy and behave consistently in word and in action.
- We act with integrity at all levels and in all instances, with zero tolerance for corruption.

#### **Responsiveness (To serve the needs of our citizens and those we work with)**

- Our focus is the citizens, building relationships that allow us to anticipate their needs and deal with them proactively.
- We take each other and the citizens seriously, being accessible, listening and hearing their voices.
- We respond with timeous action and within agreed timeframes.
- We collaborate with each other, providing appropriate and reliable information and sharing it responsibly.

#### **Caring (To care for those we serve and work with)**

- We value each other and citizens and treat all with dignity and respect.
- We listen actively and display compassion towards each other and citizens.
- We provide support to and show interest in each other and the citizens, caring for the wellbeing of everyone.
- We show appreciation and give recognition to each other and citizens.

#### **Innovation (To be open to new ideas and develop creative solutions to challenges in a resourceful way)**

- We seek to implement new ideas, create dynamic service options and improve services.

- We strive to be creative thinkers who view challenges and opportunities from all possible perspectives.
- We are citizen-centric and have the ability to consider all options and find a resourceful solution.
- We value employees who question existing practices with the aim of renewing, rejuvenating and improving them.
- We foster an environment where innovative ideas are encouraged and rewarded.
- We understand mistakes made in good faith, and allow employees to learn from them.
- We solve problems collaboratively to realise our strategic organisational goals.

## 7. LEGISLATIVE AND OTHER MANDATES

The Department complies with its constitutional and legislative mandates. Additional capacity has been created in the Department to ensure compliance with all prescripts in the execution of the Department's mandates.

### 7.1. Constitutional mandates

The Department acts in accordance with the mandates as determined by the Constitution of the Republic of South Africa, 1996 and the Constitution of the Western Cape, 1997 (Act 1 of 1998).

### 7.2. Legislative mandates

The constitutions, together with the acts listed hereunder, guide and direct the actions, performance and responsibilities carried out in the Department.

- Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
- Broad-based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
- Compensation for Occupational Injuries and Diseases Act, 1993 (Act 130 of 1993)
- Consumer Protection Act, 2008 (Act 68 of 2008)
- Division of Revenue Act (annually)
- Electronic Communications and Transactions Act, 2002 (Act 25 of 2002)
- Employment Equity Act, 1998 (Act 55 of 1998)
- Employment Services Act, 2014 (Act 4 of 2014)
- Financial Intelligence Centre Act, 2001 (Act 38 of 2001)
- Geomatics Profession Act, 2013 (Act 19 of 2013)
- Government Employees Pension Law, 1996 (Proclamation 21 of 1996)
- Government Immovable Asset Management Act, 2007 (Act 19 of 2007)
- Income Tax Act, 1962 (Act 58 of 1962)
- Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)
- Labour Relations Act, 1995 (Act 66 of 1995)
- National Archives and Record Service of South Africa Act, 1996 (Act 43 of 1996)
- National Qualifications Framework Act, 2008 (Act 67 of 2008)
- National Treasury Regulations, 2005
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Pensions Fund Act, 1956 (Act 24 of 1956)
- Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
- Preferential Procurement Regulations, 2017
- Prescription Act, 1969 (Act 68 of 1969)
- Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004)
- Prevention of Organised Crime Act, 1998 (Act 121 of 1998)
- Promotion of Access to Information Act, 2000 (Act 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000)
- Protected Disclosures Act, 2000 (Act 26 of 2000)

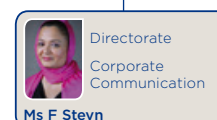
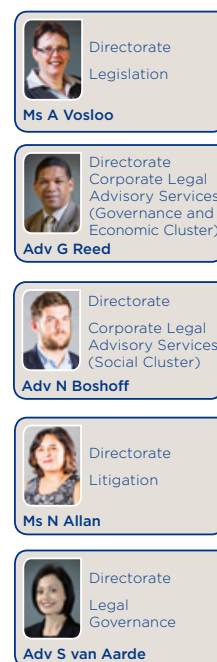
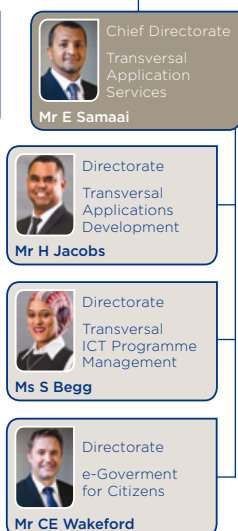
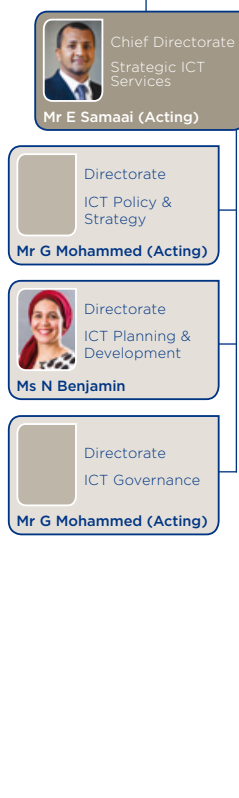
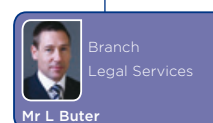
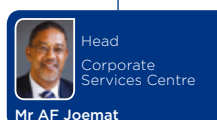
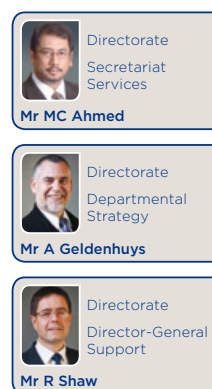
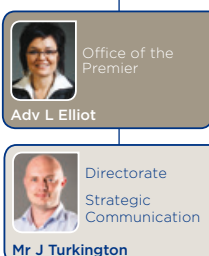
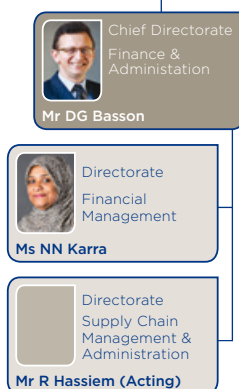
- Protection of Personal Information Act, 2013 (Act 4 of 2013)
- Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 of 2005)
- Provincial Treasury Instructions, 2012
- Public Administration Management Act, 2014 (Act 11 of 2014)
- Public Audit Act, 2004 (Act 25 of 2004)
- Public Finance Management Act, 1999 (Act 1 of 1999)
- Public Holidays Act, 1994 (Act 36 of 1994)
- Public Service Act, 1994 (Proclamation 103 of 1994)
- Public Service Regulations 2016
- Regulation of Interception of Communications and Provision of Communication-related Information Act, 2002 (Act 70 of 2002)
- Skills Development Act, 1998 (Act 97 of 1998)
- Skills Development Levies Act, 1999 (Act 9 of 1999)
- Spatial Data Infrastructure Act, 2003 (Act 54 of 2003)
- State Information Technology Agency Act, 1998 (Act 88 of 1998)
- Western Cape Appropriation Act (annually)
- Western Cape Delegation of Powers Law, 1994 (Law 7 of 1994)
- Western Cape Direct Charges Act, 2000 (Act 6 of 2000)
- Western Cape Provincial Coat of Arms Act, 1998 (Act 7 of 1998)
- Western Cape Provincial Commissions Act, 1998 (Act 10 of 1998)
- Western Cape Provincial Honours Act, 1999 (Act 9 of 1999)
- Western Cape Provincial Languages Act, 1998 (Act 13 of 1998)

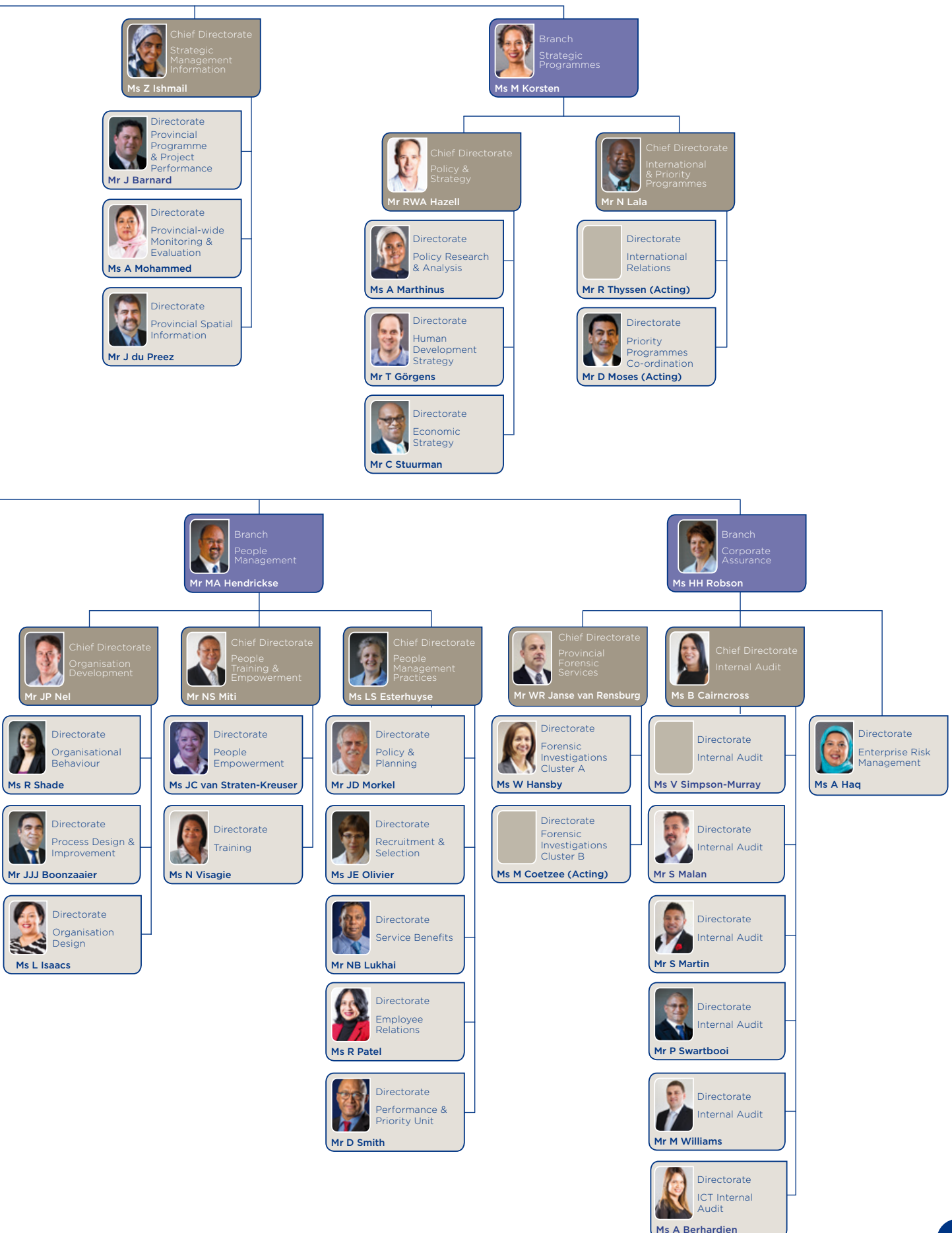
In addition, the Department, as an entity and in fulfilling its role within the provincial government, takes into account national policy mandates, in particular the following:

- Green Paper on National Performance Management (2009)
- Medium-term Strategic Framework – 2014-2019
- National Development Plan (2012)
- National e-Strategy (2017)
- National Evaluation Policy Framework (2011)
- National Integrated ICT Policy White Paper (2016)
- National Measurable Outcomes
- National Monitoring and Evaluation Framework – White Paper, October 2009
- National Skills Development Strategy (I, II and III)
- National Strategic Framework of the Department for Women, Children and People with Disabilities
- National Treasury Framework for Managing Programme Performance Information (2007)
- National Youth Policy (2009-2014) of the National Youth Development Agency
- Policy Framework for a Government-wide Monitoring and Evaluation System (2007)
- Policy Frameworks of the National Department of Public Service and Administration on Gender Equality, Disability and Youth in the Public Service
- Data Quality Policy 001: Policy on informing users of data quality (Stats SA), 2006
- Specific National Policy Frameworks on Gender and Women's Empowerment, Disability and Children
- The White Paper on a New Employment Policy for the Public Service (1997)
- The White Paper on Human Resources Management in the Public Service
- The White Paper on Public Service Training and Education (1997)
- The White Paper on the Transformation of the Public Service (1995)
- The White Paper on Transforming Public Service Delivery (Batho Pele) (1997)

## 8. ORGANISATIONAL STRUCTURE

The following chart depicts the top management structure of the Department as at 1 March 2019. The Department's senior management structure is depicted in Annexure A of the report.





## 9. ENTITIES REPORTING TO THE PREMIER

During the period under review, no entities reported to the Premier.









# PART B





# PERFORMANCE INFORMATION

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

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

Refer to page 133 (Report of the Auditor-General), published as Part E: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1. Service Delivery Environment

During the year under review, the Department achieved 92% of its performance targets, as specified in the 2018/19 Annual Performance Plan, with the other 8% of the targets partially achieved. Detailed performance on each of the indicators is given in the tables on performance indicators under point 5 in this section (section B of the Annual Report).

The Department continued to function in an austere fiscal environment, which made it difficult to fully realise its intention to continuously add more value to the services that it renders to the Western Cape Government. Austerity meant that the filling of vacancies was tightly managed which made it difficult to expand its service offerings without being able to increase the number of people required to add more value.

Programme 1 The Branch Executive Support has ensured that Cabinet, Provincial Top Management and DoTP EXCO processes were conducted seamlessly and that effective decisions were taken which determined the strategic direction of the Western Cape Government. The finances of the Department of the Premier were commendably managed, despite a very tight budget, and compliance with legislative frameworks, National Treasury Regulations and Supply Chain Policies and prescripts were fully complied with. This resulted in yet another clean audit outcome for the Department. All strategic interactions with the provincial Mayors and Municipal Managers were seamlessly managed by the Branch, and last minute changes were managed strategically without any negative financial or reputational repercussions to the Western Cape Government.

The Director-General of the Western Cape was excellently supported by all Chief Directorates in the Branch and it was ensured that inter-governmental relations remain healthy and beneficial to the Western Cape. Progress with performance indicators was assessed and reported on quarterly. The Finance management component ensured that there are tight controls on the COE budget and much was achieved with less. In addition, the turnaround times for the payment of uncontested invoices continued to improve, and this was achieved through the implementation of an electronic invoice tracking system. Continued supply chain training, and revised policies, delegations and circulars ensured that there was full compliance with the regulatory and legislative frameworks.

The strategic messages of the Western Cape Government were successfully channelled to the key stakeholders through the various strategic communications platforms in collaboration with other provincial departments. This minimised negative reputational impacts to the Western Cape Government.



Programme 2 Provincial Strategic Management and its three chief directorates have operated in a very strained human resource capacity, as a result of vacancies, and strictly applied upper limits on Compensation of Employees expenditure. Despite resource constraints, a particular focus was on the implementation and review of the five-year PSP and the Provincial Transversal Management System, as well as the Western Cape input into the Department of Planning Monitoring and Evaluation's 25-year Review. These all serve as inputs into the forward planning processes.

The Chief Directorate: International Relations and Priority Programmes also continued to operate under strained resource conditions, but delivered on international and priority programmes and projects, including those with a strong stakeholder engagement element.

The Directorate: International Relations is required to comply with applicable rules of diplomacy and protocol when dealing with its key stakeholders and clients (e.g. international foreign delegations and diplomats) and have supported numerous high-profile international engagements during the period in question.

Support of the event sector continued through partnership agreements.

The pilot project to build the soft skills of Western Cape Government officials using the UNDP-authored Community Capacity Enhancement training intensified.

The Chief Directorate: Strategic Management Information for the past five years continued to operate within strained resource conditions, and with an outdated structure and outdated core processes in relation to the business needs. Up to March 2019, within the context of the legislative environment, it is noted that the Chief Directorate has operated within the parameters of a virtual environment with five (5) focal areas; 1) Province-wide Business Intelligence and Data Analytics; 2) Province-wide Data Governance; 3) Results-based Monitoring and Evaluation; 4) Programme Performance Information; and 5) Spatial Information and GIS. These have been overtaken by current further developments within the province-wide data governance programme and the Provincial Data Office, which are rendering services to key stakeholders. There is a high demand in the WCG for coherence in the production and use of data and information to inform evidence-based decision making. Notwithstanding these challenges, the work of the sub-programme has traction at a provincial, national and international level.

The People Management Branch delivers its core function of people management through organisational development, people management practices and people training and empowerment. The continued constrained budget allocation, an unabated increase in demand for services, limited joint planning and ad hoc requests from departments all continue to place the ability of the Branch to perform its functions under serious strain. The streamlined service level agreements with departments and envisaged expanded service schedules as well as continued regular engagement with senior officers of departments ensure that there is a clearer understanding of respective roles and responsibilities, more planned and agreed interventions, and improved service delivery. The overall emphasis of the CSC on demand planning processes led to the piloting of the Annual People Planner initiative in the Branch and will assist in improving the performance of the Branch. The continued Values-based Leadership Development initiative will also play a pivotal role in increasing the required leadership capability that is so vital in the challenging, austere environment the WCG finds itself.

Closer alignment of the Chief Directorates within People Management Branch with regard to demand planning was also attained and set the foundation for greater synergies with regard to integrated management.

The Centre for e-Innovation has contributed significantly to the success of the provincial game changers (with a particular focus on the e-Learning and After School game changers). Through the Broadband game changer, 1 875 provincial buildings such as schools, clinics, and hospitals were provided with Broadband connectivity, of which 684 have been upgraded to Phase 2 Broadband connectivity speeds as at the end of the 2018/19 financial year.

The Centre for e-Innovation's user base has grown to 28 600 Western Cape Government ICT users, which had a direct influence on its major expenditure items, which included licences, ICT support, security and infrastructure. In addition to the corporate sites being supported by Cel, it also provided maintenance support to more than 200 libraries that are part of the rural libraries connectivity project.

A review of the application portfolio of the WCG was started in the fourth quarter of the 2017/18 financial year and was identified as a key process for the Digital Transformation Plan and the WCGDGS Implementation Plan.

In line with the CSC demand planning process, the Cel has embarked on developing ICT operational plans for all its client departments. This now enables it to refine its resource planning and allocation processes in order to improve service delivery to its clients.

The current economic climate, resultant budget reductions over the MTEF period and introduction of Compensation of Employees funding are having an impact on the ability of the Branch Corporate Assurance to respond to the demand for its services. The main cost driver for this Branch is Compensation of Employees, and with 85% of the budget allocated to this, the Branch's ability to fund its vacancies is a pressure point. Although the majority of services in the Branch are delivered based on approved delivery plans, there are some services that are not predictable. The delivery plans are finalised and agreed at the start of the financial year and there are processes in place to amend these if required. The business units evaluate this on an ongoing basis and request changes to the plans if and when required.

The principles in the Combined Assurance Framework approved by the Provincial Top Management are being applied during the development of internal audit annual operational plans and a better picture of the total assurance gap across all assurance providers is provided to audit committees during the evaluation and approval of internal audit annual operational plans.

The Branch was furthermore instrumental in the development of a Corporate Governance Framework for the WCG and a concomitant Governance Maturity Model. It is imperative that corporate governance within all the departments of the WCG is robust and contributes directly to the achievement of provincial and departmental strategic goals and intent. This framework and maturity model set forth the principles and requirements for corporate governance in the WCG.

The demand for forensic investigation services is at a level where the current capacity is not enough to attend to the cases within reasonable timeframes. Cases are attended to in accordance with priority and available capacity. Proactive forensic services are rendered to all departments according to their needs and legislative requirements in line with the approved Fraud and Corruption Prevention and Response Plans agreed with departments at the start of the financial year.

Although the demand for legal services remained high during the financial year, Legal Services continued to adhere to client requests by the stipulated or agreed deadlines.

The demand for services in the Directorate: Corporate Communication are mainly demand driven and cannot be predicted with certainty. This had an impact on service delivery in this unit, although it was managed through re-prioritisation, absorption within available capacity and efficiency gains.

## 2.2. Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan (SDIP) for 1 April 2018 to 31 March 2021. The tables below highlight the service delivery plan and the achievements to date.

### Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
<b>Cape Access e-Centre Operations</b>				
	Citizens within communities with a special focus on semi-urban areas, which are identified as priority areas, within the Western Cape	a) 70 Cape Access Centres established (operationalised – fully equipped and functional, one Centre (Convillie) was temporarily closed for renovations) b) 5 859 Cape Access e-Skills training opportunities provided (accredited) 1 240 Cape Access e-Skills training opportunities provided (non-accredited) c) 666 768 Cape Access User Sessions	a) 2 000 Cape Access e-Skills training opportunities provided b) 400 000 Cape Access User Sessions	a) 5 897 Cape Access e-Skills training opportunities provided (accredited) 868 Cape Access e-Skills training opportunities provided (non-accredited) b) 678 201 Cape Access User Sessions
<b>e-Government Channels</b>				
	Citizens within the Western Cape	a) 24 146 446 WCG Portal Contact tickets (page views) b) 7 239,080 WCG Intranet Contact tickets (MyGov page views 6 805 231 and Intranet Portal page views 433 849) c) 144 058 WCG Contact Centre Contact tickets d) 61 488 021 WCG Social Media impressions e) 14 e-Government access channels utilised f) 99.46% Presidential Hotline Resolution Rate	a) 20 000 000 Contact tickets across channels (excluding WCG Intranet) [Nr WCG Portal Contact tickets; Nr WCG Contact Centre tickets; Nr WCG Social Media Impressions; 13 e-Government access channels managed through which citizens actively engage Government (excluding Intranet)] b) 95% Presidential Hotline Resolution Rate c) 1 User and Client Experience Surveys conducted d) 1 User and Client Experience Report released	a) 39 207 931 (Internet Portal only). 99 952 932 (including Social Media and WCG Contact Centre) Contact tickets across channels (excluding WCG Intranet) b) 99.53% Presidential Hotline Resolution Rate c) 1 User and Client Experience Survey conducted d) 1 User and Client Experience Report released

## Batho Pele arrangements with beneficiaries (consultation, access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Cape Access e-Centre Operations</b>		
<b>Consultation:</b>		
Clients are consulted through:	Clients are consulted through:	Clients are consulted through:
a) Cape Access functional e-Centres 1. Beaufort West 2. Bella Vista 3. Bitterfontein 4. Bitterwater 5. Bongoletu 6. Bredasdorp 7. Bridgton College 8. Ceres 9. Citrusdal 10. Clanwilliam 11. Cloeteville 12. Conville 13. Doring Bay 14. Dysseisdorp 15. Eendekuil 16. Elim 17. Genadendal 18. Goedgedacht 19. Grabouw 20. Greyton 21. Groot Brak River 22. Hawston 23. Heidelberg 24. Herbertsdale 25. Hornlee 26. Illingelethu 27. Kayamandi 28. Klaarstroom 29. Klawer 30. Kranshoek 31. Kwanokuthula 32. Ladismith 33. Laingsburg 34. Lamberts Bay 35. Langebaan 36. Leeu Gamka 37. Mbekweni 38. Merweville 39. Mossel Bay 40. Mossel Bay Thusong 41. Murraysburg 42. Nduli 43. New Horizons 44. Noordhoek 45. Op die Berg 46. Paarl East 47. Paternoster 48. Pniel 49. Prince Albert 50. Prince Albert Access 50 51. Riebeeck-Kasteel 52. Riebeeck West 53. Riversdale 54. Robertson 55. Saturnus 56. Slang River 57. Struis Bay 58. Swellendam 59. Thembalethu Library 60. Thembalethu Thusong Cen-tre 61. Tulbagh 62. Vanrhynsdorp 63. Vredenburg 64. Vredendal 65. Waboomskraal 66. Wale Street 67. Wellington 68. Wolseley 69. Worcester 70. Zolani b) WCG Portal c) WCG Contact Centre d) Presidential Hotline <b>Additional achievement:</b> e) Quarterly Management meetings f) Monthly Team meetings	a) Annual User and Client Survey conducted to consult clients on their input, experience; improvement suggested; training required. b) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted. c) E-Centre managers on site during working hours to engage with citizens throughout access sessions to obtain their input, when required.	a) Annual User and Client Survey conducted. b) Annual User and Client Report finalised. c) E-Centre managers on site during working hours.



Current/actual arrangements	Desired arrangements	Actual achievements
<b>Access:</b>		
Access created through:	Access created through e-Centres:	Access created through:
<p>70 Cape Access e-Centres as per the above list e-Centre contact details can be provided per e-Centre on request) The accessibility of services is also improved through:</p> <ul style="list-style-type: none"> <li>i) Wheelchair accessibility at all physical locations</li> <li>ii) Appropriate Branding per e-Centre</li> </ul>	<ul style="list-style-type: none"> <li>a) 70 e-Centres (contact details can be provided per e-Centre on request) <b>Note:</b> #One e-Centre (Conville) is temporarily closed for renovations – it is envisaged to be opened in the near future.</li> <li>b) The accessibility of services is also improved through: <ul style="list-style-type: none"> <li>i) Wheelchair accessibility at 100% physical locations (e-Centres)</li> <li>ii) Appropriate Branding at 100% e-Centres</li> <li>iii) e-Centres managers on site and accessible to citizens at 100% e-Centres</li> <li>iv) 24/7 access to the WCG Call Centre operational 07:00 – 19:00. Responses outside of Priority Escalation and Resolution Management (PERM) are managed in work hours.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>a) 70 e-Centres (contact details can be provided per e-Centre on request) <b>Note:</b> #One e-Centre (Conville) is temporarily closed for renovations – it is envisaged to be opened in the near future.</li> <li>b) The accessibility of services is also improved through: <ul style="list-style-type: none"> <li>i) Wheelchair accessibility at all e-Centres</li> <li>ii) Appropriate Branding at 100% e-Centres</li> <li>iii) e-Centre managers on site and accessible to citizens at 100% e-Centres</li> <li>iv) 24/7 access to the WCG Contact Centre operational 07:30 – 16:00. Responses outside of Priority Escalation and Resolution Management (PERM) are managed in work hours.</li> </ul> </li> </ul>
<b>Courtesy:</b>		
Courtesy is reported and measured through:	Courtesy is reported and measured through:	Courtesy is reported and measured through:
<ul style="list-style-type: none"> <li>a) Cape Access functional e-Centres in place</li> <li>b) Cape Access e-skills training provided</li> <li>c) WCG Portal in place</li> <li>d) WCG Contact Centre in place</li> <li>e) Presidential Hotline (Western Cape) resolutions data</li> <li>f) Contact with Supervisor or Manager</li> <li>g) Communication (written, verbal) provided</li> </ul>	<ul style="list-style-type: none"> <li>a) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements.</li> <li>b) Annual User and Client Survey conducted to consult clients on their input, experience; improvements suggested; training required.</li> <li>c) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted.</li> <li>d) E-Centre managers on site during working hours to engage with citizens throughout access sessions to obtain their input, when required.</li> </ul>	<ul style="list-style-type: none"> <li>a) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements.</li> <li>b) Annual User and Client Survey conducted.</li> <li>c) Annual User and Client Report indicating finalised.</li> <li>d) E-Centre managers on site during working hours to engage with</li> </ul>
<b>Openness and transparency:</b>		
Openness and transparency are achieved through:	Openness and transparency are achieved through:	Openness and transparency are achieved through:
<ul style="list-style-type: none"> <li>a) Cape Access functional e-Centres (70 e-Centres)</li> <li>b) WCG Portal</li> <li>c) WCG Contact Centre</li> <li>d) Presidential Hotline</li> </ul>	<ul style="list-style-type: none"> <li>a) 1 Departmental Annual Performance Plan published during March annually</li> <li>b) 1 Departmental Annual Performance Report tabled annually</li> <li>c) 100% available Cape Access website which is updated, as required: <a href="http://www.westerncape.gov.za/capeaccess">www.westerncape.gov.za/capeaccess</a></li> <li>d) e-Centre managers on site at all e-Centres to provide information to citizens</li> <li>e) WCG Contact Centre monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements.</li> <li>f) Annual User and Client Survey conducted to consult clients on their input, experience; improvements suggested; training required</li> <li>g) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted</li> </ul>	<ul style="list-style-type: none"> <li>a) 1 Departmental Annual Performance Plan published</li> <li>b) 1 Departmental Annual Performance Report tabled</li> <li>c) 100% available Cape Access website, which was updated: <a href="http://www.westerncape.gov.za/capeaccess">www.westerncape.gov.za/capeaccess</a></li> <li>d) e-Centre managers on site at all e-Centres to provide information to citizens</li> <li>e) WCG Contact Centre monthly statistics of incidents received, as well as monthly resolution rate. Incidents are escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements.</li> <li>f) Annual User and Client Survey conducted</li> <li>g) Annual User and Client Report finalised</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Value for Money:</b>		
a) Use of ICTs facilitated more efficient and effective communication and service delivery (within allocated budget)	a) Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)	a) ICTs used to facilitate more efficient and effective communication and service delivery
<b>e-Government channels</b>		
<b>Consultation:</b>		
Clients are consulted through:	Clients are consulted through:	Clients are consulted through:
a) User surveys conducted b) WCG Portal: <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a> c) WCG Contact Centre Call Centre: 0860 142142 SMS: 31022 – Help Please Call Me: 079 769 1207 Walk-in Centre: 9 Wale Street, Cape Town Snail Mail: 9 Wale Street, Cape Town E-mail centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> Fax: 021 483 7216 d) WCG Intranet: <a href="http://intranet.westerncape.gov.za">http://intranet.westerncape.gov.za</a> e) 70 Cape Access functional e-Centres (Conville temporarily closed for renovations) f) National Presidential Hotline: Tel. 17737	a) Annual User and Client Survey conducted to consult clients on their input, experience; improvements suggested; training required. b) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted WCG Contact Centre: Citizens can provide inputs or raise matter, monthly analysis done	a) Annual User and Client Survey conducted. b) Annual User and Client Report finalised.
<b>Access:</b>		
Access created through:	Access created through the 14 Government channels (including Intranet):	Access created through the 14 Government channels (including Intranet):
a) WCG Digital platform: Internet Portal: <a href="http://www.westerncape.gov.za/">http://www.westerncape.gov.za/</a> Intranet Portal: <a href="http://intrapgwc.gov.za/">http://intrapgwc.gov.za/</a> b) WCG Social Media channels: Twitter: <a href="https://twitter.com/WesternCapeGov">https://twitter.com/WesternCapeGov</a> Facebook: <a href="https://www.facebook.com/WesternCapeGovernment">www.facebook.com/WesternCapeGovernment</a> YouTube: <a href="https://www.youtube.com/user/westerncapegov">https://www.youtube.com/user/westerncapegov</a> LinkedIn: <a href="https://www.linkedin.com/company/westerncape-government">https://www.linkedin.com/company/westerncape-government</a> c) WCG Contact Centre: Call Centre: 0860 142142 Fax: 021 483 7216 SMS: 31022 – Help Please Call Me: 079 769 1207 Walk-in-Centre: 9 Wale Street, Cape Town Snail Mail: 9 Wale Street, Cape Town E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> Presidential Hotline: 17737 d) Cape Access Programme: 70 Cape Access e-Centres: <a href="https://www.westerncape.gov.za/capeaccess">https://www.westerncape.gov.za/capeaccess</a>	a) WCG Digital platform: Internet Portal: <a href="http://www.westerncape.gov.za/">http://www.westerncape.gov.za/</a> Intranet Portal: <a href="http://intrapgwc.gov.za/">http://intrapgwc.gov.za/</a> b) WCG Social Media channels: Twitter: <a href="https://twitter.com/WesternCapeGov">https://twitter.com/WesternCapeGov</a> Facebook: <a href="https://www.facebook.com/WesternCapeGovernment">www.facebook.com/WesternCapeGovernment</a> YouTube: <a href="https://www.youtube.com/user/westerncapegov">https://www.youtube.com/user/westerncapegov</a> LinkedIn: <a href="https://www.linkedin.com/company/westerncape-government">https://www.linkedin.com/company/westerncape-government</a> c) WCG Contact Centre: Call Centre: 0860 142142 Fax: 021 483 7216 SMS: 31022 – Help Please Call Me: 079 769 1207 Walk-in-Centre: 9 Wale Street, Cape Town Snail Mail: 9 Wale Street, Cape Town E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> Presidential Hotline: 17737	a) WCG Digital platform: Internet Portal: <a href="http://www.westerncape.gov.za/">http://www.westerncape.gov.za/</a> Intranet Portal: <a href="http://intrapgwc.gov.za/">http://intrapgwc.gov.za/</a> b) WCG Social Media channels: Twitter: <a href="https://twitter.com/WesternCapeGov">https://twitter.com/WesternCapeGov</a> Facebook: <a href="https://www.facebook.com/WesternCapeGovernment">www.facebook.com/WesternCapeGovernment</a> YouTube: <a href="https://www.youtube.com/user/westerncapegov">https://www.youtube.com/user/westerncapegov</a> LinkedIn: <a href="https://www.linkedin.com/company/westerncape-government">https://www.linkedin.com/company/westerncape-government</a> c) WCG Contact Centre: Call Centre: 0860 142142 Fax: 021 483 7216 SMS: 31022 – Help Please Call Me: 079 769 1207 Walk-in-Centre: 9 Wale Street, Cape Town Snail Mail: 9 Wale Street, Cape Town E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> Presidential Hotline: 17737

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Courtesy:</b>		
Courtesy is reported and measured through:	Courtesy is reported and measured through:	Courtesy is reported and measured through:
a) User and Client Experience Surveys b) WCG Portal c) WCG Contact Centre d) WCG Intranet e) Cape Access functional e-Centres f) Presidential Hotline resolution	a) WCG Contact Centre: monthly statistics of incident received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements b) Annual User and Client Survey conducted to consult clients on their input, experience; improvements suggested; training required c) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted d) Annual Contact Centre training e.g. how to answer telephone; how to engage with citizens etc.	a) WCG Contact Centre: monthly statistics of incident received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements b) Annual User and Client Survey conducted c) Annual User and Client Report finalised d) Annual Contact Centre training conducted
<b>Additional achievement:</b>		
g) WCG Social Media: Twitter: <a href="https://twitter.com/WesternCapeGov">https://twitter.com/WesternCapeGov</a> Facebook: <a href="https://www.facebook.com/WesternCapeGovernment">www.facebook.com/WesternCapeGovernment</a> YouTube: <a href="https://www.youtube.com/user/westerncapegov">https://www.youtube.com/user/westerncapegov</a> LinkedIn: <a href="https://www.linkedin.com/company/western-cape-government">https://www.linkedin.com/company/western-cape-government</a>		
<b>Openness and transparency:</b>		
Openness and transparency is achieved through:	Openness and transparency is achieved through:	Openness and transparency is achieved through:
a) User surveys conducted b) WCG Portal: <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a> c) WCG Contact Centre: Call Centre: 0860 142142 SMS: 31022 – Help Please Call Me: 079 769 1207 Walk-in-Centre: 9 Wale Street, Cape Town Snail Mail: 9 Wale Street, Cape Town E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> Fax: 021 483 7216 d) WCG Intranet: <a href="http://intranet.westerncape.gov.za">http://intranet.westerncape.gov.za</a> e) 70 Cape Access functional e-Centres (Conville temporary closed for renovations) f) Presidential Hotline: Tel. 17737	a) 1 Departmental Annual Performance Plan published during March annually b) 1 Departmental Annual Performance Report tabled annually c) 100% available Western Cape Government website, which is updated, as required: <a href="http://www.westerncape.gov.za/">www.westerncape.gov.za/</a> d) Contact Centre employees available at the 14 government channels e) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements. f) Annual User and Client Survey conducted to consult clients on e.g. their input, experience; improvements suggested; training required g) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted	a) 1 Departmental Annual Performance Plan published b) 1 Departmental Annual Performance Report tabled c) 100% available Western Cape Government website which is updated, as required: <a href="http://www.westerncape.gov.za/">www.westerncape.gov.za/</a> d) Contact Centre employees available at the 13 government channels e) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements f) Annual User and Client Survey conducted g) Annual User and Client Report finalised
<b>Value for money:</b>		
a) Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)	a) Use of ICTs to facilitate more efficient and effective communication and service delivery (within allocated budget)	a) ICTs used to facilitate more efficient and effective communication and service delivery

## Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
<b>Cape Access e-Centre operations</b>		
Information is communicated through:	Information is communicated through:	Information is communicated through:
<p>a) Cape Access website: <a href="http://www.westerncape.gov.za/capeaccess">www.westerncape.gov.za/capeaccess</a></p> <p>b) 70 Cape Access e-centres (e-Centre contact details can be provided per e-Centre on request)</p> <p>c) WCG Digital platform: Internet Portal: <a href="http://www.westerncape.gov.za/">http://www.westerncape.gov.za/</a> Intranet Portal: <a href="http://intrapw.pgwc.gov.za">http://intrapw.pgwc.gov.za</a></p> <p>d) WCG Social Media channels: Twitter: <a href="https://twitter.com/WesternCapeGov">https://twitter.com/WesternCapeGov</a> Facebook: <a href="https://www.facebook.com/WesternCapeGovernment">www.facebook.com/WesternCapeGovernment</a> YouTube: <a href="https://www.youtube.com/user/westerngov">https://www.youtube.com/user/westerngov</a> LinkedIn: <a href="https://www.linkedin.com/company/western-cape-government">https://www.linkedin.com/company/western-cape-government</a></p> <p>e) WCG Contact Centre: Call Centre: 0860 142142 Fax: 021 483 7216 SMS: 31022 – Help Please Call Me: 079 769 1207 Walk-in-Centre: 9 Wale Street, Cape Town Snail Mail: 9 Wale Street, Cape Town E-mail centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> Presidential Hotline: 17737</p>	<p>a) 1 Departmental Annual Performance Plan is published during March annually.</p> <p>b) 100% available Cape Access website: <a href="http://www.westerncape.gov.za/capeaccess">www.westerncape.gov.za/capeaccess</a></p> <p>c) 70 Cape Access e-Centres (e-Centre contact details can be provided as per e-Centre on request) which have brochures available at the Cape Access e-Centres.</p> <p>d) Training and capacity-building interventions provide opportunities for information sharing (training as scheduled).</p> <p>e) e-Centre managers are on site at all e-Centres to provide information to citizens.</p> <p>f) 24/7 access to website at <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a> and social media accounts.</p>	<p>a) 1 Departmental Annual Performance Plan published</p> <p>b) Cape Access website 100% available: <a href="http://www.westerncape.gov.za/capeaccess">www.westerncape.gov.za/capeaccess</a></p> <p>c) 70 Cape Access e-Centres (e-Centre contact details can be provided as per e-Centre on request). Brochures are available at the Cape Access e-Centres.</p> <p>d) Training is conducted as scheduled.</p> <p>e) e-Centre managers on site at all e-Centres provided information to citizens.</p> <p>f) 24/7 access to website at <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a> and social media accounts.</p>
<b>e-Government channels</b>		
Information is communicated through:	Information is communicated through:	Information is communicated through:
<p>a) WCG Digital platform: Internet Portal: <a href="http://www.westerncape.gov.za/">http://www.westerncape.gov.za/</a> Intranet Portal: <a href="http://intrapw.pgwc.gov.za/">http://intrapw.pgwc.gov.za/</a></p> <p>b) WCG Social Media channels: Twitter: <a href="https://twitter.com/WesternCapeGov">https://twitter.com/WesternCapeGov</a> Facebook: <a href="https://www.facebook.com/WesternCapeGovernment">www.facebook.com/WesternCapeGovernment</a> YouTube: <a href="https://www.youtube.com/user/westerncapegov">https://www.youtube.com/user/westerncapegov</a> LinkedIn: <a href="https://www.linkedin.com/company/westerncape-government">https://www.linkedin.com/company/westerncape-government</a></p> <p>c) WCG Contact Centre: Call Centre: 0860 142142 Fax: 021 483 7216 SMS: 31022 – Help Please Call Me: 079 769 1207 Walk-in-Centre: 9 Wale Street, Cape Town Snail Mail: 9 Wale Street, Cape Town E-mail Centre: <a href="mailto:service@westerncape.gov.za">service@westerncape.gov.za</a> Presidential Hotline: 17737</p> <p>d) Cape Access Programme: 70 Cape Access e-Centres: <a href="https://www.westerncape.gov.za/capeaccess">https://www.westerncape.gov.za/capeaccess</a></p>	<p>a) 1 Departmental Annual Performance Plan published during March annually</p> <p>b) 1 Departmental Annual Performance Report tabled annually</p> <p>c) 100% available Departmental website: <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a></p> <p>d) 13 available government channels with Contact Centre employees providing information</p>	<p>a) 1 Departmental Annual Performance Plan published</p> <p>b) 1 Departmental Annual Performance Report tabled</p> <p>c) 100% available Departmental website: <a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a></p> <p>d) 13 available government channels with Contact Centre employees providing information</p>

## Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<b>Cape Access e-Centre operations</b>		
Complaints/Suggestions/ Compliments/ Queries are registered and monitored through:	Complaints/Suggestions/ Compliments/ Queries are registered and monitored through:	Complaints/Suggestions/ Compliments/ Queries were registered and monitored through:
a) 70 Cape Access functional e-Centres b) Contact with Regional Co-ordinator or Manager c) WCG Portal d) WCG Contact Centre provided e) Presidential Hotline (Western Cape) resolution provided f) Communication (written, verbal) provided	a) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements. b) Annual User and Client Survey conducted to consult clients on e.g. their input, experience; improvements suggested; training required. c) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted. d) E-Centre managers on site during working hours to engage with citizens throughout access sessions to obtain their input, when required.	a) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements. b) Annual User and Client Survey conducted. c) Annual User and Client Report finalised. d) E-Centre managers on site during working hours to engage with citizens throughout access sessions to obtain their input, when required.
<b>e-Government channels</b>		
Complaints/Suggestions/ Compliments/ Queries are registered and monitored through:	Complaints/Suggestions/ Compliments/ Queries are registered and monitored through:	Complaints/Suggestions/ Compliments/ Queries were registered and monitored through:
a) User surveys conducted b) WCG Digital (Internet and Intranet) c) WCG Contact Centre d) Cape Access functional e-Centres e) Presidential Hotline (Western Cape) f) Contact with Supervisor or Manager g) Communication (written, verbal) provided	a) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements b) Annual User and Client Survey conducted to consult clients on their input, experience; improvements suggested; training required c) Annual User and Client Report indicating findings and recommendations on Annual User and Client Survey conducted	a) WCG Contact Centre: monthly statistics of incidents received, as well as resolution rate. Incidents escalated to WCG departments to assist with resolutions. Citizens assist with identifying improvements b) Annual User and Client Survey conducted c) Annual User and Client Report finalised

## 2.3. Organisational environment

### Branch: Executive Support

Organisational design interventions continued in the Branch: Executive Support, most notably in the directorates Supply Chain Management and Administration, Secretariat Services and Protocol and Departmental Strategy aimed at determining the most optimum structures to give effect to mandates. These components are not optimally structured and the impact on their performance is significant. Despite that, they operated commendably and delivered the agreed strategic outputs and outcomes, but not without a huge toll on employees.

The level of interaction of officials in the Cabinet Secretariat and Protocol is at a very high stakeholder level, and this remains a structural anomaly. Similarly, the very lean human resources of the departmental strategy component, has a risk that the quality of products and services could be negatively impacted in the long run, specifically with regard to verification and monitoring of performance measures in the Department of the Premier.

The configuration of the Director-General Support component is also not optimized as this component deals with a variety of complex documents and issues ranging from external stakeholder relations, provincial parliament as well as high level national government role-players and oversight bodies. Capacity in this component has been a serious challenge, despite the innovative efforts of the employees affected. This too is not sustainable. Failure to resolve these configurational challenges has the potential to impact the work of the Accounting Officer negatively, including negatively impacting the career paths of some senior employees in the Branch.

The Branch has managed to perform successfully despite the unavoidable austerity regiment which also affected the rate of filling of critical vacancies.

## **Branch: Strategic Programmes**

Programme 2 (Branch: Strategic Programmes) includes the Chief Directorate: Policy and Strategy, the Chief Directorate: Strategic Management Information and Chief Directorate: International and Priority Programmes. The Branch has been operating with a very strained human resource capacity, with a number of critical vacancies, including at director level. The Chief Directorate: International Relations and Priority Programmes has had no permanently appointed directors, for more than three years in the case of International Relations and for the Directorate: Priority Programmes Coordination, not since its inception. The limited human resources place tremendous strain on the staff complement, which is not sustainable. The Chief Directorate: Policy and Strategy also continues to manage its workload with only two of its three director posts filled.

Up to March 2019, within the context of the legislative environment, the Chief Directorate Strategic Management Information has operated within the parameters of virtual functions as the current structure is out of touch with the delivery requirements. The virtual structure has now been overtaken by current developments within the Province-wide Data Governance programme and the Provincial Data Office renders services to key stakeholders. Furthermore, the resource constraints are impacting on the WCG delivery as it relates to the management of performance data and information.

A complete functional review of the programme is being conducted by the Chief Directorate: Organisation Development. The aim would be to confirm the requisite capability for the programme to enable it to deliver on its mandate.

## **Branch: People Management**

The impact of Public Service Regulations 2016 (its concomitant additional functions and responsibilities) and the Branch: People Management's aspiration to become future-fit will most likely result in a review of the structure of the Branch, as will the need to formalise management arrangements that have demonstrated a proven need for a more permanent solution. In this regard, the establishment of the Directorate: Performance and Priority Unit and the reorganisation of the Directorate: People Empowerment has been finalised.

There is also no clear direction from National Treasury and Provincial Treasury with regard to the roll-out of the Integrated Financial Management System (IFMS).

## **Branch: Centre for e-Innovation**

Within the Branch: Centre for e-Innovation substantial use has been made of a temporary structure for the chief directorates Connected Government and Transversal Applications as well as the Directorate: Distributed Computing and Directorate: Schools LANs in the Chief Directorate: GITO Management Services. This arrangement is far from ideal and was initially required to ensure sufficient capacity for the core roles, as was required for the Broadband and Transversal Applications environments due to the tremendous growth in ICTs in the province, including schools. The revised CeI structure has now been finalised and implemented, with some of the key funded posts filled and others to be filled as funding becomes available. It should also be noted that the Ce-I is largely

dependent on the use of externally sourced resources (Professional Services) as a result of the difficulty experienced by government with attracting, developing and retaining staff in the application, technologist and business analyst roles.

## Branch: Corporate Assurance

The organisational structure of the Branch: Corporate Assurance is, as indicated in the APP, not ideal. It does, however, respond reasonably to the demand for services in the Branch. In the context of the weak economic outlook, additional funding is not foreseen in the medium term, and in line with departmental planning processes certain posts are not funded. The funded posts in this branch have been filled and where vacancies arise, they are addressed expeditiously if approved for filling. We no longer have budget flexibility to augment capacity, but where required and within the available budget, capacity is augmented by insourcing capacity, especially in the Chief Directorate: Internal Audit. There are some areas where it is not viable to create permanent posts in the approved structures due to the specific expertise required; these skills will be insourced as and when required.

Legal Services maintained its levels and standards of service that it renders to a large client base, which comprises the Provincial Executive, provincial departments and a number of provincial public entities. Due to significant growth in the demand for services over time, a review of Legal Services' structure and delivery model was completed internally during the 2018/19 financial year, the implementation of which is subject to consultation with external stakeholders.

## 2.4. Key policy developments and legislative changes

The promulgation of the Public Service Regulations, 2016 with concomitant directives issued by the Minister of Public Service and Administration (MPSA) has had an indelible impact on the people management policy environment. As a consequence, new prescripts and procedures were directed, resulting in the Corporate Services Centre having to align provincial people management policies and practices to the new regulations. The alignment process has been concluded and a policy renewal programme is currently underway and will continue into the next financial year. The implementation of the new regulations are still hampered by vague contents of directives by the MPSA or by the failure to issue directives.

The Department of the Premier has been instrumental in developing the policy and resultant legislation to appoint the first Commissioner for Children in the Province and South Africa. The Western Cape Commissioner for Children Act, 2019 (Act 2 of 2019) was assented to and signed by the Premier on 29 March 2019. The purpose of the Children's Commissioner is to assist the WCG in promoting and protecting the rights and interests of children. The Children's Commissioner's powers and duties are to monitor, investigate, research, educate, lobby and advise on matters pertaining to children in the areas of health services, education, welfare services, recreation and amenities, and sport. The next phase will entail the call for nominations from the public to start the appointment process – which will be led by the Western Cape Provincial Parliament.

## 3. STRATEGIC OUTCOME-ORIENTED GOALS

The Department crafted three strategic goals to guide the institution as it gives effect to the mandate of Government. These three goals are captured in the Department's strategic plan as:

1. improved good governance in the Western Cape Government;
2. enabled strategic decision-making and stakeholder engagement; and
3. enabled service excellence to the people of the Western Cape with people, technology and processes.

The National Development Plan 2030 and the supporting Medium-term Strategic Framework (MTSF) (2014-2019) respond strategically to the main challenges facing South Africa: poverty, inequality and unemployment. The National Development Plan put forward a number of national key priorities for the country to be achieved over the next 15 years in response to the main strategic challenges. The MTSF constitutes the first five-year delivery plan against the National Development Plan. The alignment of the Department's strategic plan with the national strategic imperatives can be found in the following outcomes:

- Outcome 3: All people in South Africa are and feel safe as it relates to the work of the Chief Directorate: Provincial Forensic Services.
- Outcome 6: An efficient, competitive and responsive economic infrastructure network as it relates to strategic initiatives to improve Broadband connectivity.
- Outcome 12: An efficient, effective and development-oriented public service as it relates, predominantly, to the work of the Corporate Services Centre.

Provincial Strategic Goal 5 as contained in the Provincial Strategic Plan (2014-2019) allows for synergy with all three the outcomes listed above, but in particular as it relates to the notion of a capable and developmental state.

The Department contributed mainly to Provincial Strategic Goal 5, which aims to embed good governance and integrated service delivery through partnerships and spatial alignment. This strategic goal will be achieved through pursuing the objectives relating to enhancing good governance in the Western Cape Government, fostering of an inclusive society and achieving greater integration between the different strategic agents involved in ensuring outcomes that add public value.

Significant progress has been made with the pursuit of the departmental strategic goals, as illustrated by progress made with the realisation of indicator targets.

The first outcome indicator is of a composite nature and consists of five governance areas measured on a five-point scale: people management maturity, WCG governance maturity, results-based monitoring and evaluation maturity, ICT governance maturity and stakeholder engagement. It is recognised that parts of the measuring instrument are still in development.

With regard to the WCG governance maturity model, it can be reported that the development of a single governance framework for the WCG, as well as the associated maturity model, was completed and approved during the period under review. This paved the way for determining a provincial baseline for corporate governance for the ensuing financial year.

The level of Results-based Monitoring and Evaluation maturity for the WCG was calculated as an average of all the individual WCG departments' assessments. The result reflects that an overall score of 3.25 for 2018/19 was achieved as compared to 3.21 in 2017/18. This score of 3.25 in 2018/19 represents an incremental increase on the 2017/18 (3.21) and 2016/17 (3.15) scores. The final score confirms that RBME has been sustained following the adoption of the approach in WCG and that some departments are maturing in some areas faster than others.

An ICT governance maturity rating of 1 was once again achieved against the COBIT 5 assessment tool. It must be noted that COBIT 5 has far more stringent assessment criteria than COBIT4 and that most agents in the industry, would score a level 1 against COBIT5.

The second indicator relates to the overall performance against MPAT1.8 as administered by the Department of Planning, Monitoring and Evaluation. The Department achieved a compliance rating of 95% on a level 3 and 4 score, which is higher than the previous rating of 91% achieved during the 2017/18 financial year.

In respect of contribution to the National Development Plan and Medium-term Expenditure Framework the work of Provincial Forensic Services contributed to Outcome 3: All people in South Africa are and feel safe, particularly as



it pertains to fighting corruption. The unit rendered a range of preventative and reactive services to all departments in the WCG. Some of the interventions implemented included fraud risk assessments, training employees on the definitions and types of fraud, corruption and how to identify it and all aspects of whistle-blowing. Electronic newsletters and other awareness interventions were also conducted.

The Centre for e-Innovation contributed directly to Outcome 6: An efficient, competitive and responsive economic infrastructure network as it relates to the Unit's strategic initiatives to improve Broadband connectivity. By the end of the reporting period, 1 875 government sites had already been connected to Broadband (with 684 having been upgraded to phase 2 Broadband connectivity speeds as at the end of the 2018/19 financial year) which places the WCG well ahead of the targets as proposed in SA Connect (the Broadband Policy for the country). Improving access to include municipalities is currently under consideration.

The bulk of the work of the Corporate Services Centre also contributed to Outcome 12: An efficient, effective and development-oriented public service. In this regard, good progress was registered with the development of people management maturity and governance maturity models, in addition to the existing ICT governance maturity model. These models will embed good governance in the WCG as the foundation of a capable state.

In rendering relevant and timeous executive governance support services to the Executive and the Director-General, the Department provided a support service to the Premier and the Director-General. Executive engagements were supported, which enabled the Executive to govern the Province.

A critical indicator of the quality of governance support rendered to the executive authority and accounting officer of the Department is the financial conformance and performance. In this respect, the Department again managed to achieve a clean audit. Despite austerity measures having to be implemented from the second quarter, the Department still managed to achieve a 96.9% spend of its budget allocation for the year under review.

Governance support and stakeholder engagement in respect of international relations showed improvement in the transversal coordination and execution of this function in support of the growth and development agenda of the Province. Towards an inclusive society, Human rights support saw a shift away from an events-oriented approach towards firmer attempts to mainstream human rights issues into the fabric of provincial government. The Community Engagement Forum (PSG5 WG3) implemented a training methodology to drive community-centred engagement. Programmes in partnership with the Events Forum such as the annual conference, 3 master classes, and the Events Incubation Programme continued to provide information sharing and learning opportunities for event organisers.

Significant progress was made towards supporting the Premier and Cabinet professionally in order to effectively exercise their executive authority in respect of provincial strategic management through supporting the development and implementation of strategies and policies for the Western Cape. Key deliverables included a comprehensive End-of-term Review of the PSP 2014-2019, as well as Implementation Evaluation of the Provincial Transversal Management System and the finalisation of the Children's Commissioner Draft Bill with Legal services, which was enacted in March 2019 and 17 policy and strategy papers, including 10 policy commentaries.

The Department, through the provision of strategic management information, has responded to the DPME focus areas relating to M&E. In this regard, this year marks the achievement of its eighth (8) Management Performance Assessment Tool (MPAT) cycle; managing the seventh (7) Provincial Evaluation Plan process; conducting technical assessments on performance indicators and quarterly performance data of 13 departments and ten (10) entities and technical assessments of performance indicators and data sources. At a provincial level, the Department through the Results-based M&E approach maintained an indicator system with data trends of 90 outcome indicators and 60 service delivery indicators supported with reliable data sources; as well as the Western Cape Government Spatial Data Observatory. A key milestone is the demand for the annual publications and quarterly briefs produced and used to inform an evidence-based approach to decision-making.

## The Branch: People Management

The Branch pursues the strategic objective that seeks to provide a highly capable workforce, create an enabling workplace and develop leadership that promotes employee engagement and optimal service delivery. The Branch is placed within the Corporate Services Centre of the Department and provides transversal services across Western Cape Government (WCG) departments, which range from the high-volume transactional to expert advice and consultancy. As such it encompasses day-to-day operational activities, as well as an array of different transversal initiatives, programmes, interventions and projects. The Branch is not limited to the operational space, but ensures that people management contributes to the achievement of the strategic goals of the Department and the WCG as a whole. It ensures that people management contributes to the achievement of the strategic goals aligned with the National Development Plan, specifically the achievement of a Capable State and Provincial Strategic Goal 5. The PSG 5 project that contributes specifically to the sub-output Service Excellence with People is the development and implementation of a people management maturity model based on the principles of self-assessment and panel moderation (much like the current MPAT process). It consists of a maturity growth path of levels 1-5 (with 1 being “fragmented” and 5 being “continuously improved. The assessment tool was tested within the Branch and demonstrated value in prioritising developmental focus of People Management practices. The People Management Branch delivers its core function of people management through organisational development, people management practices and people training and empowerment. The constrained budget allocation, an increase in demand for services, lack of joint planning and ad hoc requests from departments is however placing the ability of the Branch to perform its functions under serious strain. The streamlined service level agreements with departments are improved and regular engagement with senior officers of departments ensures that there is a clearer understanding of respective roles and responsibilities, more planned and agreed interventions, and improved service delivery. The overall emphasis of the CSC on demand planning processes and service delivery (via the introduction of WCG Dashboard) will also assist in improving the performance of the Branch. The Values-based Leadership Development (VBLD) initiative, envisaged to be piloted in 2019, will also play a pivotal role in increasing the required leadership capability that is so vital in the challenging, austere environment the WCG finds itself. It is foreseen that the VBLD initiative will play an instrumental role in facilitating the desired cultural transformation within the WCG to support the delivery of the PSP.

In this regard, the Chief Directorate Organisation Development of the Branch accepted 88 projects of which 60 were completed in the financial year. The remainder of the projects are multi-year projects and will be finalized in the 2020 financial year. These projects were aimed at bolstering the service delivery capability of the Western Cape Government through solutions like process improvements, design solutions to facilitate the delivery of strategy implementation and organization culture solutions aimed at developing and reinforcing the appropriate practices to support service delivery improvement. The foundation was laid through a Strategic Alignment Workshop with the senior leadership of the Province, to assess and develop the change capability required to support the delivery of the PSP and to contribute to the overall resilience of the WCG. Similarly, the delivery of transversal and management training by the Provincial Training Institute contributed to establishing the provincial government as a professional institution with excellent people. In addition, certain process reengineering and system implementation in the people practices environment resulted in reduced turnaround times within the transactional environment for example within service conditions, leave administration and recruitment. These gains contribute to greater efficiencies in government while ensuring that a conducive workplace is attained. One of the success stories of the Department has been the Premier’s Advancement of Youth Project (PAY) that seeks to give matriculants work experience and learning opportunity for a period of 1 year. Since its inception in 2012, just under 5000 matriculants has been PAY interns in departments of the Western Cape Government.

**In the Centre for e-Innovation**, and as mentioned above, significant progress has been made in the roll-out of Broadband to the WCG corporate sites, health sites, libraries, schools and Cape Access centres. At the end of the 2018/19 financial year, a total of 1 875 sites were provided with Broadband connectivity of which 684 have been upgraded to Phase 2 Broadband connectivity speeds as at the end of the 2018/19 financial year. The Broadband infrastructure has laid the foundation for the Province’s e-learning strategy and other major ICT-related initiatives (such as the shift to cloud computing and unified communications). The Province’s commitment towards improving

ICT Governance Maturity is evidenced by the fact that key projects have been included in Provincial Strategic Goal 5. Steady progress continues to be made towards improving the ICT governance maturity through various interventions in the areas of Information Security, Business Continuity Planning/Disaster Recovery Planning, ICT Planning, IT Service Management and refreshing of the WCG Technology landscape. Ce-I has also managed to maintain a systems and network uptime and availability in excess of 98%. Good progress has also been made with the implementation of the Biz Systems applications and infrastructure (which includes the BizBrain, BizPerformance and other bespoke applications). Good progress was also made with the migration of e-mail to Cloud Services as well as the migration of all Oracle-based systems to SITA's Oracle Cloud Services for government.

In the corporate assurance environment, the achievement of PSG5 is supported by deliverables such as the roll-out of the Combined Assurance Framework as well as the finalisation of the WCG Corporate Governance Framework and concomitant Maturity Assessment Model. The Corporate Governance Framework was completed and adopted by the Provincial Top Management and now formalises the principles and requirements to which corporate governance for the WCG is benchmarked.

The progress registered above indicated how deliverables in support of the departmental strategic goals also contributed to the realisation of the Provincial Strategic Plan and in particular Provincial Strategic Goal 5. Programme 2: Provincial Strategic Management supported the Executive in the development and implementation of the Provincial Strategic Plan 2014-2019 resulting in a synergistic relationship with the National Development Plan as it relates to "build a professional public service and a capable state" and national outcome 12; "an efficient, effective and development orientated public service". All the 2018/19 deliverables supported the realisation of these national imperatives, specifically as it relates to the deliverables of Programme 3, People Management (including organisational development, people training and empowerment and human resource management), Programme 4, Centre for e-Innovation and Programme 5, Corporate Assurance (enterprise risk management, internal audit, provincial forensic services and legal services and corporate communication). Deliverables by these programmes contributed directly to the national outputs relating to improved access and quality of services, human resource management and development, business processes, systems, decision rights and accountability, citizen participation and reducing corruption.

One of the aims of the National Development Plan is to foster improved governance by, amongst others, professionalising the public service, upgrading skills, improving coordination within government and tackling fraud and corruption. These delivery mechanisms form the basis of the department's core functions and the achievements registered during 2018/19 continued to address these aims.

## **4. PERFORMANCE INFORMATION BY PROGRAMME**

### **4.1. Programme 1: Executive Support (Administration)**

#### **4.1.1. The purpose of the programme**

The purpose of the programme is to provide executive governance services. The programme strategically supports the Department of the Premier, Cabinet and the Accounting Officer and the provincial top management by providing good governance support and seamless executive secretariat support services for effective decision-making by the Executive. In addition, the programme enables the Accounting Officer to comply with his corporate responsibilities, e.g. financial management, internal control, supply chain management, strategic management, strategic communications, Minimum Information Security Standards (MISS) and Occupational Health and Safety (OHS). The departmental Deputy Information Officer function is also provided for in this programme.

The programme contributes to Provincial Strategic Goal 5 aimed at enhancing good governance in the Western Cape Government through efforts to improve corporate governance maturity, people management maturity and e-governance maturity and connectivity. There is also a linkage with the 2014/2019 Medium Term Strategic Framework as it relates to obtaining a positive audit outcome, payment of unopposed invoices within 30 days, maintenance of financial delegations and a procurement system that delivers value for money, which are all critical landmarks of good governance. The supply chain management policy and delegations are reviewed annually to incorporate changes in the policy environment and introduce improved practices to officials in the Department.

#### 4.1.2. Sub-programmes

During the period under review the programme provided for the following functions to be delivered:

Sub-programme 1.1: Programme support: to provide administrative support to the management of this programme.

Sub-programme 1.2: Office of the Premier: to provide operational support to the Premier. Operational support to the Premier entails general office support, parliamentary support, media liaison services, diary management and reception services, as well as household support at the official residence. Most of the key positions in this sub-programme are filled on a contractual basis as it is linked to the term of the Premier. Provision is also made for the appointment of special advisors in accordance with the Ministerial Handbook.

Sub-programme 1.3: Executive Council Support: to manage the executive secretariat. This sub-programme manages the provision of secretariat, logistical and decision support services to the Cabinet, the Premier's intergovernmental relations forums, the provincial top management and the Department of the Premier's executive committee. The unit further deals with provincial protocol matters and administers the provincial honours.

Sub-programme 1.4: Departmental Strategy: to provide strategic management, coordination and governance support services. The sub-programme facilitates the departmental strategic management processes, and the safety and security arrangements for the Department.

Sub-programme 1.5: Office of the Director-General: to provide operational support to the Director-General. The sub-programme provides operational and administrative support services to the Director-General, manages departmental responses to parliamentary questions and assists with communication between the Director-General and relevant role players.

Sub-programme 1.6: Financial Management: to manage financial and supply chain management services. The sub-programme ensures effective budget management, accounting and financial accounting services as well as the application of effective and efficient internal control measures. The sub-programme also ensures continuous engagements with line-functions throughout the year to facilitate appropriate budgetary input and proper, aligned procurement processes and advice. A compliant system of SCM is managed on behalf of the Accounting Officer and the sub-programme also manages the provisioning of assets and the monitoring of the asset register. The departmental records are managed in accordance with the National Archives and Records Service of South Africa Act (Act No. 43 of 1996, as amended in 2001). Transport management and general support services are also provided to the Department.

Sub-programme 1.7: Strategic Communication: to coordinate external communication and public engagement to ensure that the Western Cape Government effectively communicates its strategic goals and service delivery outcomes to the people of the Western Cape.

### 4.1.3. Strategic Objectives, performance indicators, planned targets and actual achievements

#### 4.1.3.1. Strategic Objectives

Programme 1: Executive Support								
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
To enable departmental strategic management through facilitating departmental strategic planning processes	Strategic Management MPAT level obtained	3	4	3	3	4	1	Satisfactory compliance with MPAT requirements
To enable proper departmental financial management as reflected by the audit opinion obtained in respect of the preceding financial year	Audit opinion obtained in respect of the previous financial year	Clean audit	Clean audit	Clean audit	Unqualified audit	Clean audit	n/a	n/a
To coordinate communication and public engagement to ensure that the strategic goals of the Western Cape Government are communicated to the people of the Western Cape	Number of assessment reports submitted to Cabinet on the Western Cape Government communication environment	16	12	12	12	12	n/a	n/a

The Sub-programme Departmental Strategy managed to obtain a level 4 score against the Key Performance Area Strategic Management in the Management of Performance Assessment Tool for the 2018/19 financial year. This deliverable contributed to the establishment and maintenance of good governance practices in the Department and therefore contributes indirectly to the national outcome to “build a professional public service and a capable state” and national outcome 12; “an efficient, effective and development orientated public service”. It thus also contributed to the PSG5 outcome relating to “efficient, effective and responsive provincial governance.”

The Department also succeeded in achieving a clean audit for the 2018/19 financial year which is indicative of the Department's ability to maintain good governance standards. As such, this deliverable also contributed directly to building a professional public service and a capable state and national outcome 12: “an efficient, effective and development orientated public service”, as well as the PSG5 outcome relating to “efficient, effective and responsive provincial governance.”

The Sub-programme Strategic Communication assessed the communication environment in the Western Cape and continued to report to Cabinet in this regard through the submission of 12 reports. Assessing and responding appropriately to citizens on the programmes of government are important aspects of good governance. The deliverable therefore supported the building of a professional public service and a capable state and national

outcome 12: “an efficient, effective and development orientated public service”. It thus also contributed to the PSG5 outcome relating to “efficient, effective and responsive provincial governance.”

#### 4.1.3.2. Performance indicators

Programme 1: Executive Support							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
Sub-programme 1.4: Departmental Strategy							
1.4.1 Number of statutory reports submitted to Provincial Treasury	6	6	6	6	6	n/a	n/a
Sub-programme 1.6: Financial Management							
1.6.1 Percentage spend achieved on the budget of the Department in respect of the preceding financial year	77.34% Numerator: 1042874 Denominator: 1348394	94,4% Numerator: R 1 200 773 Denominator: R 272 608	98.4% Numerator: R1342944 Denominator: R1364850	98%	97.15% Numerator: R1 358 285 Denominator: R1 398 124	0.85%	Underspend on COE, G&S, Transfers and Capital
1.6.2 Supply Chain Management MPAT level obtained	3.9	4	4	3+	4	1	SCM complied satisfactorily to all MPAT requirements
1.6.3 Departmental SCM Policy and Delegations reviewed	1	1	1	1	1	n/a	n/a
1.6.4 Number of SCM capacity-building interventions	8	2	2	2	2	n/a	n/a
Sub-programme 1.7: Strategic Communications							
1.7.1 Number of monthly communication tracking reports produced	16	11	11	11	11	n/a	n/a

The Sub-programme Departmental Strategy submitted all its six statutory required documents on time and in the correct format to the respective oversight bodies. The documents comprised of the 2017/18 Annual Report, the 2018/19 Annual Performance Plan and four Quarterly Performance Reports in respect of the 2018/19 financial year.

The Sub-programme Financial Management did not achieve all of its targets for the year under review. The target in respect of the indicator reflecting on the percentage of budget spent was partially achieved and missed the target with a deviation of less than 1%. The partial achievement was due to departmental underspending on Compensation of Employees, goods and services, transfers and capital.

The Sub-programme Strategic Communications achieved all its performance measures for the period under review.

The performance of this programme contributed directly to the establishment and maintenance of good corporate governance in the Department of the Premier as strategic management, financial management and proper communications to citizens are deemed cornerstones of good governance.

#### 4.1.4. Strategy to overcome areas of under performance

Indicators for this programme relate to overall departmental performance and is not necessarily an indication of under-performance in this specific programme. The programme will continue to monitor spending of the Department as part of its normal operations and will report regularly to the departmental Executive, management and various oversight bodies.

#### 4.1.5. Changes to planned targets

There were no changes made to targets in this programme.

#### 4.1.6. Linking performance with budgets

	2018/19			2017/18		
Sub-programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 569	2 466	103	2 198	2 076	122
Office of the Premier	15 789	15 275	514	15 465	15 127	338
Executive Secretariat	11 616	11 466	150	10 350	10 321	29
Departmental Strategy	5 384	5 303	81	4 908	4 163	745
Office of the Director-General	31 514	28 695	2 819	30 553	27 813	2 740
Financial Management	44 085	43 053	1 032	38 334	38 279	55
Strategic Communication	6 347	5 938	409	4 233	3 670	563
<b>Total</b>	<b>117 304</b>	<b>112 196</b>	<b>5 108</b>	<b>106 041</b>	<b>101 449</b>	<b>4 592</b>

The Programme underspent by 4.35% or R5.108 million of the allocated funds. The underspending is mainly due to staff exits.

## 4.2. Programme 2: Provincial Strategic Management

### 4.2.1. The purpose of the Programme:

The purpose of this programme is to provide policy and strategy support as well as strategic management information and to coordinate strategic projects through partnerships and strategic engagements.

The Programme has reflected on its role in strengthening the strategic and integrated approach to the work of the WCG through leading and driving a data-driven organisation, coordinating provincial policy, strategy, planning and implementation support and developing and facilitating local, national and international partnerships and stakeholder engagement.

The Branch Strategic Programmes coordinated a range of transversal programmes and engagements of strategic importance to the WCG. Critical stakeholders of this Branch are the Premier and Cabinet, the Director-General and Heads of Departments, academic institutions, members of the diplomatic corps, non-governmental organisations,

national and local spheres of government, international partners and event organisers etc.

The Branch contributed towards ensuring that the strategic priorities of the Department of the Premier, and the broader Western Cape Government, are aligned with the PSP, OneCape 2040, MTSF and NDP, as well as the global Sustainable Development Goals (SDGs). The strategic coordination of WCG priorities through PSG 5 is critical to the success of the implementation of the plan.

Focus areas of the Branch included institutionalising evidence-based practices, the increased use of quality data and information and improved use of evaluations and research, as evidence for better planning, M&E, and decision-making. The Branch also managed the international engagements between the Western Cape and the international community and coordinates strategic priority programmes including those related to Human Rights and community engagement.

Giving effect to the Integrated Events Strategy and the International Relations Strategy has remained focus area for the Branch.

#### 4.2.2. Sub-programmes:

During the period under review the programme provided for the following functions to be delivered:

Sub-programme 2.1: Programme Support: to provide administrative support to the management of this programme.

Sub-programme 2.2: Policy and Strategy: to support the Executive strategically in the development and implementation of high level provincial policies and strategies.

Sub-programme 2.3: Strategic Management Information: to lead the development of Results-based Monitoring and Evaluation for the provisioning of relevant and accurate data and information within the province-wide Monitoring and Evaluation System.

Sub-programme 2.4: Strategic Programmes: to promote the strategic goals of the Western Cape Government through key partnerships and engagements.

#### 4.2.3. Strategic objectives, performance indicators, planned targets and actual achievements

##### 4.2.3.1. Strategic Objectives

Programme 2: Provincial Strategic Management								
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
To support the Executive strategically in the development and implementation of high level provincial policies and strategies.	Number of action minutes reflecting decisions taken by Cabinet having considered PSP implementation reviews.	3	2	2	2	2	n/a	n/a



Programme 2: Provincial Strategic Management								
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
To lead the development of Results-based Monitoring and Evaluation for the provisioning of relevant and accurate data and information within the province-wide Monitoring and Evaluation System.	Level of results-based monitoring and evaluation maturity achieved in the Western Cape Government	3.15	3.15	3.21	2	3.25	1.25	There is a common approach to RBM&E in the organisation that has become more defined and comprehensive; and that can be sustained within the broader Data Governance and the Business Intelligence Maturity Model
To promote the strategic goals of the Western Cape through key partnerships and engagements.	Number of consolidated reports submitted on key partnerships and engagements.	8	8	8	8	8	n/a	n/a

The Chief Directorate Policy and Strategy continued to support the Executive with the implementation of the Provincial Strategic Plan. In addition to the comprehensive End-of-term Review of the Provincial Strategic Plan 2014 – 2019 and the progress made in implementing the PSP, as well as an Implementation Evaluation of the Provincial Transversal Management System, a Western Cape input into the Department of Planning, Monitoring and Evaluation's 25-year Review was also compiled. The unit continued to assess Departments' Annual Performance Plans to strengthen alignment to the priorities outlined in the PSP and the NDP and prevailing strategic context.

The Chief Directorate: Strategic Management Information is the custodian for Province-wide M&E; and takes the institutional lead on Government-wide Monitoring and Evaluation (GWM&E) at a provincial level. In this regard, the Chief Directorate continued to embed Results-based Monitoring and Evaluation within WCG for the provisioning of relevant and accurate data and information. The RBME- identified strengths were RBM&E capacity, RBM&E frameworks and guideline and M&E technology. Key areas of focus include indicator development, data management and data governance to improve data practices. The Business Intelligence Maturity and Value Assessments for 2018/19 identified advocacy and capacity development as requirements to strengthen the use of BI across business users in WCG. Province-wide Data Governance (PWDG) is a strategic response to the complexity in which government operates within the area of managing disparate data to improve the overall availability, accessibility and use of data for evidence.

The Chief Directorate: International and Priority Programmes continued to strengthen the destination's value proposition by giving effect to the Integrated Events Strategy in striving to grow the event sector. In terms of the International Relations Strategy, the BRICS countries and the rest of Africa continue to be focal areas, without neglecting traditional partners. Both the Diplomatic Brunch and the Africa Day celebrations as well as topical briefings continued to be strategic platforms to engage and build stronger partnerships with Consuls Generals and other strategic partners, while promoting trade, investment and tourism linkages.

The remained focus on the objectives of the IR strategy, namely: to create an enabling environment for the facilitation of trade, tourism & investments; to develop skills and best practices through knowledge & information sharing in all sectors; to improve environmental resilience & adaptation to climate change and sustainability. The sub-programme coordinated WCG priority programmes where strong social outcomes are sought. An example is the monitoring and coordination of the Hangberg Peace Accord and Court Order through community engagement, as well as building of social cohesion between foreign nationals and local communities. The Chief Directorate also assisted with facilitating mediation in other conflict situations, which are mostly fuelled by service delivery issues. Maintaining sound relationships with both the public sector and Non-Governmental Organisations in human rights related matters remained a key focus.

#### 4.2.3.2. Performance indicators

Programme 2: Provincial Strategic Management							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
Sub-programme 2.2: Policy and Strategy							
2.2.1 Number of assessment reports submitted on the alignment and non-alignment of departments' APPs to the Provincial Strategic Plan	1	13	13	13	13	n/a	n/a
2.2.2 Number of policy and strategy papers in response to national and provincial strategic imperatives	20	20	19	14	17	3	This indicator is partly based on demand-driven outputs (policy commentary), there were more requests than anticipated
2.2.3 Number of progress reports submitted to Cabinet on implementation of the Provincial Strategic Plan	3	2	2	2	2	n/a	n/a
Sub-programme 2.3: Strategic Management Information							
2.3.1 Number of annual publications produced on measuring a set of outcome indicators within key policy thematic areas.	1	1	1	1	1	n/a	n/a
2.3.2 Number of annual publications produced on measuring a set of key governance indicators.	1	1	1	1	1	n/a	n/a

Programme 2: Provincial Strategic Management							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
2.3.3 Number of projects performance reviews produced of strategic projects managed through the BizProjects System.	4	4	4	4	4	n/a	n/a
2.3.4 Number of annual reviews produced on implementation of WC Provincial Evaluation Plan.	1	1	1	1	1	n/a	n/a
Sub-programme 2.4: Strategic Projects							
2.4.1 Number of consolidated reports submitted on strategic international engagements.	4	4	4	4	4	n/a	n/a
2.4.2 Number of consolidated reports submitted on strategic priority projects.	4	4	4	4	4	n/a	n/a

The Chief Directorate Policy and Strategy supported the development and implementation of strategies and policies towards the advancement and realisation of the Western Cape Government's strategic priorities. In addition to undertaking policy development, reviews and research related to key transversal priorities, such as Economic Procurement, the YearBeyond programme, Alcohol-related Harm Reduction and Integrated Management, research to support the Whole of Society Approach of the WCG, as well as approaches to resilience for the Western Cape Government was undertaken to inform the development of the PSP 2019 – 2024.

The unit also applied innovative policy and research methodologies aligned to key priorities. This included Behavioural Insights projects on Growth Mindsets among learners, reducing water demand and learner safety in schools – the latter in the form of the first Nudgeathon in Africa – as well as co-hosting an International Conference on Behavioural Insights for Government with the OECD. In addition, Strategic Foresight policy papers were compiled on migration-led population change, with case studies on education and health, as well as the double burden of disease. A further paper on the opportunities and threats associated with a growing older population in the province was drafted, but not finalised in the year under review.

Strategic Management Information annually produces relevant and accurate data that are supported by sound methodologies to inform the evidence agenda. The sub-programme produced three (3) annual publications on key indicator trends in relation to development outcomes, governance and service delivery. The sub-programme also produced four (4) quarterly briefs on non-financial performance and four quarterly reviews on project performance information.

Annually, a review is compiled on the institutionalisation of evaluations as it relates to the Provincial Evaluation Plan. There is also an annual publication on MPAT trends with provincial comparisons. Furthermore, an annual spatial monitoring and evaluation assessment is done to present various indicator trends at a community level. Technical assessments were also conducted on the quality of indicators related to the draft Annual Performance Plans of WCG departments.

The data products were timeously disseminated to key stakeholders in various formats for further use as evidence to inform better decision-making. The sub-programme also responded to a number of requests in relation to data analytics, and produced briefs on data, statistics and information.

In addition, the sub-programme lead the Provincial Data Office Steercom to deliver on the PWDG programme as well as commenced with the delivering of Data Office services. The progress to date is document within an Annual Update.

International Relations and Priority Programmes provided support for strategic events and engagements. Recent developments within the International Relations Forum (IRF) included inviting experts to discuss and share perspectives on pertinent International Relations issues in order to ensure that decision makers are abreast of the latest global trends and developments. Via the Community Engagers Forum methodologies to improve the manner in which WCG staff engage with communities and each other. A United Nations Development Programme-authored methodology – Community Capacity Enhancement (CCE) methodology was piloted and the continued roll out aims to better enable a demand-led service delivery environment. Advances were made in using the Cabinet-approved Human Rights Framework to steer the embedding of human rights mainstreaming throughout WCG.

To give effect to the Integrated Events Strategy a number of events were supported financially and non-financially. The sub-programme continued to play a strategic role in the Provincial Events Forum and the capacity building of event organisers e.g. through key knowledge products like “How to Guides”, in collaboration with CHEC, UCT and CPUT. The Online Reporting Tool was piloted during the reporting period and assists with gauging the impact of WCG’s event support through reporting on key economic, social, environmental and governance data of events. The coordination of the Open House initiative has seen a growing demand by a broad sector of the population as a site for public engagement in a variety of forms particularly in the Arts and Culture space.

#### 4.2.4. Strategy to overcome areas of under performance

There were no areas of under performance in the programme. Management will continue to monitor delivery against targets on a regular basis.

#### 4.2.5. Changes to planned targets

There were no changes to planned targets.

#### 4.2.6. Linking performance to budget

	2018/19			2017/18		
Sub-programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 592	2 535	57	3 254	2 434	820
Policy and Strategy	16 274	15 973	301	14 538	13 515	1 023
Strategic Management and Information	19 294	18 675	619	20 406	19 220	1 186
Strategic Programmes	14 823	14 491	332	16 825	15 115	1 710
<b>Total</b>	<b>52 983</b>	<b>51 674</b>	<b>1 309</b>	<b>55 023</b>	<b>50 284</b>	<b>4 739</b>

The Programme underspent by 2.41% or R1.309 million due to staff exits.

## 4.3. Programme 3: People Management

### 4.3.1. The purpose of the programme

Purpose: To render a transversal people management service, consisting of organisational development, training and empowerment, and people practices.

The Branch: People Management seeks to enable service excellence with people through the provision of highly capable people, a performance-conducive workplace and leadership that drives employee engagement. For this reason, the vision of the Branch: People Management is: "Highly competent people contributing to the Capable State." The Branch falls within the Corporate Services Centre of the Department and provides transversal services across WCG departments which range from the high-volume transactional to expert advice and consultancy services. As such, it encompasses day-to-day operational activities as well as an array of different initiatives, programmes, interventions and projects. The mission of the Branch is to be "a trusted partner providing integrated and innovative people solutions to the WCG departments through clear strategy, talent management expertise and professional engagement that contributes to good governance and improved organisational performance."

The Branch is however not limited to operational activities, but ensures that people management contributes to the achievement of the strategic goals of the Department and the WCG as a whole. The People Management Strategy of the Western Cape Government has been implemented to provide a clear understanding of the current people management context and the desired people state in line with the Provincial Strategic Plan (PSP). The strategy defines a distinctive people philosophy, value proposition, ideal people profile, strategic initiatives; people score card as well as the implementation of governance architecture that will facilitate an improved citizen experience through people efficiencies.

The future is going to look vastly different: both in terms of the world at large, and more specifically the world of work. In particular, the worker, leadership and organisation of the future, regardless of sector, whether public or private, are and will continue to undergo fundamental and radical change.

People Management is not immune to these changing environment and technology advances. In order to meet this challenge, the Branch has embarked on a journey to develop a Future-fit Guide for People Professionals aimed at transforming the Branch and its People Professionals to become future-fit proactively, and travel well capacitated for and into the future. At the outset, it was important to identify the trends that are impacting on people management and our response thereto, and then to co-create an implementation plan.

### 4.3.2. Sub-programmes

Programme 3 performs its people management functions through its three sub-programmes viz:

- 3.1 Programme Support
- 3.2 Organisation Development;
- 3.3 People Training and Empowerment;
- 3.4 People Management Practices.

Sub-programme 3.1: Programme support: to provide administrative support to the management of this programme

The **Chief Directorate Organisation Development** has an integrated but dual focus. It refers to ensuring that both service excellence (performance) and employee engagement (satisfaction) are achieved, since one cannot be achieved without the other.

Through our integrated effort, we endeavour to enable solutions that make it possible for the Western Cape Government to serve the people of the Western Cape as effectively, efficiently and economically as possible with

the available resources and within the organisation's strategic framework. The Chief Directorate therefore strives to support the enabling of continuous organisational capability improvement.

The role of the Chief Directorate: Organisation Development is to enable improvements in organisational effectiveness through planned interventions with departments and thereby contributing to improving the service delivery capability of the Western Cape Government. This cycle saw the initiation of work to define and validate the desired WCG Capabilities – this will continue during the 2019/20 cycle and will be integrated with the Provincial planning process. The vision of the Chief Directorate is to become a strategic business partner to our clients and through that relationship, contribute through co-created solutions to enhancing the service delivery capability of the Western Cape Government. The Chief Directorate embarked on re-alignment process with the aim to ensure that its design (process, structure, culture) is aligned to deliver the stated vision. Focus is being applied in building the required functional- (processes, practices, structure), talent- (competency development) and cultural capacities within the Chief Directorate. Substantial work was done in this regard and it is foreseen that this will be finalised by the end of the 2019/20 financial year. The Chief Directorate Organisation Development is built on three foundations: Organisation Design, Process Design and Improvement and Organisational Behaviour. Organisation design interventions of varying focus and scope are conducted as part of a continuous process of assessing and adapting departments to evolving internal and external environmental requirements and challenges, such as statutory and strategic mandates, client needs and expectations, fiscal constraints and information and communication technology advancements.

From the Directorate Organisation Design's perspective, work organisation represents a key executive responsibility that profoundly impacts on the Western Cape Government's ability to successfully execute its constitutional, legislative, electoral and core strategic mandates. As such, organisation design represents the beginning of the people management value chain. Public institutions with their people need to deliver diverse services, and they do so by applying a vast array of specialised skills. To deliver all these services in a coordinated and controlled manner that gives the best value for money, people's work must be structured and grouped together in a manner that, firstly, optimises their efforts into meaningful service delivery outcomes; and that, secondly, contributes to good governance by allocating horizontal and vertical responsibility and accountability for service delivery in the institution. In addition, people's work also needs to be designed in a manner that creates a work environment that is conducive to optimal performance. To ensure that such services can be rendered effectively and efficiently, organisation design aligns organisational structures, post establishments, jobs, job grading, processes and systems with the strategy of the Western Cape Government, as well as with human factors that determine individual engagement. The Directorate Organisation Design therefore enables purposeful and meaningful work. The Job Design Project plays a vital role in this regard and a meaningful collaboration has been established with DPSA to facilitate greater understanding and clarity regarding accountabilities across the various levels in the WCG.

Infinite societal needs and finite resources require the Western Cape Government to work smarter, i.e. to do more with less. In essence, this is what the Directorate Process Design and Improvement focuses on. The Directorate supports individuals, teams, departments and the Western Cape Government as a whole to perform optimally by optimising work processes and creating systems to manage and continuously improve the way people do their work and deliver services. Government is highly regulated and thus by nature tends towards bureaucracy. Bureaucratic systems can become painfully inefficient. Inefficient bureaucracies lead to wastage of time and money, as well as to wide-ranging frustration of our people (employees and citizens). It has therefore a negative psychological impact on people in general, and especially on the motivation and productivity of employees. Process design and improvement, therefore, has an extremely important role to fulfil in supporting people to work smarter and make government more efficient. The Directorate Process Design and Improvement therefore enables people to work smarter and deliver services more efficiently.

The Directorate Organisational Behaviour aims to foster a productive work environment in the Western Cape Government by applying the principles of positive psychology that enable employees to flourish and perform optimally in the workplace. The Directorate plays a leading role in ensuring that the work-related behaviours of employees and leaders of Western Cape Government fit, change and adapt in accordance with the strategic requirements of

the organisation. The achievement of organisational goals is supported by focussing on an integrated approach to organisational culture and values, specifically related to leadership behaviour, team effectiveness, person-job/organisational fit, engagement (productivity, morale, quality of work life, motivation), resilience, wellbeing as well as to respond and navigate change. The work done on the Values-based leadership development programme (VBLDP) and the Change Capability project has been instrumental in defining and support the development of the desired WORK culture within the WCG. The Directorate Organisation Behaviour therefore enables productive service delivery behaviours and the wellbeing of the Western Cape Government's employees.

Organisation Development services are demand driven and the delivery of services are responsive to the Organisation's needs.

The **Chief Directorate: People Training and Empowerment (PTE)** ensures people development through the identification of training needs by designing and offering relevant learning programmes directly or through appointed service providers. The PTE also plays a broader strategic role in the governance and management of transversal people development and training in the province, taking into account the strategic objectives and plans of provincial departments. An exciting approach to design and training delivery has been embarked upon, leading to new approaches in the way training is delivered in the Province, e.g. eLearning, utilisation of subject matter experts, the revision of internal processes and interactive learning, to name a few. Significant strides have been made towards integrating these innovations into the operational strategies of the Provincial Training Institute(PTI).

The Chief Directorate also conducts training impact assessments on selected learning programmes and assumes responsibility for the development of Workplace Skills Plans, learnerships, administering the placement of interns and facilitating the process for awarding bursaries.

The Chief Directorate administers the Premier's Advancement of Youth (PAY) project. The PAY project is one of the attempts by the WCG to address the growing youth unemployment and skills challenge in South Africa. It does this by providing a number of matriculants from the previous year with experiential learning within the 13 government departments. During the one-year internship the young people are exposed to skills development programmes and supported through mentorship, coaching and career guidance in order to make them more marketable and employable. Candidates are recruited from secondary schools throughout the Western Cape. Much focus is placed on advocacy in community newspapers, community structures and government platforms like the Cape Access and Thusong Centres, to ensure that as many matriculants as possible are reached.

The PAY Project will be streamlined and become an integral part of the Chief Directorate rather than a separate "project". This will ensure that sufficient time and resources are allocated to this important youth development initiative. As such, this is one of the indicators that will be reported on annually.

The **Chief Directorate: People Management Practices (PMP)** strives to provide value to our stakeholders and partners through a range of critical success factors. These have been identified across the five Directorates (Recruitment and Selection, Policy and Planning, Performance and Priority Unit, Service Benefits and Employment Relations) and focus on the following specific indicators:

- A basket of people policies that are unambiguous, legally unchallenged and understood by all;
- People metrics and intelligence that timeously inform decision-making;
- Integrated systems and processes that ensure the availability of the right people, at the right place, at the right time;
- Appropriate tools and innovation that empowers and enables people professionals and managers to lead effectively with people;
- Effective and efficient collective bargaining based on the principles of mutual interest;
- Constitutional rights and obligations of employees and the organisation are upheld; and
- Performance management that drives a high-performance culture.

These indicators have been operationalised and formed the basis of the service offering that the Chief Directorate provided to the 11 Client Departments of the CSC during the 2017/2018 financial year.

The Directorate: Performance and Priority Unit provides an all-encompassing service with regard to the recruitment of all Heads of Department, SMS members within 11 CSC departments, performance consulting and performance administration. People managers (line managers) are supported with the managing of poor performance.

The WCG remains the only province that uses a standardised online platform for the capturing and management of performance management information.

The Directorate: Recruitment and Selection introduced a holistic approach to the talent sourcing process, where the focus is on Job/Person fit. In this regard a project on the development of competency-based recruitment practices was concluded. As part of this project the transversal Recruitment and Selection Policy was reviewed, consulted with and accepted by Organised Labour and will be presented to Cabinet in the next financial year. In addition, the Competency-based Interview as well as Selection Decision Guides were developed and implemented. Through this new approach the selection decision is based on technical/functional expertise, behavioural competencies, equity priorities, reference/credential checks and, for posts on Salary Level (SL) 9 and higher, competency assessments are conducted to determine fit as they relates to the job profile. To assist people managers in our client departments to adapt to this new approach, an e-learning training course on Competency-based Recruitment Practices was developed and will be rolled out in the new financial year.

One of the key drivers of efficiency and transactional excellence within the Chief Directorate is the use of technology, which has been identified as a vehicle to drive innovation and change. This has resulted in the development and the implementation of various functional case management systems within the Chief Directorate.

The Directorate: Policy and Planning performed a strategic coordination role to ensure that technological enhancements provide for functional improvements, automated reporting and an integrated approach to people management across the Branch. A high-level three-year plan has been developed to inform the people management system enhancement road map. This will enable the Branch: People Management to respond effectively to current and future business requirements. Furthermore, the Directorate: Policy and Planning continued to provide critical policy interpretations, policy updates, employment equity planning, reporting, workforce plans and monthly management information in support of informed people manager (line manager) decision making. The provision of policy content to employees as well as to people managers has been expanded and is continually improved and updated on the MyGov platform.

The Directorate: Employee Relations managed and coordinated Collective Bargaining as well as Individual matters, which include misconduct cases and grievances. A dedicated panel of presiding officers assists in improving timelines for dealing with disciplinary cases while training interventions improve the capacity of people managers to deal with labour issues proactively. All disputes referred by employees to the respective Bargaining Councils are managed on behalf of the client departments. An employee relations consultancy service is provided to all people managers (line managers) supporting them in managing the relationship with their people.

The Directorate: Service Benefits managed all leave (including PILIR) as well as all service conditions such as IOD matters and the payment of all allowances. The Internal Control Unit, in collaboration with the various directorates and client departments, ensured a clean audit for people management practices. Furthermore, the Directorate: Service Benefits hosted a successful Long Service Award Ceremony.



### 4.3.3. Strategic objectives, performance indicators planned targets and actual achievements

#### 4.3.3.1. Strategic objective

Programme 3: Human Capital								
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
To enable service excellence with people through the provision of highly capable people, a performance conducive workplace and leadership that drives employee engagement	Level of people management maturity attained	Developing the Maturity Framework	Development of People Maturity Model finalised	Development of the Assessment Tool for the Maturity Model	Self-Assessment Report on Maturity Model Pilot implementation in Programme 3 submitted	Self-Assessment Report on Maturity Model Pilot implementation in Programme 3 submitted	n/a	n/a

The strategic objective of the Branch is aligned with the National Development Plan, specifically the achievement of a capable state and the Provincial Strategic Objective of building the best run regional government, specifically the outcome themes for People Management and for Citizen Centric service delivery. The objective is also linked to the MTSF and specifically Outcome 12 which seeks to achieve an efficient, effective and development-orientated public service. There is thus an acknowledgement of the centrality that people management plays in achieving these strategic goals. In this regard, it also falls within the ambit of Outcome 1 (Enhanced Governance) of the PSG 5. As such, improved people management maturity is a sub-output of the Output 1 of this Outcome which is efficient, effective and responsive provincial governance.

The PSG 5 project contributing specifically to the sub-output Service Excellence with People is the “Development and implementation of a WCG people management maturity model”. The model has been developed and will ensure objective measurable levels of people management maturity in the provincial government. The people management maturity model is based on the principles of self-assessment and panel moderation (much like the current MPAT process). It consists of a maturity growth path of levels 1-5 (Fragmented and Reactive; Compliance driven; Standardised; Optimised and Continuously improved). It has Maturity level descriptors (the definition of the functions at each level), practice standards (Operational/Strategic requirements at each level) and evidence will provide the people practitioner with the state of practices per level and the required improvements to advance to the next level. Extensive consultations were conducted with all functional specialists in order to ensure the accuracy of the people management functional growth path.

An internal pilot within the Branch was successfully conducted, and valuable insights and lessons were gained, especially as an external (outside the Branch) moderation panel reviewed and moderated the self-scoring of units. A report on the pilot was drafted and submitted, and further refinement of the Model and tool will be done in the next financial year.

#### 4.3.3.2. Performance indicators

Programme 3: People Management							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
Sub-programme 3.2: Organisation Development							
3.2.1 Number of departmental organisational behaviour reports submitted	New indicator	13	13	13	13	n/a	n/a
3.2.2 Number of departmental business process reports submitted	New indicator	13	13	13	13	n/a	n/a
3.2.3 Number of transversal service delivery intervention reports submitted bi-annually	New indicator	2	2	2	2	n/a	n/a
3.2.4 Number of departmental organisation design reports submitted	New indicator	13	13	13	13	n/a	n/a
Sub-programme 3.3: People Training and Empowerment							
3.3.1 Number of learning programmes offered.	49	51	57	50	50	n/a	n/a
3.3.2 Number of learning programmes assessed for training impact.	8	8	8	9	9	n/a	n/a
3.3.3 Number of Projects for Youth Empowerment offered	New indicator	1	1	1	1	n/a	n/a
Sub-programme 3.4: People Management Practices							
3.4.1 Percentage of planned strategic business partnership initiatives completed.	80% Numerator: 32 Denominator: 40	95.24% Numerator: 40 Denominator: 42	92.55% Numerator: 87 Denominator: 94	90%	99% Numerator = 106 Denominator = 107	9%	Effective performance management - alignment of service schedules with business plan which was then aligned with performance agreements.
3.4.2 Percentage planned innovative people practices initiatives completed.	87.5% Numerator: 7 Denominator: 8	88.89% Numerator: 8 Denominator: 9	90% Numerator: 9 Denominator: 10	85%	94% Numerator = 16 Denominator = 17	9%	Effective performance management - alignment of service schedules with business plan which was then aligned with performance agreements.

Programme 3: People Management							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
3.4.3 Percentage planned transactional excellence initiatives completed.	87.5% Numerator: 21 Denominator: 24	91.66% Numerator: 22 Denominator: 24	83.87% Numerator: 26 Denominator: 31	85%	84% Numerator = 42 Denominator = 50	1%	Co-dependency on people managers impacted reaching outputs as per target date.
3.4.4 Percentage planned people manager and professional empowerment initiatives completed.	80% Numerator: 8 Denominator: 10	83% Numerator: 10 Denominator: 12	91.66% Numerator: 11 Denominator: 12	85%	95% Numerator = 18 Denominator = 19	10%	Effective performance management - alignment of service schedules with business plan which was then aligned with performance agreements.

The Branch: People Management has met its Performance Indicators bar one, where the target was missed by 2% and which was due to the very nature of the activity involved. The overall performance of the Branch, however, remains positive. Further detail in regard to the performance of the Branch are set out below.

## Organisation development

The Chief Directorate: Organisation Development met the agreed APP targets as set (13 Departmental reports submitted for each Directorate).

In this regard, the Chief Directorate Organisation Development took on 88 projects, completed 60 and 28 of these are multi-year projects that will be completed in the 2019/20 cycle. These projects were aimed at bolstering the service delivery capability of the Western Cape Government through solutions like process improvements, design solutions to facilitate the delivery of strategy implementation and organisation culture solutions aimed at developing and reinforcing the appropriate practices to support service delivery improvement. A considered focus was placed on managing demand more effectively, which resulted in less ad hoc interventions being approved by the Chief Directorate. A key transversal project that should have a real impact in the 2019/20 cycle, the Capability Framework and Mapping Project, was initiated in collaboration with the Enterprise Architecture function within Cel. This project aims to define and validate the capabilities that the WCG requires to support the delivery of the PSPS. Once defined, it aims to define the capability development interventions required and how capabilities can be tracked to show the improvement in the maturity of the capability.

Organisation design interventions of varying focus and scope are conducted as part of a continuous process of assessing and adapting departments to evolving internal and external environmental requirements and challenges, such as statutory and strategic mandates, client needs and expectations, fiscal constraints and information and communication technology advancements. The Work Organisation policy, which embeds the principles of affordability and proven need, is pivotal in this regard. Focus was applied to improving stakeholder relationships that have a direct bearing on the turnaround times of Organisation Design solutions and the service level agreements and memorandums of understanding entered into with DPSA and the CCPWCP have proven useful. The Job Evaluation policy was reviewed and updated, which will enable faster turnaround times related to job evaluations. The organisation design methodology is being reviewed and this will result in more standardised and higher

quality solutions. The momentum of the Job Design Project was slightly impacted by contextual factors at DPSA, but the aim is to finalise the implementation recommendations for approval by PTM by the end of the 2019/20 cycle.

Business Process Optimisation interventions continued by deploying own resources focusing on selected priority departmental core processes. The functional area also dealt with Service Delivery and Batho Pele initiatives as prescribed amongst others in the Public Service Regulation, 2016. The Service Interface Project significantly contributed to service delivery improvement. Significant focus is also being applied in aligning the business process activities of various stakeholders within the province to ensure maximum impact. An “e-Xpertise” proof of concept project was also initiated to assess the value of a system that would enable the containment and sharing of specialist business process knowledge across the province as well as providing a digital platform for facilitating process improvements.

Competency assessments for senior and middle management across various occupational categories continue to be coordinated or conducted to determine person-job fit and development areas. A line manager feedback process has been developed to provide line managers with concrete, practical guidelines that assist in the creation of development action plans for the new appointees during the probation period. Change management support, especially large-scale ICT systems changes as well as organisational refinement (structure) projects, together with leadership development interventions all form part of building a strong, positive, values-driven culture, which is a key determinant of any successful organisation. In addition, the Directorate Organisational Behaviour actively assisted Departments in creating understanding of the 2017 Barrett Values survey results and defining specific journeys and actions to progress even more towards the desired organisational culture. Provision of support to staff through the Employee Health and Wellness (EHW) programme is also provided. The procurement process for a new transversal EHW contract has commenced, as the existing contract will be terminating in July 2018. The Values-based Leadership Development project progressed well, given resource constraints, and a draft Leadership Development Framework has been created.

The Work Organisation Policy project, has made the required progress which enabled it to engage the key stakeholders (DPSA, NSG, PTM). These engagements culminated into a joint project between DPSA and the WCG focused on creating/validating a new competency-informed and output-based Job Description format (and the associated elements to inform this document) aimed at addressing all the challenges currently inherent in the existing formats. The MEAP initiative in the Department of Health environment continued to provide the context to experiment with a new consultative and co-creation based OD approach.

## People Management Practices

During the year under review, 100% of RFIs and COMAFs were responded to within the timeframe provided within the AG audit protocol and a clean audit for all 11 our client departments, in respect of people practices, was once again achieved for the previous year.

Under the auspices of the Directorate: Performance and Priority, PERMIS (Performance Management Information System) version 4 was successfully implemented and enhancements were made to the system whereby Performance Management and Development were aligned in accordance to the Determinations and Directives on the Performance Management and Development System, issued by the DPSA (implemented on 1 April 2018). Awareness of these changes was raised throughout the year through presentations, roadshows, and articles. Performance was effectively managed through the alignment of service schedules with business plans, which was then aligned with performance agreements.

Within the Directorate: Policy and Planning, a capability has been established within the Provincial Biz Suite to gather and store a plethora of people management-related data sets, which will enable the automation of a number of data-reliant products in the ensuing year. Progress has also been made with the establishment of case management capabilities in most functional areas in the branch. Client departments are already served with much improved analyses reports, situational reports and profile reports to assist them with their people management-

related strategic planning. This capability is supported by the annual people planner initiative, which went through a successful final pilot phase. This planner will also feed into the Corporate Services Centre Demand Planning initiative. Through the establishment of the annual people planner, the Directorate enhanced the functional integration within the Branch, now enabling the Branch to approach client departments from an integrated and co-ordinated platform, thereby responding to demands from departments in this regard.

The Directorate: Employee Relations successfully managed the collective bargaining process within the Coordinating Chamber of the PSCBC of the Western Cape Government (CCPWCP) and the Western Cape Chamber of the General Public Service Sectoral Bargaining Council (GPSSBC). Furthermore, 100% of IMLCs are active, which allows parties in all 11 CSC departments to deal with workplace issues in a constructive and meaningful manner.

The Directorate: Employee Relations received 204 complaints, of which 148 were fully investigated. Of these cases, the unit received mandates in respect of 37 matters, which proceeded to a formal disciplinary hearing. It must also be kept in mind that the number of complaints lodged does not reflect the time effort required to finalise each matter as they range in complexity. The Directorate received 318 grievances of which 286 (90%) were finalised within the financial year and 98 disputes for the year of which 87 were finalised (89%). These varying matters all have to be dealt with concurrently. Hence, of the 620 cases received in total for the year, 521 were finalised, which translates to 84%.

The suite of training opportunities has been expanded to include sexual harassment training. In terms of our transversal role, training is rolled out to both the departments of Health and Education. The aim of the training in general is to capacitate people managers (line managers) as well as all other employees in enabling optimal working relationships.

The e-Recruit platform continued to contribute to recruitment efficiencies, with a reported system up-time of 99,8%. The 0,2% downtime was restricted to scheduled system maintenance done during night time, when the least possible disruption would be caused. A total of 1442 posts were advertised by the Chief Directorate in the 2018/19 financial year, for which 355 552 job applications were received. Recruitment processes that were finalised took, on average, 104 working days to conclude.

During the performance cycle the Directorate Recruitment and Selection effectively managed a 100% alignment between organisational design structures and the PERSAL establishment by implementing a total of 62 design interventions across our 11 client departments. This included the facilitation of the matching and placing processes of employees into new/revised structures. To guide the matching and placing process, a Personnel Plan was drafted, in consultation with organised labour.

In consultation with client departments, a number of challenges, compromising our ability to recruit and/or retain employees in Occupation Specific Dispensations (professional occupations) have been identified, and was brought to the attention of the Department of Public Service and Administration. While some issues have been resolved, others remain difficult to address due to the transversal impact and the need to re-negotiate the OSD at Council level.

In the area of procurement planning, various transversal contracts continue to be managed. Within this period and where required, transversal or major services may need to be procured in line with the regulatory framework and policies of supply chain management. These include the Personnel Suitability Checks contract, the Recruitment Advertising and Response Handling contract as well as the Online Recruitment contract.

## **Provincial Training and Empowerment**

The Chief Directorate: People Training and Empowerment (PTE) is responsible for the Skills Development Facilitation function, Internal Bursaries and Internships, including graduate interns, student interns and the Premier's Advancement of Youth (PAY) project, as well skills training and development at the Provincial Training Institute (PTI) – Kromme Rhee, Stellenbosch.

During the period under review, the PTI strengthened its formal relationship with the National School of Government (NSG) by fully operationalising the Memorandum of Agreement (MOA).

As the best performing training institute in the Public Service (national Minister's Award), the PTI is constantly approached by international, national and provincial entities for benchmarking purposes.

Keeping abreast with the new world of work and changing landscape in the people development space, the PTI has embarked on an ISO 9001: 2015 certification process, ensuring adherence to international best practice.

In collaboration with Higher Education Institutes, eighty-three (83) student-interns were placed in the CSC departments (of which forty-eight ((48)) were in DotP) for Work Integrated Learning (WIL). A total number of one hundred fifty-three (153) graduate interns were placed in CSC departments (of which three (3) were in DotP)

The total number of applications for the PAY project was 2327, of which 699 were placed in the 13 Departments. The urban-rural placement was 474 (67.8%) and 225 (32.1%), respectively. The Directorate: People Empowerment, which is responsible for managing the project, continued to focus on the exit strategy of the project. Time and effort went into seeking partnerships that would give the interns more opportunities for gainful employment after the internship. As a consequence, a number of important partnerships were forged which has the potential of providing opportunities for employment after the year.

- Media24: A learnership in Community Journalism
- Harambee: All metro interns still in the system at the beginning of 2017 could register for the Work Seeker Support Programme to better prepare them for exit. Those who qualified were invited to assessment tests and then matched with a particular sector.

The Mossel Bay Municipality implemented a Mayor's Advancement of Youth (MAY) project based on the principles of PAY and utilising applications for PAY from the Mossel Bay area who could not be placed within provincial WCG offices. Twelve (12) MAY interns were placed by the Municipality in June 2018.

For the 2018 academic twenty-seven (27) new bursaries-, and for the 2019 academic year twenty-seven (34) new bursaries were allocated to DotP staff to improve their qualifications or acquire new ones.

#### 4.3.4. Strategy to overcome areas of under performance

The need to curb CoE expenditure compounded by an increase in demand for services is placing the ability of the Branch to perform its functions under serious strain. This is further compounded by a lack of joint planning with departments, as well as an increased number of ad hoc requests for services. In response hereto, and as part of the broader CSC demand planning initiative, an Annual People Planner tool was developed and in conjunction with departments, will aid in better planning. As previously stated, the (new) Public Service Regulations (2016), together with MPSA Directives, contain new as well as amended provisions that have a wide ranging impact, and areas of concern, difficulty of implementation in an austere environment and vagueness especially in the detail, have been highlighted and brought to the attention of the DPSA - these together with the relative slow response in providing guidance and direction from them will impact on the workload as well as current people management processes. It may also be necessary to review the Branch organisation structure to ensure alignment of functions with the new requirements. The lack of clarity on the role out of the IFMS and non-availability of a final provincial implementation strategy, continues to seriously impact on the ability of the Branch to plan and to access technology.

### 4.3.5. Changes to planned targets

No changes were made to planned targets during the financial year under review.

### 4.3.6. Linking performance with budgets

	2018/19			2017/18		
Sub-programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 744	2 687	57	3 146	2 684	462
Organisation Development	54 098	52 032	2 066	56 468	54 338	2 130
People Training and Empowerment	38 328	37 424	904	34 878	34 651	227
People Management Practices	101 146	98 675	2 471	96 339	94 123	2 216
<b>Total</b>	<b>196 316</b>	<b>190 818</b>	<b>5 498</b>	<b>190 831</b>	<b>185 796</b>	<b>5 035</b>

The Programme underspent by 2.80% or R5.498 million which is mainly due to staff exits.

## 4.4. Programme 4: Centre for e-Innovation

### 4.4.1. The purpose of the programme

**Purpose:** To enable service excellence to the people of the Western Cape through ICTs.

The Centre for e-Innovation will drive the optimization of service delivery in the Western Cape Government through the coordinated implementation of innovative information and communication technologies, solutions and services with a focus on the delivery of Broadband connectivity across the Western Cape Province, provincial transversal applications and major departmental applications and solutions.

The programme contributes to Provincial Strategic Goal 5 which is aimed at enhancing good governance and specifically improving e-Governance Maturity and Connectivity. The Centre for e-Innovation is also responsible for Streams 1 and 3 of the Broadband initiative. Stream 1 focuses on connectivity and stream 3 on transversal applications for improved governance and efficiency.

This programme has linkages with South Africa Connect (South Africa's Broadband Strategy) as well as the National Development Plan in respect of contributing towards its vision for the ICT sector.

### 4.4.2. Sub-programmes

The programme provides for the following functions to be delivered:

Sub-programme 4.1: Programme support: to provide administrative support to the management of this programme.

Sub-programme 4.2: Strategic ICT Services: renders strategic ICT services to the WCG focusing on planning and development, the co-ordination of the Corporate Governance of ICT's as well as the e-Government agenda which includes the citizen interface.

Sub-programme 4.3: GITO Management Services: provides transversal ICT services to the WCG which includes the management of transversal infrastructure, the IT service desk as well as the IT service management to the Ce-I client Departments. This sub-programme is also responsible for the distributed computing environment, schools IT, as well as IT Service Management.

Sub-programme 4.4: Connected Government and Unified Communications: which is responsible for Stream 1 of the Connected Cape initiative which will provide connectivity to WCG sites.

Sub-programme 4.5: Transversal Applications Development and Support: which is primarily responsible for Stream 3 of the Connected Cape initiative which focuses on transversal applications development, implementation and support.

Consistent with the Unit's transversal role in respect of ICT's the Centre for e-Innovation is responsible for a number of ICT related contracts. Amongst other the Branch is responsible for the management of the following contracts and service level agreements:

- Numerous ICT related services with the State Information Technology Agency (SITA)
- The Broadband Contract with SITA
- The IT Service Desk
- Business Analysis Services
- IT Enterprise Architecture Services
- Microsoft Application Development Services
- Oracle Applications Development Services
- WCG Web Development Services
- Operational support across all departments

### 4.4.3. Strategic objectives, performance indicators, planned targets and actual achievements

#### 4.4.3.1. Strategic Objectives

For the period under review the programme subscribed to the following strategic objectives:

Programme 4: Centre for e-Innovation								
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
To improve ICT governance maturity of the Western Cape Government	ICT governance maturity rating (COBIT 5).	1 (COBIT5)	1 (COBIT5)	1	1	1	n/a	n/a
To enable and improve access to Western Cape e-Government services	Number of prioritised citizen-facing services automated	1	1	2	2	2	n/a	n/a
To improve ICT services to the Western Cape Government through the provision of ICT infrastructure, applications and services	Percentage of Ce-I service standards met in a given year	95.74%	98.01%	99.11%	85%	94.52%	9.52%	n/a



The Cel has adopted the COBIT5 Framework as a means to guide and measure its progress towards improving its ICT maturity level. While the last four assessments of the WCG ICT maturity level yielded a result of a level 1 (out of 5), it does not imply a stagnation of the ICT governance environment. Various interventions are continually embarked upon to ensure that the WCG ICT environment adheres to sound and modern ICT governance principles and processes. During the year under review the focus continued to be on IT service management, business continuity planning/disaster recovery planning, information security, IT risk management and strengthening of the ICT planning and demand management processes.

ICT's are a key enabler of improving citizens' access to and the efficiency of the WCG services. It is therefore important that specific focus is placed on improving the citizen's experience when they engage government to access service information. Two services were automated during the year under review; the piloting of a queuing system at selected sites as well as the Community Policing Forum System.

The Cel, as a corporate service provider to the departments has to deliver services according to a set of agreed upon metrics and services levels. These service metrics cover all services such as applications development, desktop support, infrastructure refresh and maintenance, ICT governance services, ICT user management, ICT planning and e-government services. During the year under review the Cel managed to achieve the overall service standards as required by CSC services schedules.

#### 4.4.3.2. Performance indicators

Programme 4: Centre for e-Innovation							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
Sub-programme 4.2: Strategic ICT Services							
4.2.1 Number of departmental ICT plans reviewed.	13	13	13	13	13	n/a	n/a
4.2.2 Presidential Hotline resolution rate	99.46% Numerator: 1782 Denominator: 1792	99.3%	99.40% Numerator: 2148 Denominator: 2161	95%	99.53% (Numerator: 2329 Denominator: 2340)	4.53%	PHL calls treated as "High Priority" calls.
4.2.3 Total number of new Cape Access centres established.	10	10	2	0	0	n/a	n/a
4.2.4 Number of e-government access channels managed through which citizens actively engage government.	8	9	10	11	14	3	Additional e-government access channels have been managed
4.2.5 Number of prioritised citizen-facing services automated.	1	1	1	1	1	n/a	n/a

Programme 4: Centre for e-Innovation							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
Sub-programme 4.3: GITO Management Services							
4.3.1 Average percentage systems uptime and availability maintained.	99.68% Numerator: 8755.82 Denominator: 8784	99.92%	99.84% Numerator: 8,745.98 Denominator: 8,760	98%	99.90% 8,751.24 / 8,760 hours = 0.999 x 100 = 99.90%	1.9%	Continued close management and pro-active interventions.
4.3.2 Average percentage network uptime and availability maintained.	98.17% Numerator: 8623.45 Denominator: 8784	98.72%	98.85% Numerator: 8,659 Denominator: 8760	98%	98.44% 8,623.34 / 8,760 hours = 0.9844 x 100 = 98.44%	0.44%	Continued close management and pro-active interventions.
4.3.3 Average turnaround time in days for finalising IT Service Desk requests.	3.35	5.70	4.95	6	4.99 Days 212,831 days / 42,841 calls = 4.99 days per call	1.01 Days	Continued close management and pro-active interventions.
Sub-programme 4.4: Connected Government and Unified Communications							
4.4.1 Number of WCG sites provided with Broadband connectivity	1022	1610	1875	2000	1875	125	Due to the fact that the 100% milestone was amended, the project reached completion with the 1 875 achievement, now 100%. There was a governance process followed with DG signing off on the 100% milestone being 1875. This could not be changed in the APP however, as the APP was tabled already at that time. The first phase of the project thus reached completion earlier than anticipated and moved into the second phase, focussing on the speed of connectivity.
Sub-programme 4.5: Transversal Applications Development and Support							
4.5.1 Percentage of transversal business application solutions implemented.	83% Numerator: 20 Denominator: 24	85% Numerator: 11 Denominator: 13	93% Numerator = 14 Denominator = 15	80%	91% Numerator = 21 Denominator = 23	The first phase of the project thus reached completion earlier than anticipated and moved into the second phase, focussing on the speed of connectivity.	Implementation of continued improved management and process mechanisms. Pro-active interventions planned with team members.

Ce-I achieved most its service delivery targets despite an acute shortage of ICT skills and expertise. Ce-I services enabled the delivery of IT solutions in support of the games changers and service delivery mandates of departments.

Through the Broadband initiative a total of 1,875 sites (cumulative) were connected to Broadband (with 684 having been upgraded to phase 2 Broadband connectivity speeds as at the end of the 2018/19 financial year), which resulted in considerable improvement in the quality of connectivity. A key spin-off of the Broadband roll-out is the ability of the WCG to migrate from the traditional telephony technology platforms to Voice over Internet Protocol (VOIP) which yielded considerable savings for the sites that have been migrated. For the year under review, a number of prioritised Health sites were migrated to the new platform resulting in significant savings for these institutions.

Ce-I supported the WCG installed base of over 400 Computer Systems, over 950 Computer Servers, 4,000 Network and other Infrastructure Devices, 24,500 workstations and 28,600 users being monitored and managed. The Ce-I also supported a substantial installed base in more than 1 300 schools and also provided Broadband connectivity.

Additionally, significant progress was made in respect of the implementation of the following major initiatives:

- Training was provided to 8, 775 employees in IT literacy and IT advanced courses with a focus on educators in the WCED in support of the e-Learning Game Changer;
- Providing technical support for the Game Changers with a focus on the After-Schools, Skills and E-learning Game Changers;
- Supporting the building capital and maintenance projects of the DTPW with IT infrastructure and services;
- Ce-I managed the technology refresh of 7,454 IT end-user devices across all departments;
- 107 departmental new systems or enhancement to systems were successfully concluded and implemented;
- Improved GIS technology services were successfully expanded upon and delivered across the WCG;
- Improved Network and Infrastructure Operations Centre management;
- Improved IT Security capability. Furthermore, Ce-I has continued with an extensive awareness campaign in collaboration with SITA to create awareness of information/cyber security threats. New technologies have been installed to further enhance the cyber security capabilities of the WCG corporate network;
- The network and applications management capacity was successfully expanded in order to improve on-line visibility and better pro-active responsiveness with 4,962 infrastructure items being replaced in line with technology refresh plans;
- The IT Service-desk received 32,797 tickets and maintained a resolution rate of 4,95 days per call.
- The IT Business Continuity Plan and the IT Disaster Recovery Plan were enhanced;
- An average network and system uptime and availability of over 98 per cent was maintained;
- The review of departmental ICT strategic and operational plans as well as the completion of implementation plans;
- Improving the operations and roles of the Technology Review Board, Software Review Board and the Enterprise Architecture Review Board to improve IT governance;
- Development, enhancement and implementation of additional transversal application solutions, including BI (BizBrain) deployments, as well as other implementations on the platform including the WCG Dashboard for the CSC; and enhancements to the NPO system for Department of Social Development (DSD) and Red Tape system for the Department of Economic Development and Tourism (DEDAT);
- The standardisation of software configurations on end-user equipment across the WCG (including software tools for remote management, support and software updates of end-user equipment) have also improved the level of ICT maturity in the organisation;
- The monitoring of service levels in respect of IT services provided to departments; and
- Monthly and quarterly Quality of Service Meetings held between Ce-I and the State Information Technology Agency (SITA).
- Good progress was made to Cloud Services.

#### 4.4.4. Strategy to overcome areas of under performance

Cel will ensure that the Broadband service providers plan more thoroughly for phase 2 of this initiative and draw on the knowledge gained during phase 1 to ensure improved delivery against the milestone targets for phase 2.

#### 4.4.5. Changes to planned targets

No targets were changed during the year under review.

#### 4.4.6. Linking performance with budgets

	2018/19			2017/18		
Sub-programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	8 495	8 114	381	8 621	8 340	281
Strategic ICT Services	102 154	99 501	2 653	96 554	87 856	8 698
GITO Management Services	512 710	490 087	22 623	526 293	519 109	7 184
Connected Government and Unified Communications	311 746	306 713	5 033	236 406	232 521	3 885
Transversal Applications Development and Support	63 233	63 219	14	55 225	55 214	11
<b>Total</b>	<b>998 338</b>	<b>967 634</b>	<b>30 704</b>	<b>923 099</b>	<b>903 040</b>	<b>20 059</b>

The Programme underspent by 3.08% or R30.704 million which is due to staff exits, a shift from capital expenditure to operating expenditure on the server side to cloud-based services platform, credits received from the service provider relating to Broadband services as well as delays in the delivery of network equipment and Public Wi-Fi roll-out.

### 4.5. Programme 5: Corporate Assurance

#### 4.5.1. The purpose of the programme

The purpose of this programme is to render enterprise risk management, internal audit, provincial forensic, legal and corporate communication services.

This Branch falls within the Corporate Services Centre of the Department and, through the services it offers, contributes to the improvement of governance in the WCG. The strategic objective links directly to the National Development Plan and the Medium Term Strategic Framework, particularly Outcome 12 (an efficient, effective and development-oriented public service), and Outcome 3 (All people in SA are and feel safe), particularly as it pertains to fighting corruption. Provincial Strategic Goal 5 (and more specifically the output "Efficient, effective and responsive provincial governance") in this context focusses on improving the maturity level for corporate governance in the WCG.

The Branch has defined its strategy to be a catalyst for corporate governance in the WCG and this is in line with the Department's approach of enabling corporate governance for improved service delivery. The "governance for service delivery" holistic strategic approach was pursued in collaboration with a number of stakeholders utilising the following strategic thrusts:

- **Integrated and quality services** – This entailed the identification of touch points across three business units that drives an integrated approach to service delivery. Strategic partnering – The foundation of our strategic partnering approach is in the Corporate Governance Framework. We took the lead in developing this framework (and will further do so in the roll-out of the framework in the WCG) and through partnerships and collaboration drove the governance agenda in the Province. We continued to deliver our services to the provincial departments by partnering with them to determine work scope and improving the overall system of internal control.
- **Innovation** – We encouraged innovation, and focused on the technological aspects and creating a new set of skills (i.e. data analytics) that would benefit the units in the branch collectively.
- **People Centric** – None of our achievements would be possible without having a resilient and professional workforce. Developing and growing our staff at all levels is a strategic thrust that will receive ongoing attention.

#### 4.5.2. Sub-programmes

Programme 5's contribution to governance was by means of the services delivered by its five sub-programmes, namely:

- 5.1 Programme Support
- 5.2 Enterprise Risk Management;
- 5.3 Internal Audit;
- 5.4 Provincial Forensic Services;
- 5.5 Legal Services; and
- 5.6 Corporate Communication.

Sub-programme 5.1: Programme support: to provide administrative support to the management of this programmes.

The Directorate: Enterprise Risk Management renders risk management services to departments of the WCG, and ultimately executes the responsibilities of departmental Chief Risk Officers. Progress was made in embedding risk management in the day-to-day activities of departments. The unit focussed on categorising contributing factors to draw attention to those causes of risk that are more important and impacts of particular risks improved the understanding of line managers about the risks that could prevent a department, programme, sub-programme or project from achieving its objectives. It also enabled developing relevant responses and plans to manage these risks.

Provincial Top Management pioneered the compilation of a provincial risk profile that describes the WCG's key risks that could impact on the achievement of the provincial strategic goals. A provincial risk profile enhances the WCG's analysis and decision making related to priority setting and resource allocation (especially in the current challenging economic climate). It provides a clear snapshot of the WCG's key risks and once sufficiently matured can help identify areas of efficiency and potential opportunity. This created the basis for the development of a Transversal Internal Audit Plan for 2018/19, which was accepted by PTM during March 2018 and subsequently approved by the Chairpersons of the various WCG Audit Committees.

The Chief Directorate: Internal Audit independently evaluates the adequacy and effectiveness of risk treatments for areas included in the Internal Audit Plans for all departments in the WCG. Internal Audit has selected the following strategic imperatives over the five-year period to contribute to the Branch's overall strategic intent:

- a. Delivering an integrated, quality internal audit service, compliant with the International Standards for the Professional Practice of Internal Auditing. This ultimately entails developing internal audit plans aligned to departmental strategies and issuing reports that contain value-add recommendations.
- b. Implementation of Continuous Auditing and Data Analytics is a long-term objective to provide organisational value in terms of innovative auditing practices and responding to the coverage dilemma. There was increased integration of data analytics in internal audit activities which forms the foundation for continuous auditing. Furthermore, information and communication technology audits have been integrated with operational internal audits, resulting in the upskilling of operational internal auditors in this technical area.
- c. Strategic partnering with departments resulted in a better implementation rate of Internal Audit Recommendations and played a pivotal role in provincial strategic projects (such as the development of the Governance Framework and other key initiatives). Strategic engagements with client departments focused on finding better ways and audit approaches to significantly address contentious issues that are impacting on the control/governance environment, with the ultimate intent to improve or contribute to its maturity.
- d. Collaborated with key stakeholders such as Organisational Development and Internal Control Units, to ensure synergy in methodologies to expedite the growth and improvement of the governance environment.
- e. Actively played a strategic and leadership role in facilitating the implementation of the Combined Assurance Framework. This entailed engaging with key stakeholders to enable them to augment their processes and embed the principles of the framework, ultimately realizing the benefits in the long term.

The Chief Directorate: Provincial Forensic Services (PFS) rendered reactive and pro-active forensic services to all departments in the WCG. It aimed to create a zero-tolerant environment towards fraud, theft and corruption by means of its pro-active programmes agreed upon with each department annually, which include fraud risk assessments, fraud and corruption training sessions and issuing electronic newsletters and other anti-fraud communications.

The PFS contributed to creating and inculcating a culture of responsible whistleblowing and in its strive to combat economic crime, played a pivotal role in ensuring that allegations of fraud, theft and corruption were investigated and reported on to the relevant Accounting Officer and appropriate remedial action was taken in this regard. It also facilitated the review and approval of the revised Whistle-blowing Policy in accordance with recent legislative amendments. Following this, training sessions were provided on responsible whistle-blowing and how to receive and attend to such disclosures.

Legal Services promoted efficient and effective governance by rendering legal advice in support of executive and administrative decision-making. Both pro-active and re-active advice was furnished, aimed at ensuring legally sound decisions by the Provincial Cabinet, members of the Provincial Cabinet (when exercising and performing the powers and functions associated with their respective executive portfolios), provincial departments and a number of provincial public entities.

The objective of all legal advice is to safeguard decisions from irregularities and/or legal challenges, and to avoid irregular and/or fruitless expenditure that is incurred if actions and decisions are non-compliant with the Constitution and legislation. In this regard Legal Services received 2 188 requests for legal advice during the year under review, which was attended to by its reactive disciplines (litigation, legislation and legal advisory services) and by its pro-active delivery mechanism, the Directorate: Legal Governance. The latter provided 43 legal training opportunities and reviewed the delegations of three provincial departments for consistency with legislation. Awareness raising in respect of compliance with the Protection of Personal Information Act (POPIA), 2013, continued and significant progress was made in the development of a comprehensive POPIA guide and resources to enable compliance with the Act when it comes into operation.

The Directorate Corporate Communication's main objective is to ensure the consistent application of the Western Cape Government's corporate identity, messaging and brand through rendering professional corporate communication services. The main focus is the transversal implementation of the corporate identity and the Better Together philosophy. The Directorate strives to achieve its objective with various and continual engagements with

communication teams of all Western Cape Government departments and its partners, through briefing sessions, brand assessments reports and daily feedback on brand implementation. Corporate Communication delivers an oversight role and provides support on how to deliver the Western Cape Government brand strategy.

### 4.5.3. Strategic objectives, performance indicators planned targets and actual achievements

#### 4.5.3.1. Strategic Objectives

Programme 5: Corporate Assurance								
Strategic objectives	Strategic Objective Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
To improve WCG governance through embedded risk management, improved business processes and the prevention and detection of fraud and corruption.	Level of WCG governance maturity	New Indicator	Ongoing development resulted in final draft framework and maturity model issued for comments in November 2016	Single governance framework for WCG was finalised.	Finalisation of a single governance framework for WCG and an associated maturity model	A single governance framework for WCG and an associated maturity model finalised.	n/a	n/a
To promote executive and administrative decisions and actions that are sound in law through the provision of legal advice	Number of legal services' service standards met in a given year	New indicator	14	15	14	14	n/a	n/a
To coordinate communication messaging to ensure that the strategic goals of the Western Cape Government are communicated to the people of the Western Cape	Number of communication campaign reports issued	New indicator	Nil	2	2	2	n/a	n/a

The strategic objective of the Branch links directly to the National Development Plan and the Medium Term Strategic Framework, particularly Outcome 12 (an efficient, effective and development-orientated public service), and Outcome 3 (All people in SA are and feel safe), particularly as it pertains to fighting corruption. Provincial Strategic Goal 5 (and more specifically the output "efficient, effective and responsive provincial governance") in this context focusses on improving the maturity level for corporate governance in the WCG.

#### 4.5.3.2. Performance indicators

Programme 5: Corporate Assurance							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
Sub-programme 5.2: Enterprise Risk Management							
5.2.1 Number of enterprise risk management implementation plans approved by Accounting Officers.	13	12	12	12	12	n/a	n/a
5.2.2 Percentage completion of activities in approved enterprise risk management implementation plans allocated to D:ERM	89.3% Numerator: 585 Denominator: 656	91.97% Numerator: 523 Denominator: 481	95% Numerator: 481 Denominator: 504	85%	99% Numerator = 510 Denominator = 514	14%	Diligence towards completion of ERM Implementation Plans resulted in this achievement.
Sub-programme 5.3: Internal Audit							
5.3.1 Percentage of internal audit areas completed as per approved internal audit coverage plans.	94% Numerator: 72 Denominator: 77	100% Numerator: 133 Denominator: 133	100% Numerator: 98 Denominator: 98	100%	100% Numerator = 93 Denominator: 93	n/a	n/a
5.3.2 Percentage internal audit recommendations incorporated into agreed action plans.	95% Numerator: 574 Denominator: 604	99% Numerator: 781 Denominator: 789	98.5% Numerator: 679 Denominator: 689	98%	99% Numerator = 481 Denominator = 486	1%	93 reports were issued which contained 486 recommendations. These recommendations were incorporated into 481 action plans.
5.3.3 Percentage of action plans expired by the end of the third quarter followed up.	87% Numerator: 653 Denominator: 748	99% Numerator: 856 Denominator: 867	100% Numerator: 779 Denominator: 779	98%	101% Numerator: 616 Denominator: 610	3%	93 follow-up areas contained 610 agreed actions for follow-up until end of Q4. 616 agreed actions plans were followed-up by Internal Audit by end of Q4 after client departments indicated readiness for follow-ups before expiry date.



Programme 5: Corporate Assurance							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
Sub-programme 5.4: Provincial Forensic Services (PFS)							
5.4.1 Number of fraud and corruption training sessions facilitated.	New indicator	N/A	120	100	115	15	Ad hoc requests for additional training sessions were received.
5.4.2 Percentage of fraud prevention activities allocated to the PFS implemented	New indicator	N/A	101.6% Numerator: 127 Denominator: 125	85%	98.6% Numerator = 149 Denominator = 151	13.6%	Number of agreed-upon deliverables = 151 and 149 were completed. Additional services rendered as a fraud and corruption preventative measure.
5.4.3 Number of forensic investigations finalised	New indicator	N/A	33	30	32	2	Additional cases were received and finalised
5.4.4 Percentage of PFS recommendations followed up.	96% Numerator: 402 Denominator: 419	91% Numerator: 253 Denominator: 279	89.8% Numerator: 211 Denominator: 235	85%	93% Numerator: 273; Denominator: 293	8%	Close monitoring and follow-up of deliverables resulted in slight over-performance
Sub-programme 5.5: Legal Services							
5.5.1 Number of reports containing an analysis of all provincial litigation matters and associated awards and judgments submitted.	2	2	2	2	2	n/a	n/a
5.5.2 Number of legal training opportunities provided to employees of the Western Cape Government	67	58	44	40	43	3	Three more training interventions were facilitated than initially anticipated.
5.5.3 Number of requests assigned and attended to by legal advisers.	2 443	2 627	2222	2450	2188	262	Based on the trends of previous years it was estimated that approximately 2450 requests for legal advice would be received. However, 2188 requests were received and referred to legal advisers.

Programme 5: Corporate Assurance							
Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18	Planned Target 2018/19	Actual Achievement 2018/19	Deviation from planned target to Actual Achievement for 2018/19	Comment on deviations
5.5.4 Number of provincial departments' delegations reviewed for consistency with legislation.	4	3	3	3	3	n/a	n/a
5.5.5 Number of reports containing an overview of the provincial legislative drafting programme	New Indicator	1	1	1	1	n/a	n/a
Sub-programme 5.6: Corporate Communication							
5.6.1 Number of on-brand creative execution assessment reports issued.	4	4	4	4	4	n/a	n/a
5.6.2 Number of Better Together Magazines published to communicate the vision, values and brand to Western Cape Government employees.	5	4	4	4	4	n/a	n/a
5.6.3 Number of reports issued on completed client-generated products and services.	2	2	2	2	2	n/a	n/a

The Branch met all its performance indicators except the target relating to the number of requests assigned and attended to by legal advisers. This is a demand driven target determined based on the trends of previous years. Previous trends indicated that approximately 2450 requests for legal advice would be received, however, only 2188 requests were received and referred to legal advisers.

#### 4.5.4. Strategy to overcome areas of underperformance

The target will be based on previous trends, but remains demand driven.

#### 4.5.5. Changes to planned targets

No targets were changed during the year under review.

#### 4.5.6. Linking performance with budgets

	2018/19			2017/18		
Sub-programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2 965	2 756	209	2 783	2 769	14
Enterprise Risk Management	7 754	7 734	20	6 369	5 542	827
Internal Audit	42 851	41 346	1 505	40 202	39 314	888
Provincial Forensic Services	15 844	15 039	805	15 433	14 101	1 332
Legal Services	44 702	44 300	402	41 328	39 193	2 135
Corporate Communication	17 546	16 507	1 039	17 015	16 797	218
<b>Total</b>	<b>131 662</b>	<b>127 682</b>	<b>3 980</b>	<b>123 130</b>	<b>117 716</b>	<b>5 414</b>

The Programme underspent by 3.02% or R3.980 million, which is mainly due to staff exits.

## 5. TRANSFER PAYMENTS

### 5.1. Transfer payments to public entities: N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity

## 5.2. Transfer payments to 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 s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Library Business Corners	Non-Profit Organisation	Establishing and maintaining Public ICT Access Centres	Yes	19 700	(Awaiting figure)	Cost-saving initiatives implemented
CHEC	Section 21 company	Funding for university research projects related to WCG priorities	Yes	500	The 18/19 transfer was made on the 13 February 2019. The CHEC reported that it had unspent monies from the previous financial years; it disbursed R435 841 on 20 February 2019 toward the successful proposals for the General Research	Transfer affected in March 2018
					Call, drawing on previous unspent funds to the value of R35 841. The Innovation Grant Call for proposals was issued in March 2019, and will be awarded in May 2019. The Innovation Grant is worth R100 000, which is the unspent balance of the 2018/19 transfer payment as at 31 March 2019.	

### Library business corners

Transfers to the Library Business Corners are made towards the operational management of the Cape Access Programme.

LBC manages all staff that work in the e-centres, exposes them to training opportunities and ensures that quality services are rendered in the centres. They also employ at least 20 PAY interns annually, thereby ensuring that further opportunities are created within the rural areas. LBC has reported a high staff turnover rate, but the WCG is encouraged by this situation as it points to the contract employees securing either permanent or more financially beneficial employment elsewhere in the formal employment sector.

Apart from the operational management, LBC also manage and engage selected stakeholders and partners of the programme.

Bi-monthly management meetings are held between the Centre for e-Innovation and LBC to discuss progress and spending against predetermined targets of the Cape Access programme.

## CHEC

The Western Cape Government has allocated funds to CHEC to enable the implementation of the MOU related to mutually approved plans. This partnership is guided by a Transfer Payment Agreement, in accordance with the Provincial Treasury regulations. The purpose of the transfer payment is to encourage academic researchers to pursue research that is aligned to provincial strategic priorities, but also to encourage greater collaboration between public officials and academic researchers.

During the period under review, the projects that were awarded funding were aligned to the research agendas of the five Provincial Strategic Goals and the four universities. The funds allocated to CHEC are used for projects and research conducted at higher education institutions.

Meetings between the WCG and CHEC are held every six weeks to discuss projects and research proposals and the public policy agenda (in terms of the Provincial Strategic Plan). Monitoring of these projects is done by the CHEC Joint Task Team, which includes representatives of the Department of the Premier and each Provincial Strategic Goal from WCG, as well as representatives of each Higher Education Institution and CHEC, to ensure the project funds meet the required deliverables of each project.

In the financial year under review, CHEC had an evaluation of the CHEC-WCG Partnership done by an external consultant. The findings of this evaluation are to feed into and improve the partnership so as to strengthen the outputs of the Joint Task Team.

## 6. CONDITIONAL GRANTS

### 6.1. Conditional grants and earmarked funds paid

The Department did not pay any conditional grants or earmarked funds.

### 6.2. Conditional grants and earmarked funds received

The table below details the earmarked funding received for the period 1 April 2018 to 31 March 2019.

<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	Delivery Support Unit
<b>Expected outputs of the earmarked funding</b>	To Drive the Delivery of the Western Cape Game Changers by holding 34 stocktakes.
<b>Actual outputs received</b>	34 stocktakes held.
<b>Amount as per DORA</b>	R13 584 000
<b>Amount received (R'000)</b>	R13 584 000
<b>Reasons for the funds unspent by the department</b>	n/a
<b>Reasons for deviations on performance</b>	n/a
<b>Measures taken to improve performance</b>	n/a
<b>Monitoring mechanism by the receiving department</b>	Attendance register and stocktaking report for each stocktaking

<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	After-School Game Changer
<b>Expected outputs of the earmarked funding</b>	WCED Audit Research Symposium
<b>Actual outputs received</b>	WCED Audit Research Seminars (instead of Research Symposium) WCED Assessment (2017/18 balance payment to Mthente Research and Consulting)
<b>Amount as per DORA</b>	R600 000
<b>Amount received (R'000)</b>	R600 000 (Adjusted Estimate – R922 000)
<b>Reasons for the funds unspent by the department</b>	Unspent funds (R54 573) were due to delays in setting up research seminars in 2018/19 on the part of universities.
<b>Reasons for deviations on performance</b>	The research symposium was scaled down to research seminars, partly because there were fewer project proposals submitted, and the budget for the WCED audit needed to be increased.
<b>Measures taken to improve performance</b>	Additional research seminars to be undertaken in 2019/20.
<b>Monitoring mechanism by the receiving department.</b>	After-School Game Changer Monthly Management Committee Meetings.
<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	Broadband Project
<b>Expected outputs of the earmarked funding</b>	2000 WCG sites provided with broadband connectivity
<b>Actual outputs received</b>	The 100% milestone delivery target for phase 1 of the Broadband project was achieved in the 2018/19 FY. Phase 2 of the project, to upgrade the minimum network connectivity speeds at sites to 100mbps, commenced on 1 October 2017.
<b>Amount as per DORA</b>	R341 526 000
<b>Amount received (R'000)</b>	R341 526 000 (Adjusted Budget – R339 526)
<b>Reasons for the funds unspent by the department</b>	Negligible underspending (approx. R2m)
<b>Reasons for deviations on performance</b>	The 100% milestone target was revised to 1875 sites as a result of: - sites being excluded by departments; and - sites being placed on hold either due to renovations or relocations and were thus not available for delivery of broadband services.
<b>Measures taken to improve performance</b>	n/a
<b>Monitoring mechanism by the receiving department</b>	The Broadband initiative has project governance forums which monitors the progress of the broadband rollout.
<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	ICT Infrastructure for transversal needs in votes
<b>Expected outputs of the earmarked funding</b>	Provision and upgrading of network infrastructure for offices in buildings being renovated
<b>Actual outputs received</b>	Network and cabling infrastructure installed and commissioned in new offices in buildings renovated
<b>Amount as per DORA</b>	R10 742 000
<b>Amount received (R'000)</b>	R10 742 000 (Adjustments Estimate – R1 242 000)
<b>Reasons for the funds unspent by the department</b>	R1 492 637 was underspent due to delays in the completion of the renovations and therefore the network infrastructure could not be installed.
<b>Reasons for deviations on performance</b>	Delays in the completion of the renovations

<b>Measures taken to improve performance</b>	Better management of building projects to be delivered in accordance with the scheduled dates
<b>Monitoring mechanism by the receiving department</b>	Monthly reports and monthly project meetings
<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	Broadband municipalities (Roll-out of Wi-Fi Hotspot)
<b>Expected outputs of the earmarked funding</b>	To provide free public Wi-Fi access at over 1600 Provincial buildings
<b>Actual outputs received</b>	n/a
<b>Amount as per DORA</b>	R20 000 000
<b>Amount received (R'000)</b>	R20 000 000 (Adjustments Estimate – R7 000 000)
<b>Reasons for the funds unspent by the department</b>	The procurement process took longer to conclude than expected, and the new Wi-Fi agreement only commenced on 1 December 2018.
<b>Reasons for deviations on performance</b>	The procurement process took longer to conclude than expected, and the new Wi-Fi agreement only commenced on 1 December 2018.
<b>Measures taken to improve performance</b>	A new Wi-Fi agreement was signed, and commenced on 1 December 2018.
<b>Monitoring mechanism by the receiving department.</b>	The new agreement makes provision for governance forums, which will monitor the progress of the Wi-Fi hotspots roll-out.
<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	Drought: Provincial Water and Communications Campaign
<b>Expected outputs of the earmarked funding</b>	Drought awareness and to encourage citizens and visitors to save water by providing useful information Reduced water consumption
<b>Actual outputs received</b>	<ul style="list-style-type: none"> <li>• Concept Strategy for Drought Campaign</li> <li>• Paid for Media:</li> </ul> <p>Print: Boland Gazette, Breede River Gazette, Die Hoorn, Eikestadnuus, Hermanus Times, Paarl Post, Swartland Gazette, Theewaterskloof Gazette, Weslander, Worcester Standard, Courier, Die Courant Swartland/Weskus, Die Herrie, Ons Kontrei, Suidernuus/Southern Post, Winelands Echo, Witzenberg Herald, Langeberg Bulletin, George Herald, Knysna Plett Heralds, Mossel Bay Advertiser, Oudtshoorn Courant, South Cape Forum.</p> <p>Radio: RSG, KFM, Umhlobo Wenene, Disa FM, Eden FM, Gamka FM, Heartbeat FM, Radio KC, Knysna FM, MFM, Radio Namakwaland, Vallei FM, Radio West Coast, Radio Witzenberg, Heart FM, Good Hope FM.</p> <p>Digital: Facebook (promoted posts), Microsite, SMS</p> <p>OHH: Various Billboards in the following areas: Worcester, George, Huguenot Bypass, Paarl, Saldanha</p>
<b>Amount as per DORA</b>	R1 400 000
<b>Amount received (R'000)</b>	R1 400 000
<b>Reasons for the funds unspent by the department</b>	n/a
<b>Reasons for deviations on performance</b>	n/a
<b>Measures taken to improve performance</b>	n/a
<b>Monitoring mechanism by the receiving department</b>	Campaign report (for the period Oct 2017 to March 2018).
<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	Recruiting and training of graduate interns
<b>Expected outputs of the earmarked funding</b>	To facilitate the recruitment of interns and provide training opportunities and interventions of interns
<b>Actual outputs received</b>	Five graduate interns were recruited by DCAS and appointed.
<b>Amount as per DORA</b>	R426 000

<b>Amount received (R'000)</b>	R426 000
<b>Reasons for the funds unspent by the department</b>	Priority was given to recruitment and training of the graduate interns for the After School (DCAS) and e-Learning (WCED) Game Changers. However, due to slow finalisation of recruitment of interns by DCAS, and the indication by WCED that they will manage their own processes, the funding could not be utilised as planned.
<b>Reasons for deviations on performance</b>	There is a dependency on DCAS and WCED to appoint interns who can be trained. Despite continued engagement with the two departments to speed up the processes, progress is very limited. The low number of interns makes it difficult to run a structured development programme.
<b>Measures taken to improve performance</b>	While still engaging DCAS and WCED, the funds will be utilised for recruitment and training of other interns.
<b>Monitoring mechanism by the receiving department.</b>	Progress on spending will be reported every second month at the Steercom meeting for implementation of Youth Development programmes.
<b>Department that transferred the earmarked funding</b>	Provincial Treasury
<b>Purpose of the earmarked funding</b>	Executive priority: targeted strategic communication
<b>Expected outputs of the earmarked funding</b>	Highlighting key achievements of the Western Cape Province amongst citizens of the Western Cape and visitors to the Province.
<b>Actual outputs received</b>	Production of various media elements and placement of the produced elements in various media including social media and radio.
<b>Amount as per DORA</b>	R2 000 000
<b>Amount received (R'000)</b>	R2 000 000
<b>Reasons for the funds unspent by the department</b>	The campaign rolled over to April and May 2019 due to planned media spending (including social media and hosting cost).
<b>Reasons for deviations on performance</b>	Media campaign plan included media spend (social media and radio) in April and May 2019
<b>Measures taken to improve performance</b>	n/a
<b>Monitoring mechanism by the receiving department</b>	Google data analytics (digital campaign)

## 7. DONOR FUNDS

### 7.1. Donor funds received

During the period under review the department received no donor funds.

## 8. CAPITAL INVESTMENT

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

The Department's capital investments are restricted to the movable assets in respect of computer equipment (infrastructure and end user) and furniture.

Details regarding the amounts in respect of the movable assets of the Department can be found in Note 29 of the Annual Financial Statements. The asset register is updated immediately with acquisitions, disposals and any other movements of assets. Information technology assets includes a three-year warranty in the event that an asset breaks down.

The Department submitted its input in terms of the Government Immovable Asset Management Act, 2007 (GIAMA) to the provincial Department of Transport and Public Works.







# PART C





# GOVERNANCE

## 1. INTRODUCTION

The leadership team of the Department of the Premier is committed to maintaining the highest standards of ethics and governance and therefore strives to conform to the governance principles highlighted in the King IV Report on Corporate Governance for South Africa released in 2016. In terms of these principles, the Department's governance structures are made up as follows:

- An Executive Committee facilitates decision making by top management on various strategic and governance matters requiring joint consideration and decision making. This Executive Committee also constitutes the Department's Enterprise Risk Management Committee (which is dealt with in more detail in paragraph 2), the Department's Ethics Committee as well as the Department's Information Technology Strategic Committee. For this purpose, EXCO convenes for a distinct meeting as the Department's Governance Committee. An independent shared Audit Committee provides independent oversight over governance, risk management and control processes of the Department.
- An independent Internal Audit function provides independent assurance that the controls in place to manage and mitigate risks are adequate and function effectively.
- A Departmental Information Technology Steering Committee facilitates the implementation of the Corporate Governance of Information Technology Charter and the chairperson serves as the Department's IT Governance champion and represents the Department on the WCG Information Technology Steering Committee. These structures are aligned with the Control Objectives for Information and Related Technology (COBIT) framework.
- A number of committees assist the Accounting Officer and Executive Committee in governing the business of the Department in a fair, responsible and transparent manner.

## 2. RISK MANAGEMENT

The Department established a Governance Committee (GOVCOM) to assist the Accounting Officer in executing his responsibilities relating to risk management (refer to paragraph 1).

### Govcom Responsibility

The Governance Committee (GOVCOM) reports that it has complied with its responsibilities arising from Section 38 (1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The GOVCOM also reports that it has adopted the appropriate formal Terms of Reference (approved by the GOVCOM chairperson on 17 April 2018) and regulated its affairs in compliance with these Terms of Reference and has discharged all its responsibilities as contained therein.

### Govcom Members

The GOVCOM comprises selected members of the Department's senior management team. As per its Terms of Reference, the GOVCOM met at least four times (quarterly) during the year under review.

The table below discloses relevant information on GOVCOM members:

Member	Position	Scheduled meetings	Attended
Adv. B Gerber	Accounting Officer (Chairperson)	4	2
Mr A Joemat	SG (Head of Corporate Services)	4	4
Mr L Grootboom	DDG: Strategy, Planning and Co-ordination	4	4
Ms M Korsten	DDG: Strategic Programmes	4	4
Mr M Hendrickse	DDG: People Management	4	4
Mr H Arendse	DDG: Centre for e-Innovation	4	4
Ms H Robson	DDG: Corporate Assurance	4	3
Mr L Buter	DDG: Legal Services	4	4
Mr D Basson	Chief Financial Officer	4	4

Standing invitees	Position	Scheduled meetings	Attended
Ms F Steyn	Director: Corporate Communication	4	3
Mr A Geldenhuys	Director: Departmental Strategy and Risk Champion	4	3
Mr R Shaw	Director: DG Support	4	4
Mr R Janse Van Rensburg	CD: Provincial Forensic Services	4	4
Ms B Cairncross	Chief Audit Executive	4	4
Ms A Haq	Director: Enterprise Risk Management	4	4

## Govcom Key Activities

The Accounting Officer is the chairperson of the GOVCOM and the Director: Departmental Strategy is the Risk Champion. In executing its function, the GOVCOM performed the following key activities during the year:

- reviewed the Department's Risk Management Policy, Strategy and Implementation Plan; for recommendation by the Audit Committee and approval by the Accounting Officer;
- set, reviewed and applied appropriate risk appetite and tolerances, and recommended same for approval by the Accounting Officer;
- reviewed the Department's risk identification and assessment methodology;
- reported to the Accounting Officer any material changes to the risk profile of the Department;
- reviewed the Fraud Prevention Plan (Strategy, Policy and Implementation Plan) and recommended for approval by the Accounting Officer;
- evaluated the effectiveness of the implementation of the Fraud Prevention Plan;
- reviewed any material findings and recommendations by assurance providers on the system of risk management and monitored that appropriate actions be instituted to address weaknesses;
- assessed the implementation of the departmental Risk Management Policy, Strategy and Implementation Plan;
- assessed the implementation of the departmental Ethics Management Implementation Plan;
- evaluated the effectiveness and mitigating strategies to address the material, ethics and corruption risks; and
- provided oversight on ethics management in the Department.

## Key risks considered and addressed during the year

The following are the key Strategic Risks for the Department that were considered and addressed during the year:

- Inadequate financial resources resulting in risk to DOTP fulfilling its mandate
- Possibility of missing economic and other opportunities in targeted markets identified in the IR Strategy

- Capacity constraints (structure, funds, skills, knowledge) causing operational challenges
- Inability to comply with continuously changing SCM and Accounting environments.
- Difficulty in delivering on mandate and associated responsibilities

Each programme's risks were deliberated/debated at the quarterly GOVCOM meetings. Programme managers were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. GOVCOM also referred risks back that should be analysed more extensively and recommended additional mitigations or actions to manage risks.

## Key emerging risks for the following financial year

A key emerging risk that needs to be considered in the next financial year is energy security and its impact on the work environment.

## Conclusion

It is evident from the information above that risk management continues to be embedded into the strategic and operational processes of the Department.

## 3. FRAUD AND CORRUPTION

Fraud and corruption represent significant potential risks to the Department's assets and can negatively impact on service delivery efficiency and the Department's reputation.

The Western Cape Government (WCG) adopted an Anti-Fraud and Corruption Strategy that confirms the Province's zero-tolerance stance towards fraud, theft and corruption. In line with this strategy, the Department is committed to zero tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external, and vigorously pursues and prosecutes by all legal means available any parties who engage in such practices or attempt to do so.

The Department has an approved Fraud and Corruption Prevention and Response Plan as well as a Fraud Prevention Implementation Plan that gives effect to the Prevention Plan.

Various channels for reporting allegations of fraud, theft and corruption exist and these are described in detail in the Provincial Anti-Fraud and Corruption Strategy and the Departmental Fraud and Corruption Prevention and Response Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit is recorded in a Case Management System, which is used as a management tool to report on progress made with cases relating to the Department and to generate statistics for the Province and Department.

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements, e.g. was made in good faith). Following amendments by the Protected Disclosures Amendment Act, No 5 of 2017, the transversal Whistle-blowing Policy was reviewed and the revised Whistle-blowing Policy was approved on 18 July 2018. The Policy provides guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated within the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.



Once fraud, theft or corruption is confirmed after completion of an investigation, the relevant employee who participated in these acts is subjected to a disciplinary hearing. In all such instances, the WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where prima facie evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

For the year under review, PFS issued a Case Movement Certificate for the Department noting the following:

Open cases as at 1 April 2018	2
New cases (2018/19)	0
Closed cases (2018/19)	(2)
Open cases as at 31 March 2019	0

The following table further analyses the closed cases indicated above:

Nature and investigation outcome of two cases closed
Allegations of fraud and/or corruption were substantiated in one case (case reported to SAPS)
In one case the investigation was concluded with no adverse findings, but recommendations were made.

## 4. MINIMISING CONFLICT OF INTEREST

Various Codes of Conduct (i.e. the Code of Conduct for the Public Service, the Code of Conduct for Supply Chain Practitioners, etc.) determine norms and standards to promote integrity and guide employees as to what is required of them in their conduct. The Department promotes and maintains a high standard of professional ethics including managing conflicts of interest. The following measures ensure professional ethics and minimising conflict of interest:

- All designated employees (which includes all members of the Senior Management Service (SMS) and any other employee or category of employees determined by the Minister) are required to annually disclose to the Executive Authority particulars of all their interests in accordance with Chapter 2 of the Public Service Regulations. The objective is to identify any conflict of interest in order to promote just and fair administrative actions of officials in positions of authority.
- All the members of the different Bid Specification Committees (BSC), Bid Evaluation Committee (BEC) and the Departmental Bid Adjudication Committee (BAC) sign a Declaration of Interest before each meeting. They are required to declare any conflict of interest that may exist and if there is a conflict of interest, it is expected of the member to excuse him/herself from the proceedings. The officials from the Procurement Unit of Supply Chain Management who render the secretariat service to the BAC also sign the Declaration of Interest Register.
- All bidders and prospective bidders need to register on the WC Supplier Database as well as National Treasury's central Supplier Database. Registration on the WC Supplier database includes the completion of a declaration of interest by the bidder/prospective bidder. National Treasury's central Supplier Database systematically detects and flags a conflict of interest that exists between bidders and employees of the state.
- The Provincial Treasury compares the identity numbers of all officials on the PERSAL salary system of Departments to those of service providers registered on the Western Cape Supplier Database on a quarterly basis.
- Employees who wish to perform remunerative work outside of the public service must apply for relevant approval, in line with the Public Service regulations, and more specifically the Directive on Other Remunerative Work Outside the employee's employment in the relevant department issued by the Minister for Public Service and Administration on 30 September 2016.
- Lastly, the Department has a gift policy that indicates that all gifts must be declared in a gift register per Chief Directorate, and gifts above R350 must receive prior approval from the delegated authority. This is in

addition to the declaration of gifts and hospitality from sources other than a family member, which is part of the financial disclosure process indicated in the first bullet.

Should a conflict of interest be identified in any of the abovementioned processes, this will be investigated and the results of the investigation will determine the most appropriate action to be taken by the Department in line with the Disciplinary Code and Procedures for Public Service.

## 5. CODE OF CONDUCT

The Department fully supports the Public Sector Code of Conduct as per the Public Service Regulations issued in 2016, and all employees are expected to comply with its standards. The Public Sector Code of Conduct addresses employee behaviour in the workplace and contributes to the Department's drive to maintain the highest levels of ethics, the eradication of incidents of corruption and the promotion of good governance. During the induction, new appointees are made aware of the Code of Conduct, and they receive a copy thereof. All new employees are furthermore informed in their letters of appointment that the Code of Conduct is available on the WCG website.

It is noted that the primary purpose of the Code of Conduct is a positive one, namely to promote exemplary conduct. Notwithstanding this, an employee shall be guilty of misconduct and may be subject to disciplinary action if he or she contravenes any provision of the Code of Conduct.

There are a number of "profession-specific" codes of conduct, including the Code of Conduct for Supply Chain Management Practitioners and the relevant practitioners/ professionals are required to acknowledge that they will abide by these codes.

## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

During the year under review, the Department of the Premier put various measures in place to ensure a healthy and safe environment for its employees to work in. These measures contributed directly to the achievement of the Provincial Strategic Goal 5 (PSG 5) and "embedded good governance and integrated service delivery through partnerships and spatial alignment". The interventions contributed to "ensuring efficient, effective and responsive Provincial Government Governance".

Most of the interventions implemented during the 2018-2019 financial year were aimed at increasing minimum levels of compliance to the provisions of Occupational Health and Safety Act, 1993 (Act 85 of 1993) and its Regulations.

### 6.1. Occupational Health and Safety Administration,

- 1.1. Four (4) meetings of the Departmental Occupational Health and Safety Committee were held to consider Health, Safety and Environmental matters.
- 1.2. Database of emergency team members was continuously updated and maintained as incumbents moved in and out of the Department.
- 1.3. The emergency teams consist of fire marshals, floor marshals, first aiders, emergency controllers and evacuation chair handlers. The relevant emergency team database was maintained for every floor in all the buildings where the Department occupies space.
- 1.4. The departmental Occupational Health and Safety Policy statement was approved.



- 1.5. Personal Protective Equipment Policy was drafted, endorsed at EXCO and then tabled at IMLC meeting for inputs.
- 1.6. OHS meeting was arranged with all tenants at 4 Dorp Street building, departments of Provincial Treasury, Health, Department of the Premier and Community Safety in conjunction with Transport and Public Works, chaired by the Department of Health.
- 1.7. MOU monthly meetings between DotP and DOCS are ongoing. MOU between DOCS and DotP was reviewed and signed off.
- 1.8. The SOP on Incident reporting was signed off.

Matters in the Occupational Health and Safety Committee that are unresolved were referred to the departmental Accommodation and Maintenance Committees, as a further measure to deal with the maintenance issues of the Department.

International best practice indicates that one of the most successful measures to ensure that occupational health and safety is properly embedded in an organisation remains training the managers responsible for the execution of departmental goals.

## 6.2. Incident management

Four (4) formal and informal incidences were reported and attended to during the year under review. These ranged from:

- A staff member experienced headache due to painting fumes during the refurbishment of 7 & 15 Wale Street buildings.
- A staff member fainted in the office due to heat.
- A cardboard box caught fire on the first floor, 15 Wale Street Premier's balcony, while contractors were working on the balcony.
- Smoke as a result of burning electrical wires. DOCS confirmed that there was no immediate danger and a call was logged with TPW Maintenance.
- Eight (8) Injuries were reported at the Directorate Employee Benefits (no fatal injuries).

## 6.3. Contingency planning

- Evacuations and dry runs were conducted in seventeen (17) buildings on fifty-one (51) floors where employees were accommodated. Employees displayed excellent cooperation during these exercises. Effective dry run planning was done and meetings were scheduled and diarised accordingly to prepare for successful evacuations on all the floors in all the buildings.
- DotP played a leading role in preparation for the Opening of Parliament with the SOPA to Provincial Treasury and Western Cape Provincial Parliament. Processes that were implemented improved with every dry run, i.e. the utilisation of the two-way radios, etc.

## 6.4. Training and awareness

Continuous training of occupational health and safety representatives and emergency teams on the identification and management of hazards and exposure form part of the business plan every year.

1. Sixty-eight (68) awareness/information-sharing interventions on occupational health and safety matters were conducted. This included information sharing to all the business units within the Department, including to offices outside 7 & 15 Wale Street and 4 Dorp Street, i.e. George, Worcester.

- Four (4) senior managers attended the Management Overview on the Occupational Health and Safety Act.
- Thirty-Seven (37) first aiders, fifty-nine (59) floor marshals and fire marshals went for their training.
- Twenty (20) OHS Reps attended OHS-related training.

Five (5) OHS Reps resigned and the democratic election process that was developed to appoint new Health and Safety Representatives was implemented to elect new members.

Reporting: SHERQ reports were submitted on a quarterly and annual basis.

It must further be noted that several incidences were successfully dealt with by members of the emergency teams, indicating a higher level of responsiveness than before. The fact that incidences were mitigated at the point where it occurred shows the increased level of confidence and capacity of emergency teams.

## 6.5. Audit

- Department scored 98% compliance against a safety index administered by the Department of Community Safety. The area of non-compliance relates to the Departmental OHS Policy being in a draft form and Contingency Plans not being in place in all the buildings (including the rental buildings) where departmental staff are accommodated.
- An audit was conducted on the implementation of recommendations emanating from a baseline risk assessment conducted at Kromme Rhee. A report to be finalised during the 2019/20 financial year.
- DOCS conducted a risk profile of DotP as a whole. The risk profile highlighted recommendations, which will be addressed in the ensuing financial year.
- DOCS further conducted a perception survey, which lasted four months. The Report is to be shared with the relevant Committees.

## 7. PORTFOLIO COMMITTEES

Standing Committee on Premier

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
17 April 2018	Standing Committee briefing on the Children's Commissioner [B4-2018]	Standing Committee briefing on the Children's Commissioner	Department responded to Committee members' questions in the meeting.	Yes
29 August 2018	Standing Committee briefing on the Children's Commissioner [B4-2018]	Standing Committee briefing on the Children's Commissioner [B4-2018]	Department responded to Committee members' questions in the meeting.	Yes
23 October 2018	Standing Committee briefing on the Department of the Premier's Annual Report 2017/18	Standing Committee briefing on the Department of the Premier's Annual Report 2017/18	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information	Yes
23 November 2018	Standing Committee briefing on Vote 1, the WC Adjustment Appropriation Bill, 2018	Standing Committee briefing on the WC Adjustment Appropriation Bill, 2018	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
29 January 2019	Standing Committee briefing on the Constitution of the Western Cape, 1st Amendment Bill (B5-2018)	Standing Committee briefing on the Constitution of the Western Cape, 1st Amendment Bill (B5-2018)	Department responded to Committee members' questions in the meeting.	Yes
6 March 2019	Standing Committee briefing on Vote 1, WC Appropriation Bill, 2019	Standing Committee briefing on Vote 1, WC Appropriation Bill, 2019	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.	Yes

## 8. SCOPA RESOLUTIONS

SCOPA engagements with the Department of the Premier during the period under review (1 April 2018 – 31 March 2019):

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
13 June 2018	Presentation on Virements	Presentation on Virements	Department responded to Committee members' questions in the meeting.	Yes
19 September 2018	Briefing by Provincial Forensic Services on investigations undertaken relating to 1st, 2nd and 3rd of 2017/18 financial year for Western Cape Government	Briefing by Provincial Forensic Services on investigations undertaken relating to 1st, 2nd and 3rd of 2017/18 financial year for Western Cape Government	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information.	Yes
23 October 2018	Briefing on the Department of the Premier's Annual Report 2017/18	Standing Committee briefing on the Department of the Premier's Annual Report 2017/18	Department responded to Committee members' questions in the meeting and detailed reply submitted to the Committee's requests for further information	Yes
9 November 2018	Briefing on application by Minister of Economic Opportunities against AGSA in the Western Cape High Court	Briefing on application by Minister of Economic Opportunities against AGSA in the Western Cape High Court	Department responded to Committee members' questions in the meeting.	Yes

### 8.1. Vote 1: Premier

The Committee noted the audit opinion of the AGSA regarding the annual financial statements for the 2017/18 financial year of the Department, having obtained an unqualified audit report with no findings on pre-determined objectives and compliance with key legislation. This audit opinion remains unchanged from the 2016/17 financial year.

### 8.2. Audit Opinion

The AGSA raised no findings with the Department on compliance with laws and regulations, predetermined objectives nor internal control deficiencies.

## 8.3. Financial Management

The Department of the Premier spent R1, 358 billion of an appropriated budget of R1, 398 billion, which resulted in an underexpenditure of R39, 839 million (2,8% underspending). The underexpenditure of R39, 839 million occurred in the following programmes:

- Programme 1: Executive Support (R4, 592 million)

The underspending in Executive Support (Administration) was due to the changes in terms of the Water Resilience Plan from a short-term approach to a more medium- to long-term approach.
- Programme 2: Provincial Strategic Management (R4, 739 million)

The underspending in Provincial Strategic Management was due to staff exits and slower than anticipated filling of posts.
- Programme 3: People Management (R5, 035 million)

The underspending in People Management was due to staff exits and slower than anticipated filling of posts.
- Programme 4: Centre for e-Innovation (R20, 059 million)

The underspending in Centre for e-Innovation was due to staff exits and slower than anticipated filling of posts, the delay in the procurement process for the Client Relationship Management System through SITA, a shift from capital expenditure to operating expenditure on the server side to cloud based services and delays in the delivery of network equipment.

The payment with regard to the infotainment monitors for frontline facilities could not be processed in the interest of good governance due to the entity not complying with the prerequisites for transfers.
- Programme 5: Corporate Assurance (R5, 414 million).

The underspending in Corporate Assurance was due to staff exits and slower than anticipated filling of posts.

In addition, the total estimated departmental revenue budget of R1, 754 million was over-collected by R2, 326 million, which resulted in total departmental receipts of R4,080 million. This 2017/18 collection was more than the departmental receipts that were collected during the 2016/17 financial year, which reflected a collection amount of R3, 373 million.

The revenue over-collection occurred in the following line items:

- sale of goods and services other than capital assets (R117 000);
- interest, dividends and rent on land (R4 000);
- sale of the departmental capital assets (R32 000); and
- financial transactions in assets and liabilities (R2, 173 million)

## 8.4. Resolutions

Background/concerns	Resolutions	Action date
<p>Pages: 3-5 of the Briefing of the Audit Committee to the Public Accounts Committee</p> <p>Heading:</p> <p>“3.5: Internal Control”</p> <p>Description:</p> <p>The Committee notes the comments of the Director-General of the Department of the Premier in that there were factual errors within the Audit Committee’s briefing document to the Public Accounts Committee. In addition, the Director-General indicated that all matters that were raised by the Audit Committee have been attended to and resolved by the Department during the 2017/18 financial year.</p>	<p>1. That the Department, including the Audit Committee, brief the Public Accounts Committee on the matters that were raised by the Audit Committee under Note 3.5: Internal Control.</p>	<p>To be scheduled by the Public Accounts Committee</p>

## 8.5. List of information requested

The Committee requested that the Department of the Premier provide it with the following:

1. A copy of the establishment, activities and outcomes of the Enterprise Risk Management Committee, Ethics Committee, Governance Committee, Information Technology Steering Committee and Governance Committee. In addition, the Department is requested to furnish the Public Accounts Committee with the National Treasury Public Sector Risk Management Framework, the Department of the Premier's Enterprise Risk Management Policy Statement for the period 2016/17–2019/20 and the Enterprise Risk Management Strategy and Implementation Plan for 2017/18, as reflected on page 106 of the Annual Report.
2. A copy of the Provincial Anti-Fraud and Corruption Strategy, as well as a copy of the Department's Fraud and Corruption Prevention Plan, as indicated on page 107 of the Annual Report.
3. A report that explains in detail the work that was executed by Shanaaz Majiet Business Consulting, including the schools that were involved, the criteria that was used to identify the specific schools, the number of learners who were involved in the project and the outcomes of the project, as indicated on page 160 of the Annual Report<sup>1</sup>.

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

None

## 10. INTERNAL CONTROL UNIT

It is the responsibility of the Accounting Officer to continually assess and evaluate internal controls to ensure that control activities in place are effective, efficient and transparent and that they are improved when required. To achieve this, quarterly key control meetings are held with the Auditor-General, programme managers of the Department and the Accounting Officer. This is an ongoing process to ensure that the Department maintains its clean audit outcome. The unit remained under constant pressure due to exit of staff and three unfunded vacant posts. The vacancy rate stood at 40% at the end of the reporting period.

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Department. It should assist the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the department's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

<sup>1</sup> Page 160 of the 2017/18 Annual Report

Internal Audit work completed during the year under review for the Department included eight assurance audits, three consulting engagements and 14 follow-up audits. The details of these engagements are included in the Audit Committee report.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Department, which include oversight and review of the following:

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- AGSA management and audit report;
- Departmental In year Monitoring;
- Departmental Risk Management;
- Internal Control;
- Pre-determined objectives;
- Ethics and Forensic Investigations.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Francois Barnard *	BProc; BCompt (Hons); CTA; Postgrad Diploma Auditing; MCom; CA (SA) MTP (SA)	External	N/A	01 January 2019 (1st term)	N/A	2
Mr Kerry Larkin **	B Compt; ND FIS; FIIASA CIA; CRMA; CCSA	External	N/a	01 January 2018 (1st term)	31 August 2018	4
Ms Merle Kinnes	BA; LLB; Higher Certificate in Forensics Examination; Attorney of the High Court	External	N/A	01 January 2016 (1st term) 01 January 2019 (2nd term)	N/a	7
Mr Yaseen Ismail	BCom, PGDA, Certificate in Advanced Taxation, Certificate in Forensic and Investigative auditing, CA(SA), RA(SA), CFE	External	N/A	1 May 2016 (1st term)	N/a	7
Mr Jeremy Fairbairn	Certificate in General Management and Consultancy; HONS B COM (BUS. MANAGEMENT ), B. COM (Hons.), Higher Diploma in Education; B COM (LAW)	External	N/A	1 January 2017 (1st term)	N/a	7

\* Chairperson    \*\* Resigned

## 12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2019.

### Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and National Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

In line with the PFMA and the King IV Report on Corporate Governance, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

The following internal audit engagements were approved by the audit committee and completed by Internal Audit during the year under review:

### Assurance Engagements

- DPSA Delegations Framework;
- Service Excellence Awards;
- Asset Management;
- Talent Sourcing;
- Transfer Payments;
- Ce-I Contract Management;
- Network User Account Management (ICT Audit Plan); and
- Formulation of the Minimum ICT Standards (ICT Audit Plan).

### Consulting Engagements

- Human Rights;
- Integrated Capacitation and Training Model; and
- ICT Planning (ICT Audit Plan).

The above assignments were completed during the year.



The areas for improvement, as noted by Internal Audit during performance of their work, were agreed to by management. The Audit Committee monitors the implementation of the agreed actions on a quarterly basis.

## **In-Year Management and Monthly/Quarterly Report**

The Audit Committee is satisfied with the content and quality of the quarterly in-year management and performance reports issued during the year under review by the Accounting Officer of the Department in terms of the National Treasury Regulations and the Division of Revenue Act.

## **Evaluation of Financial Statements**

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and Management's responses thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements; and
- reviewed adjustments resulting from the audit of the Department

## **Compliance**

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

## **Provincial Forensics Services**

The Provincial Forensic Services (PFS) presented us with statistics. The Audit Committee monitors the progress of the PFS reports on a quarterly basis. There were no matters brought to our attention that required further reporting by the Audit Committee.

## **Performance Information**

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

## **Auditor-General's Report**

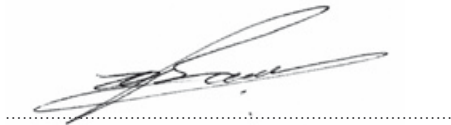
We have on a quarterly basis reviewed the Department's implementation plan for audit issues raised in the prior year. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit.

Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements, and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

The Audit Committee commends the department for maintaining an unqualified audit opinion with material findings.

The Audit Committee commends the Department for maintaining an unqualified audit opinion with no material findings.

A handwritten signature in black ink, appearing to read 'F. Barnard', is written over a horizontal dotted line.

Mr Francois Barnard

Chairperson of the Governance and Administration Cluster Audit Committee

Western Cape Department of the Premier

7 August 2019



# PART D





# PEOPLE MANAGEMENT OVERSIGHT

# 1. INTRODUCTION

Our unique contribution to the work of the Western Cape Government is the result of the persistent, and often selfless, efforts of the people within the Department of the Premier.

To consistently deliver improved services to the citizens of the Western Cape Province is quite a challenge. The modern people management landscape has shifted significantly in recent years and requires complex navigation between a range of competing variables.

Apart from the fact that these variables are interdependent and interrelated, they are also governed by stringent rules and regulations, which prove difficult when retention and attraction initiatives are explored.

These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management, succession planning, employment equity and creating an enabling environment where employees are able to thrive. Further to this, the Department is required to function within an austere environment, which demands that managers consider the impact of “doing more with less”.

Despite the changing patterns and demands impacting on the modern workplace, the consistent hard work of our people has resulted in remarkable achievements and service delivery improvement during the year under review.

## 2. STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT

### 2.1. Departmental Workforce Planning

- The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process, the Department annually assesses its workforce profile against current and future organisational needs.
- The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.
- The Workforce Plan 2015-2020, is therefore aligned to the vision and mission of the Department's Strategic Plan, as well as the People Management Strategy.
- The assumptions on which this Workforce Plan was developed are still valid and the Action Plan was reviewed to ensure that strategies (as per the listed priorities) would achieve its outcomes:
  - an equitable workforce;
  - competent people in the right numbers at the right place at the right time with the right attitude;
  - leaders that are exemplars of the behaviours associated with the organisation's values – highly engaged people;
  - a citizen-centric performance culture;
  - increased staff morale; and
  - an upward curve achieved in effectively managed Employee Health and Wellness issues, which in turn would assist the Department to achieve its strategic mandate.
- The current Workforce Plan has been reviewed in consultation with CSC stakeholders, as well as the Department of the Premier's Executive Committee (EXCO).

## 2.2. Employee Performance Management

The purpose of Performance Management is to increase performance by encouraging individual commitment, accountability and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the Western Cape Government has devised an electronic system, namely PERMIS (Performance Management Information System), that allows for the entire performance management process to be captured, monitored and managed.

The performance management process requires that a mid-year review and an annual assessment be conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within the Corporate Services Centre (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental, however, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

## 2.3. Employee Wellness

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

The EHW Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy).

A quarterly report is prepared by the Directorate: Organisational Behaviour within the Corporate Service Centre that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the Department of Public Service and Administration (DPISA) is a requirement and such reporting focuses on four areas, namely HIV/AIDS, Health and Productivity, Wellness Management and SHEQ (Safety Health Environment and Quality).

## 2.4. People Management Monitoring

The Department, in collaboration with the CSC, monitors the implementation of a range of people management compliance indicators. The monthly Barometer Fact File, that is developed by the Chief Directorate: People Management Practices within the CSC, provides the Department with regular updates on the workforce profile and other relevant people management data to enable decision making. The indicators include, inter alia, staff establishment information, headcount, people expenditure projections, sick leave patterns, the monetary value of annual leave credits, discipline cases, vacancy rates, staff movement, employment equity, etc.

During the year under review, the Department furthermore participated in the implementation of the annual Management Performance Assessment Tool (MPAT 1.8) coordinated by the Department of Planning Monitoring and Evaluation (DPME). In this regard, an average score of 4 out of 4 was achieved for the people management key performance area (KPA3). This is amongst the highest scores achieved for this performance area nationally.



## 3. PEOPLE MANAGEMENT OVERSIGHT STATISTICS

### 3.1. Personnel-related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2).

The figures in Table 3.1.1 are drawn from the Basic Accounting System and the figures in Table 3.1.2 are drawn from the PERSAL (Personnel Salary) system. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the total expenditure reflected on these systems.

The key in the table below is a description of the programmes within the Department. Programmes will be referred to by their number from this point forward.

Programme	Programme designation
Programme 1	Executive Support (Administration)
Programme 2	Provincial Strategic Management
Programme 3	People Management (Corporate Services Centre)
Programme 4	Centre for E-Innovation (Corporate Services Centre)
Programme 5	Corporate Assurance (Corporate Services Centre)

**Table 3.1.1: Personnel expenditure by programme, 2018/19**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of employees remunerated
Programme 1	112 196	90 933	377	18 797	81.0	541	168
Programme 2	51 674	39 078	219	11 979	75.6	489	80
Programme 3	190 818	161 563	2 755	26 910	84.7	381	424
Programme 4	967 634	194 683	275	737 127	20.1	437	446
Programme 5	127 682	109 383	680	17 121	85.7	604	181
<b>Total</b>	<b>1 450 004</b>	<b>595 640</b>	<b>4 306</b>	<b>811 934</b>	<b>41.1</b>	<b>459</b>	<b>1 299</b>

**Note:** The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Premier. The number is accumulative and not a snapshot as at a specific date.

**Table 3.1.2: Personnel expenditure by salary band, 2018/19**

Salary bands	Personnel expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of employees
Interns	4 965	0.8	28	180
Lower skilled (Levels 1-2)	2 411	0.4	134	18
Skilled (Levels 3-5)	28 704	4.8	204	141
Highly skilled production (Levels 6-8)	85 301	14.3	331	258
Highly skilled supervision (Levels 9-12)	376 779	63.3	607	621
Senior management (Levels 13-16)	97 042	16.3	1 198	81
<b>Total</b>	<b>595 201</b>	<b>100.0</b>	<b>458</b>	<b>1 299</b>

**Note:** The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Premier. The number is accumulative and not a snapshot as at a specific date.



The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. These tables do not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

**Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by programme, 2018/19**

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	49 230	8.3	698	0.1	1 299	0.2	2 524	0.4
Programme 2	38 316	6.4	19	0.003	488	0.1	1 095	0.2
Programme 3	116 174	19.5	635	0.1	3 724	0.6	7 130	1.2
Programme 4	142 580	24.0	2 385	0.4	2 966	0.5	6 452	1.1
Programme 5	77 090	13.0	0	0.0	1 098	0.2	2 188	0.4
<b>Total</b>	<b>423 389</b>	<b>71.1</b>	<b>3 737</b>	<b>0.6</b>	<b>9 576</b>	<b>1.6</b>	<b>19 389</b>	<b>3.3</b>

**Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary band, 2018/19**

Salary band	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Interns	4 853	0.8	0	0.0	0	0.0	0	0.0
Lower skilled (Levels 1-2)	1 571	0.3	5	0.0008	168	0.02	242	0.04
Skilled (Levels 3-5)	19 632	3.3	448	0.1	1 498	0.3	2 294	0.4
Highly skilled production (Levels 6-8)	60 687	10.2	1 119	0.2	2 627	0.4	5 767	1.0
Highly skilled supervision (Levels 9-12)	274 220	46.1	2 165	0.4	4 779	0.8	10 410	1.7
Senior management (Levels 13-16)	62 425	10.5	0	0.0	504	0.1	676	0.1
<b>Total</b>	<b>423 389</b>	<b>71.1</b>	<b>3 737</b>	<b>0.6</b>	<b>9 576</b>	<b>1.6</b>	<b>19 389</b>	<b>3.3</b>

## 3.2. EMPLOYMENT AND VACANCIES

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Premier), and the percentage active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

**Table 3.2.1: Employment and vacancies by programme, as at 31 March 2019**

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	135	132	2.2
Programme 2	67	67	0.0
Programme 3	339	332	2.1
Programme 4	307	302	1.6
Programme 5	161	154	4.3
<b>Total</b>	<b>1 009</b>	<b>987</b>	<b>2.2</b>

**Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2019**

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	19	19	0.0
Skilled (Levels 3-5)	120	120	0.0
Highly skilled production (Levels 6-8)	208	202	2.9
Highly skilled supervision (Levels 9-12)	585	573	2.1
Senior management (Levels 13-16)	77	73	5.2
<b>Total</b>	<b>1 009</b>	<b>987</b>	<b>2.2</b>

**Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2019**

Critical occupations	Number of active posts	Number of posts filled	Vacancy rate %
Network Technologist - for consistency with other tables further on in the report	125	125	0.0
<b>Total</b>	<b>125</b>	<b>125</b>	<b>0.0</b>

**Note:** Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the department, the function/services will collapse.

### 3.3. JOB EVALUATION

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that Job Evaluation and Staff Performance Management differ in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.

**Table 3.3.1: Job evaluation, 1 April 2018 to 31 March 2019**

Salary band	Number of active posts as at 31 March 2019	Number of posts evaluated	% of posts evaluated	Posts upgraded/downgraded		Posts	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	19	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	120	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	208	2	0.2	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	585	6	0.6	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	50	3	0.3	0	0.0	0	0.0
Senior Management Service Band B (Level 14)	16	1	0.1	0	0.0	0	0.0
Senior Management Service Band C (Level 15)	8	2	0.2	0	0.0	0	0.0
Senior Management Service Band D (Level 16)	3	0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>1 009</b>	<b>14</b>	<b>1.4</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>

**Note:** The "Number of posts evaluated" per Salary Band reflects the Final Approved Post Level after Job Evaluation.

**Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2018 to 31 March 2019**

Beneficiaries	African	Coloured	Indian	White	Total
None					

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches were awarded to employees within a particular salary level. Each salary level consists of 12 notches. Reasons for the deviation are provided in each case.

**Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2018 to 31 March 2019**

Major occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
Deputy Director	1	-	-	5	Retention
Chief Director	1	-	-	5	Retention
<b>Total</b>				<b>2</b>	
<b>Percentage of total employment</b>				<b>0.2%</b>	

**Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2018 to 31 March 2019**

Beneficiaries	African	Coloured	Indian	White	Total
Female	0	0	1	0	1
Male	0	0	0	1	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>Employees with a disability</b>				<b>0</b>	

**Note:** Table 3.3.4 is a breakdown of Table 3.3.3 by race and gender.

## 3.4. EMPLOYMENT CHANGES

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include information related to interns.

**Table 3.4.1: Annual turnover rates by salary band, 1 April 2018 to 31 March 2019**

Salary band	Number of employees as at 31 March 2018	Turnover rate 2017/18	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2018/19
Lower skilled (Levels 1-2)	18	13.6	4	1	4	1	27.8
Skilled (Levels 3-5)	126	23.4	21	3	17	6	18.3
Highly skilled production (Levels 6-8)	250	13.5	15	2	45	9	21.6
Highly skilled supervision (Levels 9-12)	581	8.0	45	2	55	6	10.5
Senior Management Service Band A (Level 13)	43	6.5	1	0	2	1	7.0
Senior Management Service Band B (Level 14)	18	6.7	1	0	3	0	16.7
Senior Management Service Band C (Level 15)	6	12.5	1	0	0	0	0.0
Senior Management Service Band D (Level 16)	4	0.0	0	0	1	0	25.0
<b>Total</b>	<b>1 046</b>	<b>11.1</b>	<b>88</b>	<b>8</b>	<b>127</b>	<b>23</b>	<b>14.3</b>
			<b>96</b>		<b>150</b>		

**Note:** "Transfers" refer to the lateral movement of employees from one Public Service Department to another (both Provincially & Nationally)

**Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2018 to 31 March 2019**

Critical occupation	Number of employees as at 31 March 2018	Turnover rate	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2018/19
Network Technologist	126	0.0	6	0	5	0	4.0
<b>Total</b>	<b>126</b>	<b>0.0</b>	<b>6</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>4.0</b>
			<b>6</b>		<b>5</b>		

**Table 3.4.3: Staff leaving the employ of the Department, 1 April 2018 to 31 March 2019**

Exit category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2018
Death	0	0.0	0.0
Resignation *	55	36.7	5.3
Expiry of contract	62	41.3	5.9
Dismissal – operational changes	0	0.0	0.0
Dismissal – misconduct	4	2.7	0.4
Dismissal – inefficiency	0	0.0	0.0
Discharged due to ill health	0	0.0	0.0
Retirement	6	4.0	0.6
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory Body	0	0.0	0.0
Transfers to other Public Service departments	23	15.3	2.2
<b>Total</b>	<b>150</b>	<b>100.0</b>	<b>14.3</b>

**Note:** Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of the Department.

\* Resignations are further discussed in tables 3.4.4 and 3.4.5.

**Table 3.4.4: Reasons why staff resigned, 1 April 2018 to 31 March 2019**

Resignation reasons	Number	% of total resignations
Better remuneration	1	1.8
Change of occupation	14	25.5
Health related	2	3.6
Insufficient progression possibilities	2	3.6
No reason provided	31	56.4
Personal/family	4	7.3
Starting own business	1	1.8
<b>Total</b>	<b>55</b>	<b>100.0</b>

**Table 3.4.5: Different age groups of staff who resigned, 1 April 2018 to 31 March 2019**

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	3	5.5
Ages 25 to 29	6	10.9
Ages 30 to 34	9	16.4
Ages 35 to 39	22	40.0
Ages 40 to 44	4	7.3
Ages 45 to 49	5	9.1
Ages 50 to 54	5	9.1
Ages 55 to 59	1	1.8
Ages 60 to 64	0	0.0
Ages 65 >	0	0.0
<b>Total</b>	<b>55</b>	<b>100.0</b>

**Table 3.4.6: Employee-initiated severance packages.**

Total number of employee-initiated severance packages offered in 2018/19	None
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**Table 3.4.7: Promotions by salary band, 1 April 2018 to 31 March 2019**

Salary band	Number of employees as at 31 March 2018	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	18	0	0.0	8	44.4
Skilled (Levels 3-5)	126	2	1.6	73	57.9
Highly skilled production (Levels 6-8)	250	5	2.0	126	50.4
Highly skilled supervision (Levels 9-12)	581	18	3.1	370	63.7
Senior management (Levels 13-16)	71	8	11.3	42	59.2
<b>Total</b>	<b>1 046</b>	<b>33</b>	<b>3.2</b>	<b>619</b>	<b>59.2</b>

**Note:** Promotions reflect the salary level of an employee after he/she was promoted.

**Table 3.4.8: Promotions by critical occupation, 1 April 2018 to 31 March 2019**

Critical occupation	Number of employees as at 31 March 2018	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Network Technologist	126	0	0.0	71	56.3
<b>Total</b>	<b>126</b>	<b>0</b>	<b>0.0</b>	<b>71</b>	<b>56.3</b>

**Note:** Promotions reflect the salary level of an employee after he/she was promoted.

## 3.5. EMPLOYMENT EQUITY

**Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2019**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	1	3	0	3	0	1	0	3	0	0	11
Senior management (Levels 13-14)	4	13	1	17	0	15	3	9	0	1	63
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	45	172	10	77	67	129	5	62	3	1	571
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	24	36	1	8	29	92	1	17	0	0	208
Semi-skilled and discretionary decision making (Levels 3-5)	15	37	0	1	20	39	0	6	0	0	118
Unskilled and defined decision making (Levels 1-2)	3	4	0	0	1	8	0	0	0	0	16
<b>Total</b>	<b>92</b>	<b>265</b>	<b>12</b>	<b>106</b>	<b>117</b>	<b>284</b>	<b>9</b>	<b>97</b>	<b>3</b>	<b>2</b>	<b>987</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>92</b>	<b>265</b>	<b>12</b>	<b>106</b>	<b>117</b>	<b>284</b>	<b>9</b>	<b>97</b>	<b>3</b>	<b>2</b>	<b>987</b>

A = African; C = Coloured; I = Indian; W = White.

**Note:** The figures reflected per occupational levels include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

For the number of employees with disabilities, refer to Table 3.5.2.

**Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2019**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	2	0	7	2	4	0	3	0	0	18
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	0	0	2	1	0	0	2	0	0	7
Semi-skilled and discretionary decision making (Levels 3-5)	0	1	0	0	0	2	0	0	0	0	3



Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>9</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>28</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>9</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>28</b>

A = African; C = Coloured; I = Indian; W = White.

**Note:** The figures reflected per occupational level include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

**Table 3.5.3: Recruitment, 1 April 2018 to 31 March 2019**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	1	0	0	0	0	<b>1</b>
Senior management (Levels 13-14)	0	1	0	0	0	0	0	0	0	1	<b>2</b>
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	7	3	5	6	10	2	10	1	0	<b>47</b>
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	4	1	0	0	5	7	0	0	0	0	<b>17</b>
Semi-skilled and discretionary decision making (Levels 3-5)	4	13	0	0	2	4	0	1	0	0	<b>24</b>
Unskilled and defined decision making (Levels 1-2)	2	0	0	0	1	2	0	0	0	0	<b>5</b>
<b>Total</b>	<b>13</b>	<b>22</b>	<b>3</b>	<b>5</b>	<b>14</b>	<b>24</b>	<b>2</b>	<b>11</b>	<b>1</b>	<b>1</b>	<b>96</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Grand total</b>	<b>13</b>	<b>22</b>	<b>3</b>	<b>5</b>	<b>14</b>	<b>24</b>	<b>2</b>	<b>11</b>	<b>1</b>	<b>1</b>	<b>96</b>

A = African; C = Coloured; I = Indian; W = White.

**Note:** Recruitment refers to the appointment of new employees to the staff establishment of the Department, but exclude interns. The totals include transfers from other government departments and / or institutions, as per Table 3.4.1.

**Table 3.5.4: Promotions, 1 April 2018 to 31 March 2019**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	1	0	0	0	0	0	0	0	0	<b>1</b>
Senior management (Levels 13-14)	0	2	0	2	0	3	0	0	0	0	<b>7</b>
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	3	0	3	4	7	0	1	0	0	<b>18</b>
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	1	0	0	1	1	0	2	0	0	<b>5</b>
Semi-skilled and discretionary decision making (Levels 3-5)	0	1	0	0	0	1	0	0	0	0	<b>2</b>
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>12</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>33</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Grand total</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>12</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>33</b>

A = African; C = Coloured; I = Indian; W = White.

**Note:** Promotions refer to the total number of employees who have advanced to a higher post level within the Department, as per Table 3.4.7.

**Table 3.5.5: Terminations, 1 April 2018 to 31 March 2019**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	1	0	0	0	0	0	0	0	0	<b>1</b>
Senior management (Levels 13-14)	1	1	0	0	2	1	0	1	0	0	<b>6</b>
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	7	13	0	17	4	9	0	10	1	0	<b>61</b>
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	4	23	0	4	7	13	1	2	0	0	<b>54</b>
Semi-skilled and discretionary decision making (Levels 3-5)	3	8	0	2	5	5	0	0	0	0	<b>23</b>
Unskilled and defined decision making (Levels 1-2)	1	1	0	0	1	2	0	0	0	0	<b>5</b>
<b>Total</b>	<b>16</b>	<b>47</b>	<b>0</b>	<b>23</b>	<b>19</b>	<b>30</b>	<b>1</b>	<b>13</b>	<b>1</b>	<b>0</b>	<b>150</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Grand total</b>	<b>16</b>	<b>47</b>	<b>0</b>	<b>23</b>	<b>19</b>	<b>30</b>	<b>1</b>	<b>13</b>	<b>1</b>	<b>0</b>	<b>150</b>

A = African; C = Coloured; I = Indian; W = White.

**Note:** Terminations refer to those employees (excluding interns) who have left the employ of the Department, including transfers to other departments, as per Table 3.4.1.

**Table 3.5.6: Disciplinary actions, 1 April 2018 to 31 March 2019**

Disciplinary actions	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Dismissal	1	1	0	0	1	1	0	0	0	0	<b>4</b>
Suspension without a Salary and a FWW	1	1	0	0	0	0	0	0	0	0	<b>2</b>
Final Written Warning (FWW)	1	0	0	0	0	0	0	0	0	0	<b>1</b>
<b>Total</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Grand Total</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>

A = African; C = Coloured; I = Indian; W = White.

**Note:** The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3.

**Table 3.5.7: Skills development, 1 April 2018 to 31 March 2019**

Occupational levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	0	0	1	0	0	0	0	<b>1</b>
Senior management (Levels 13-14)	0	5	0	7	0	7	2	4	<b>25</b>
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	22	70	4	26	31	77	3	33	<b>266</b>
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	19	32	0	8	22	62	1	13	<b>157</b>
Semi-skilled and discretionary decision making (Levels 3-5)	11	26	0	1	20	33	1	8	<b>100</b>
Unskilled and defined decision making (Levels 1-2)	1	5	0	0	1	4	0	0	<b>11</b>
<b>Total</b>	<b>53</b>	<b>138</b>	<b>4</b>	<b>43</b>	<b>74</b>	<b>183</b>	<b>7</b>	<b>58</b>	<b>560</b>
Temporary employees	0	0	0	0	0	0	0	0	<b>0</b>
<b>Grand total</b>	<b>53</b>	<b>138</b>	<b>4</b>	<b>43</b>	<b>74</b>	<b>183</b>	<b>7</b>	<b>58</b>	<b>560</b>

A = African; C = Coloured; I = Indian; W = White.

**Note:** The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.

## 3.6. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

**Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2018**

SMS post level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Director-General	1	1	1	100.0
Salary Level 16, but not DG	2	2	2	100.0
Salary Level 15	7	7	7	100.0
Salary Level 14	17	16	16	100.0
Salary Level 13	50	47	47	100.0
<b>Total</b>	<b>77</b>	<b>73</b>	<b>73</b>	<b>100.0</b>

**Note:** This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard.

**Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2018**

Reasons for not concluding Performance Agreements with all SMS
Not applicable

**Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2018**

Disciplinary steps taken against SMS Members for not having concluded Performance Agreements
None required

## 3.7. FILLING OF SMS POSTS

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

**Table 3.7.1: SMS posts information, as at 30 September 2018**

SMS level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General	1	1	100.0	0	0.0
Salary Level 16, but not DG	2	2	100.0	0	0.0
Salary Level 15	7	7	100.0	0	0.0
Salary Level 14	18	17	94.4	1	5.6
Salary Level 13	48	44	91.7	4	8.3
<b>Total</b>	<b>76</b>	<b>71</b>	<b>93.4</b>	<b>5</b>	<b>6.6</b>

**Note:** This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

**Table 3.7.2: SMS posts information, as at 31 March 2019**

SMS level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General	1	1	100.0	0	0.0
Salary Level 16, but not DG	2	2	100.0	0	0.0
Salary Level 15	8	8	100.0	0	0.0
Salary Level 14	16	16	100.0	0	0.0
Salary Level 13	50	46	92.0	4	8.0
<b>Total</b>	<b>77</b>	<b>73</b>	<b>94.8</b>	<b>4</b>	<b>5.2</b>

**Note:** This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

**Table 3.7.3: Advertising and filling of SMS posts, as at 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 after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General	0	0	0
Salary Level 16, but not DG	0	0	0
Salary Level 15	1	0	0
Salary Level 14	2	0	1
Salary Level 13	7	0	0
<b>Total</b>	<b>10</b>	<b>0</b>	<b>1</b>

**Table 3.7.4: Reasons for not having complied with the filling of active vacant SMS posts – advertised within six months and filled within 12 months after becoming vacant**

SMS level	Reasons for non-compliance
Director-General	N/A
Salary Level 16, but not DG	N/A
Salary Level 15	N/A
Salary Level 14	N/A
Salary Level 13	N/A

**Table 3.7.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months**

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts
None required

## 3.8. EMPLOYEE PERFORMANCE

The following tables notes the number of staff by salary band (table 3.8.1) and staff within critical occupations (3.8.2) who received a notch progression as a result of performance management (i.e. qualifying employees who scored between 3 and 5 in their performance ratings).

**Table 3.8.1: Notch progressions by salary band, 1 April 2018 to 31 March 2019**

Salary band	Employees as at 31 March 2018	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	18	8	44.4
Skilled (Levels 3-5)	126	73	57.9
Highly skilled production (Levels 6-8)	250	126	50.4
Highly skilled supervision (Levels 9-12)	581	370	63.7
Senior management (Levels 13-16)	71	42	59.2
<b>Total</b>	<b>1 046</b>	<b>619</b>	<b>59.2</b>

**Table 3.8.2: Notch progressions by critical occupation, 1 April 2018 to 31 March 2019**

Critical occupations	Employees as at 31 March 2018	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Network Technologist	126	71	56.3
<b>Total</b>	<b>126</b>	<b>71</b>	<b>56.3</b>

To encourage good performance, the Department has granted the following performance rewards to employees for the performance period 2017/18, but paid in the financial year 2018/19. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

**Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2018 to 31 March 2019**

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
<b>African</b>	<b>27</b>	<b>217</b>	<b>12.4</b>	<b>756</b>	<b>28 001</b>
Male	9	96	9.4	320	35 589
Female	18	121	14.9	436	24 207
<b>Coloured</b>	<b>144</b>	<b>577</b>	<b>25.0</b>	<b>4 349</b>	<b>30 203</b>
Male	63	290	21.7	2 132	33 845
Female	81	287	28.2	2 217	27 370
<b>Indian</b>	<b>5</b>	<b>18</b>	<b>27.8</b>	<b>256</b>	<b>51 190</b>
Male	3	9	33.3	158	52 678
Female	2	9	22.2	98	48 957
<b>White</b>	<b>62</b>	<b>209</b>	<b>29.7</b>	<b>3 046</b>	<b>49 134</b>
Male	29	113	25.7	1 400	48 276
Female	33	96	34.4	1 646	49 888
<b>Employees with a disability</b>	<b>6</b>	<b>25</b>	<b>24.0</b>	<b>214</b>	<b>35 717</b>
<b>Total</b>	<b>244</b>	<b>1046</b>	<b>23.3</b>	<b>8 621</b>	<b>35 335</b>

**Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2018 to 31 March 2019**

Salary bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	3	18	16.7	20	6 710	0.0
Skilled (Levels 3-5)	27	126	21.4	312	11 541	0.1
Highly skilled production (Levels 6-8)	49	250	19.6	927	18 920	0.2
Highly skilled supervision (Levels 9-12)	130	581	22.4	4 769	36 687	1.0
<b>Total</b>	<b>209</b>	<b>975</b>	<b>21.4</b>	<b>6 028</b>	<b>28 843</b>	<b>1.2</b>

**Note:** The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12 employees, reflected in Table 3.1.2.

**Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2018 to 31 March 2019**

Salary bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	16	43	37.2	952	59 493	1.0
Senior Management Service Band B (Level 14)	11	18	61.1	826	75 056	0.9
Senior Management Service Band C (Level 15)	5	6	83.3	469	93 766	0.5
Senior Management Service Band D (Level 16)	3	4	75.0	347	115 761	0.4
<b>Total</b>	<b>35</b>	<b>71</b>	<b>49.3</b>	<b>2 594</b>	<b>74 104</b>	<b>2.7</b>

**Note:** The cost is calculated as a percentage of the total personnel expenditure for those employees at salary levels 13-16, reflected in Table 3.1.2.

**Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2018 to 31 March 2019**

Critical occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2018	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Network Technologist	28	126	22.2	905	32 325	0.2
<b>TOTAL</b>	<b>28</b>	<b>126</b>	<b>22.2</b>	<b>905</b>	<b>32 325</b>	<b>0.2</b>



### 3.9. FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

**Table 3.9.1: Foreign workers by salary band, 1 April 2018 to 31 March 2019**

Salary bands	1 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	4	100.0	4	80.0	0	0.0
Senior management (Levels 13-16)	0	0.0	1	20.0	1	100.0
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>1</b>	<b>25.0</b>

**Note:** The table above includes non- citizens with permanent residence in the Republic of South Africa.

**Table 3.9.2: Foreign workers by major occupation, 1 April 2018 to 31 March 2019**

Major occupation	1 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% change
Chief Risk Advisor	0	0.0	1	20.0	1	100.0
DD: ICT Audit	1	25.0	1	20.0	0	0.0
Lead: App Game Changer	0	0.0	1	20.0	1	100.0
LP8 Law Advisor Grade 2	1	25.0	1	20.0	0	0.0
Media Liaison Off.	1	25.0	0	0.0	-1	-100.0
Snr M&E Off	1	25.0	1	20.0	0	0.0
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>1</b>	<b>25.0</b>

**Note:** The table above includes non-citizens with permanent residence in the Republic of South Africa.

### 3.10. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2018 TO 31 DECEMBER 2018

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided.

**Table 3.10.1: Sick leave, 1 January 2018 to 31 December 2018**

Salary band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Interns	349	48.1	103	180	57.2	3	64
Lower skilled (Levels 1-2)	80	83.8	13	18	72.2	6	31
Skilled (Levels 3-5)	852	74.6	110	141	78.0	8	540
Highly skilled production (Levels 6-8)	1 521	75.0	202	258	78.3	8	1671
Highly skilled supervision (Levels 9-12)	3 452	72.7	505	621	81.3	7	6191
Senior management (Levels 13-16)	292	69.9	49	81	60.5	6	884
<b>Total</b>	<b>6 546</b>	<b>72.2</b>	<b>982</b>	<b>1 299</b>	<b>75.6</b>	<b>7</b>	<b>9.381</b>

**Note:** The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. The three-year sick leave cycle started in January 2016 and ended in December 2018. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

**Table 3.10.2: Incapacity leave, 1 January 2018 to 31 December 2018**

Salary band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Interns	5	100.0	1	180	0.6	5	1
Lower skilled (Levels 1-2)	0	0.0	0	18	0.0	0	0
Skilled (Levels 3-5)	245	100.0	16	141	11.3	15	164
Highly skilled production (Levels 6-8)	685	100.0	25	258	9.7	27	716
Highly skilled supervision (Levels 9-12)	495	100.0	35	621	5.6	14	914
Senior management (Levels 13-16)	64	100.0	3	81	3.7	21	180
<b>Total</b>	<b>1 494</b>	<b>100.0</b>	<b>80</b>	<b>1 299</b>	<b>6.2</b>	<b>19</b>	<b>1 975</b>

**Note:** The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA).

Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

**Table 3.10.3: Annual leave, 1 January 2018 to 31 December 2018**

Salary band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	1 418	164	9
Lower skilled (Levels 1-2)	464	35	13
Skilled (Levels 3-5)	2 695	134	20
Highly skilled production (Levels 6-8)	5 525	242	23
Highly skilled supervision (Levels 9-12)	14 855	614	24
Senior management (Levels 13-16)	1 951	82	24
<b>Total</b>	<b>26 908</b>	<b>1 271</b>	<b>21</b>

**Table 3.10.4: Capped leave, 1 January 2018 to 31 December 2018**

Salary band	Total capped leave available as at 31 Dec 2017	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2018	Total capped leave available as at 31 Dec 2018
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	153	0	0	0	4	132
Highly skilled production (Levels 6-8)	831	3	2	2	33	763
Highly skilled supervision (Levels 9-12)	2 775	276	11	25	81	2 542
Senior management (Levels 13-16)	657	0	0	0	19	673
<b>Total</b>	<b>4 416</b>	<b>279</b>	<b>13</b>	<b>21</b>	<b>137</b>	<b>4 110</b>

**Note:** It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the Department, retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total.

**Table 3.10.5: Leave pay-outs, 1 April 2018 to 31 March 2019**

Reason	Total amount (R'000)	Number of employees	Average payment per employee
Leave pay-outs during 2018/19 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service	494	3	164 624
Current leave pay-outs on termination of service	1 597	170	9 395

### 3.11. HEALTH PROMOTION PROGRAMMES, INCLUDING HIV AND AIDS

**Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2018 to 31 March 2019**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the Department's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.	<p>HIV &amp; AIDS Counselling and Testing (HCT) and Wellness screenings were conducted in general. Employee Health and Wellness Services are rendered to all employees in need and include the following:</p> <ul style="list-style-type: none"> <li>• 24/7/365 Telephone counselling;</li> <li>• face-to-face counselling (4-session model);</li> <li>• trauma and critical incident counselling;</li> <li>• advocacy on HIV&amp;AIDS awareness, including online E-Care services; and</li> <li>• training, coaching and targeted interventions where these were required.</li> </ul>

**Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2018 to 31 March 2019**

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, 2016? If so, provide her/his name and position.	√		Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier)
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to the eleven (11) departments, including the Department of the Premier.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and three (3) EHW Practitioners.</p> <p>Budget: R2.756 million</p>
3. Has the department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/ services of this Programme.	√		<p>The Department of the Premier has entered into a service level agreement with ICAS (external service provider) to render an Employee Health and Wellness Service to the 11 departments of the Corporate Services Centre (CSC).</p> <p>The following interventions were conducted GRIT (Guts, Resilience, Influence and Tenacity) for Leaders, Effective Communication for Managers (How to Have Difficult Conversations), Tipping Point - Employee in Crisis (Identifying the Vulnerable Employee), Managerial Referral, GRIT (Guts, Resilience, Influence and Tenacity) for Employees, Diversity - Managing your Unconscious Biases and Perceptions, Me in a Team (Team Cohesion, Self-Development (Branding and Professionalism), Credo (ERM Identity) Workshop (OBI/EHW), Bounce Back building Resilience, Conflict to Synergy, Happy and Healthy Living, Building Optimal Relationships, Positive Thinking, Stress and Work-life Balance, Personal Financial Management. HIV &amp; AIDS Safer Practices (Right to Care), TB/HIV Awareness, Screening and Testing sessions, Exercise Demonstration and Directorate Fitness Games.</p> <p>These interventions are based on trends reflected in the quarterly reports and implemented to address employee needs.</p> <p>The targeted interventions for both employees and managers were aimed at personal development; promotion of healthy lifestyles; and improving coping skills. This involved presentations, workshops, group discussions to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. Targeted Interventions were also implemented to equip managers with tools to engage employees in the workplace.</p> <p>Information sessions were also provided to inform employees of the EHW service and how to access the Employee Health and Wellness (EHW) Programme. Promotional material such as pamphlets, posters and brochures were distributed.</p>

Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of the Premier is represented by Ms Reygana Shade</p>
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.	√		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>Under the EHW banner, four EHW Policies were approved which include HIV &amp; AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV &amp; AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health, which is the lead department for HIV &amp; AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p> <p>During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy have been audited by DPSA against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2017-2022), which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.</p>
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	√		<p>The Provincial Strategic Plan on HIV &amp; AIDS, STIs and TB 2017-2022 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The aim is to:</p> <ul style="list-style-type: none"> <li>• Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees.</li> <li>• Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees.</li> </ul> <p>The Department implemented the following measures to address the stigma and discrimination against those infected or perceived to be infective with HIV:</p> <ul style="list-style-type: none"> <li>• Wellness Screenings (Blood pressure, Glucose, Cholesterol, TB, BMI);</li> <li>• HCT Screenings;</li> <li>• TB Talks and Screenings;</li> <li>• distributing posters and pamphlets;</li> <li>• condom distribution and spot talks; and</li> <li>• commemoration of World AIDS Day and Wellness events.</li> </ul>
7. Does the department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have achieved.	√		<p>HCT SESSIONS:</p> <p>The following Wellness and HCT screening sessions were conducted:</p> <p>The Department participated in 5 HCT and Wellness screening sessions.</p> <p>186 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STIs).</p> <p>There were 0 clinical referrals for TB, HIV or STIs for further management.</p>
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		<p>The impact of health promotion programmes is indicated through information provided through the EHW Contract with ICAS.</p> <p>The EHWP is monitored through Quarterly and Annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics, i.e. age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individual and the workplace.</p>

## 3.12. LABOUR RELATIONS

The following provincial collective agreements were entered into with trade unions for the period under review.

**Table 3.12.1: Collective agreements, 1 April 2018 to 31 March 2019**

Total collective agreements	None
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Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

**Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2018 to 31 March 2019**

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Dismissal	4	57.1
Suspension without a Salary and a FWW	2	28.6
Final Written Warning	1	14.3
<b>Total</b>	<b>7</b>	<b>100.0</b>
Percentage of total employment		0.5

**Note:** Outcomes of disciplinary hearings refer to formal cases only.

**Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2018 to 31 March 2019**

Type of misconduct	Number	% of total
Performs poorly for reasons other than incapacity	1	14.3
Falsifies records or any documents	1	14.3
Absent from work with reason/permission	3	42.9
False statement/evidence in execution of duty	1	14.3
Possesses or wrongfully uses property of state	1	14.3
<b>Total</b>	<b>7</b>	<b>100.0</b>

**Table 3.12.4: Grievances lodged, 1 April 2018 to 31 March 2019**

Grievances lodged	Number	% of total
Number of grievances resolved	21	72.4
Number of grievances not resolved	8	27.6
<b>Total number of grievances lodged</b>	<b>29</b>	<b>100.0</b>

**Note:** Grievances lodged refers to cases that were finalised within the reporting period. Grievances not resolved refers to cases where the outcome was not in favour of the aggrieved. All cases, resolved and not resolved have been finalised.

**Table 3.12.5: Disputes lodged with Councils, 1 April 2018 to 31 March 2019**

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	1	33.3
Number of disputes dismissed	2	66.7
<b>Total number of disputes lodged</b>	<b>3</b>	<b>100.0</b>

**Note:** Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is “upheld”, it means that the Council endorses the appeal as legitimate and credible in favour of the aggrieved. When a dispute is “dismissed”, it means that the Council is not ruling in favour of the aggrieved.

**Table 3.12.6: Strike actions, 1 April 2018 to 31 March 2019**

Strike actions	Number
Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

**Table 3.12.7: Precautionary suspensions, 1 April 2018 to 31 March 2019**

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

**Note:** Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was being investigated.

### 3.13. SKILLS DEVELOPMENT

This section highlights the efforts of the Department with regard to skills development. Table 3.13.1 reflects the training needs as at the beginning of the period under review, and Table 3.13.2 the actual training provided.

**Table 3.13.1: Training needs identified, 1 April 2018 to 31 March 2019**

Occupational categories	Gender	Number of employees as at 1 April 2018	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	32	0	72	0	72
	Male	42	0	45	0	45
Professionals (Salary Band 9 - 12)	Female	246	0	820	0	820
	Male	313	0	893	0	893
Technicians and associate professionals (Salary Band 6 - 8)	Female	152	0	423	0	423
	Male	92	0	227	0	227
Clerks (Salary Band 3 - 5)	Female	67	0	299	0	299
	Male	48	0	164	0	164
Elementary occupations (Salary Band 1 - 2)	Female	10	0	15	0	15
	Male	8	0	26	0	26
Sub Total	Female	518	0	1 629	0	<b>1 629</b>
	Male	517	0	1 355	0	<b>1 355</b>
<b>Total</b>		<b>1 035</b>	<b>0</b>	<b>2 984</b>	<b>0</b>	<b>2 984</b>
Employees with disabilities	Female	11	0	0	0	<b>0</b>
	Male	14	0	0	0	<b>0</b>

**Note:** The above table identifies the training needs at the start of the reporting period as per the Department's Workplace Skills Plan.



**Table 3.13.2: Training provided, 1 April 2018 to 31 March 2019**

Occupational categories	Gender	Number of employees as at 31 March 2019	Training provided during the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 – 16)	Female	32	0	46	0	46
	Male	42	0	25	0	25
Professionals (Salary Band 9 – 12)	Female	255	0	345	0	345
	Male	298	0	280	0	280
Technicians and associate professionals (Salary Band 6 – 8)	Female	138	0	253	0	253
	Male	65	0	151	0	151
Clerks (Salary Band 3 – 5)	Female	63	0	207	0	207
	Male	52	0	117	0	117
Elementary occupations (Salary Band 1 – 2)	Female	9	0	9	0	9
	Male	7	0	17	0	17
Sub Total	Female	511	0	860	0	<b>860</b>
	Male	478	0	590	0	<b>590</b>
<b>Total</b>		<b>989</b>	<b>0</b>	<b>1 450</b>	<b>0</b>	<b>1 450</b>
Employees with disabilities	Female	14	0	0	0	<b>0</b>
	Male	14	0	0	0	<b>0</b>

**Note:** The above table identifies the number of training courses attended by individuals during the period under review.

## 3.14. INJURY ON DUTY

This section provides basic information on injuries sustained whilst being on official duty.

**Table 3.14.1: Injury on duty, 1 April 2018 to 31 March 2019**

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0.0
Temporary disablement	8	100.0
Permanent disablement	0	0.0
Fatal	0	0.0
<b>Total</b>	<b>8</b>	<b>100.0</b>
Percentage of total employment		<b>0.6</b>

### 3.15. UTILISATION OF CONSULTANTS

Table 3.15.1: Consultant appointments using appropriated funds

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: Workdays /hours	Contract value in Rand	Total number of projects	BBBEE LEVEL
Programme 1	Smartforms (Pty) Ltd	Provision of a platform for web-based, education-related data collection and analysis for the Western Cape Government	Provision of a platform for web-based, education-related data collection and analysis for the Western Cape Government	1	9 months	R952 552.00	1	1
	Soreaso CC	Procurement of a social statistician to provide statistical support for game changers	Procurement of a social statistician to provide statistical support for game changers	1	6 months	R242 000.00	1	4
Programme 2	Ian Goldman	Technical expertise for evaluation reviews and technical support on improvement interventions for the evaluation linked to strategic priorities	Technical expertise for evaluation reviews and technical support on improvement interventions for the evaluation linked to strategic priorities	1	9 months	R450 000.00	1	NCC
	Palmer Development Group	Appointment of a service provider to conduct an implementation evaluation of the Provincial Transversal Management System (PTMS)	Appointment of a service provider to conduct an implementation evaluation of the Provincial Transversal Management System (PTMS)	7	11 months	R1 222 087.00	1	1
	Colorado Seminary	Procurement of a long-term Quantitative IFS Modelling Support Service for the Western Cape Government's Strategic Foresight Project	Procurement of a long-term Quantitative IFS Modelling Support Service for the Western Cape Government's Strategic Foresight Project	5	11 months	R1 049 750.00	1	NCC

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: Workdays /hours	Contract value in Rand	Total number of projects	BBBEE LEVEL
Programme 3	University of Cape Town	Procurement of a service provider to develop and roll out training material for event organisers to conduct event impact assessments within the Western Cape Government	Procurement of a service provider to develop and roll out training material for event organisers to conduct event impact assessments within the Western Cape Government	4	12 months	R494 154.00	1	7
	Picourseware CC t/a And Change	Procurement of an expert external consultant to conduct a strategic alignment workshop as part of phase one of the Enterprise Change Management (ECM) project	Procurement of an expert external consultant to conduct a strategic alignment workshop as part of phase one of the Enterprise Change Management (ECM) project	1	7 months	R354 890.00	1	4
	Academy for Organisational Change (Pty) LTD	Procurement of an external consultant for the development of the value-based leadership development framework	Procurement of an external consultant for the development of the value-based leadership development framework	1	4 months	R462 300.00	1	4
<b>TOTAL</b>						<b>R5 227 733.00</b>		

**Table 3.15.2: Consultant appointments using Donor funds**

Programme	Consulting firm	Project title	Nature of the project	Total number of consultants that worked on the project	Duration: Workdays /hours	Contract value in Rand	Total number of projects	BBBEE LEVEL
None								







# PART E





Issue 764  
Monday, Jun 14, 2016  
#Citydailynews

## y of the n Union

Are you innovative or are you the experienced type? Or do you offer a high-cost, high-value product, or low-cost, high-value product? It's impossible to be both. You should consider on thinking what your customers need you to be. Your logo is the main foundation of your brand. All the promotional materials should be connected with your brand. Having a good brand strategy allows you to have a large advantage in your market competition. Your brand tells your customers what they can have or expect from the products and services you offer. The branding strategy you have should be consistent as it leads to a strong brand equity. The branding strategy you have should be consistent as it leads to a strong brand equity. The branding strategy you have should be consistent as it leads to a strong brand equity.

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30	31					

# FINANCIAL INFORMATION



# REPORT OF THE AUDITOR-GENERAL TO WESTERN CAPE PROVINCIAL PARLIAMENT ON VOTE NO. 1: WESTERN CAPE DEPARTMENT OF THE PREMIER

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of the Western Cape Department of the Premier set out on pages 3 to 67, 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.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of the Premier as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

### Basis for opinion

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

### Emphasis of matters

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

### Underspending of the vote:

7. As disclosed in note 4.1 to the appropriation statement, the department has materially underspent its budget by R46,6 million (3,1%) (2018: R39,8 million (2,8%)). The underspending was mainly due to staff exits, a shift to a cloud-based services platform and delays in the delivery of network equipment. Detailed explanations for material variances from amounts voted per programme and the standard classifications are set out in note 4.1 and 4.2 to the appropriation statement, respectively.

### Uncertainty relating to future outcome of a claim against department:

8. With reference to note 16.1 to the financial statements, the department is the defendant in a property damages claim to the value of R184,8 million. The department is defending the claim, as it believes the summons is materially defective as it fails to disclose a legitimate cause of action on which to hold the department liable for the damages claimed.

## Other matter

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

### Unaudited supplementary schedules:

10. The supplementary information set out on pages 68 to 80 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 accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the Western Cape Department 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 department or to cease operations, or has no realistic alternative but to do so.

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

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

## Report on the audit of the annual performance report

### Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
16. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the department for the year ended 31 March 2019:



Programme	Pages in the annual performance report
Programme 3 – People Management	59-61

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. I did not raise any material findings on the usefulness and reliability of the reported performance information for Programme 3 – People Management.

## Other matter

20. I draw attention to the matter below.

### Achievement of planned targets:

21. Refer to the annual performance report on pages 59 to 61 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets.

## Report on the audit of compliance with legislation

### Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
23. 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

24. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that has been specifically reported in this auditor's report.
25. 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.
26. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
27. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
28. I have nothing to report in this regard.

## Internal control deficiencies

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

## Other reports

30. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
31. The Provincial Forensic Services conducted an investigation into alleged soliciting of kickbacks by a former official of the department in connection with a contract in the 2017-18 financial year, after receiving a tip-off from a whistle-blower. The investigation concluded that the former official may have committed fraud and/or corruption and a criminal case was registered with the SAPS. At the time of the report, the SAPS investigation was still ongoing.

*Auditor-General*

Cape Town

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 the selected programme and on the department’s compliance with respect to the selected subject matters.

### Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control;
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer;
  - conclude on the appropriateness of the use of the going concern basis of accounting by the accounting officer 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 Western Cape Department 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 department 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.

# **ANNUAL FINANCIAL STATEMENTS**

## **DEPARTMENT OF THE PREMIER**

### **VOTE 1**

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**For the year ended**  
**31 March 2019**

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DEPARTMENT OF THE PREMIER  
VOTE 1

**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
<b>Programme</b>									
1. Executive Support (Administration)	117 275	-	29	117 304	112 196	5 108	95.6	106 041	101 449
2. Provincial Strategic Management	53 410	-	(427)	52 983	51 674	1 309	97.5	55 023	50 284
3. People Management (CSC)	202 745	-	(6 429)	196 316	190 818	5 498	97.2	190 831	185 796
4. Centre for e-Innovation (CSC)	988 910	-	9 428	998 338	967 634	30 704	96.9	923 099	903 040
5. Corporate Assurance (CSC)	134 263	-	(2 601)	131 662	127 682	3 980	97.0	123 130	117 716
<b>Subtotal</b>	<b>1 496 603</b>	<b>-</b>	<b>-</b>	<b>1 496 603</b>	<b>1 450 004</b>	<b>46 599</b>	<b>96.9</b>	<b>1 398 124</b>	<b>1 358 285</b>
<b>Statutory Appropriation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>1 496 603</b>	<b>-</b>	<b>-</b>	<b>1 496 603</b>	<b>1 450 004</b>	<b>46 599</b>	<b>96.9</b>	<b>1 398 124</b>	<b>1 358 285</b>
<b>TOTAL (brought forward)</b>									
<b>Reconciliation with statement of financial performance</b>									
<b>ADD</b>									
Departmental receipts				157				2 326	
NRF Receipts				-				-	
Aid assistance				-				-	
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>1 496 760</b>				<b>1 400 450</b>	
<b>ADD</b>									
Aid assistance					-				-
Prior year unauthorised expenditure approved without funding					-				-
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>1 450 004</b>				<b>1 358 285</b>



DEPARTMENT OF THE PREMIER  
VOTE 1

**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
<b>Economic Classification</b>									
<b>Current payments</b>	<b>1 433 363</b>	<b>(1 084)</b>	<b>-</b>	<b>1 432 279</b>	<b>1 407 574</b>	<b>24 705</b>	<b>98.3</b>	<b>1 318 806</b>	<b>1 288 470</b>
<i>Compensation of employees</i>	<i>616 263</i>	<i>(1 934)</i>	<i>-</i>	<i>614 329</i>	<i>595 640</i>	<i>18 689</i>	<i>97.0</i>	<i>586 818</i>	<i>572 959</i>
Salaries and wages	547 588	(6 408)	-	541 180	525 300	15 880	97.1	520 380	507 220
Social contributions	68 675	4 474	-	73 149	70 340	2 809	96.2	66 438	65 739
<b>Goods and services</b>	<b>817 100</b>	<b>850</b>	<b>-</b>	<b>817 950</b>	<b>811 934</b>	<b>6 016</b>	<b>99.3</b>	<b>731 988</b>	<b>715 511</b>
Administrative fees	100	113	-	213	183	30	85.9	198	172
Advertising	14 238	31	-	14 269	13 784	485	96.6	12 540	11 913
Minor assets	2 113	(224)	-	1 889	1 853	36	98.1	1 772	1 650
Audit costs: External	5 332	146	-	5 478	5 477	1	100.0	4 524	4 523
Bursaries: Employees	852	(8)	-	844	843	1	99.9	1 087	1 086
Catering: Departmental activities	1 651	564	-	2 215	2 189	26	98.8	2 073	1 995
Communication	6 475	849	-	7 324	6 839	485	93.4	5 158	4 991
Computer services	714 051	4 569	9 428	728 048	724 159	3 889	99.5	637 609	629 295
Consultants: Business and advisory services	25 169	(3 559)	(7 365)	14 245	13 917	328	97.7	23 556	20 882
Legal services	1 050	403	-	1 453	1 450	3	99.8	612	402
Contractors	5 466	(454)	(671)	4 341	4 322	19	99.6	4 307	4 287
Agency and support / outsourced services	-	105	-	105	105	-	100.0	1 024	270
Entertainment	54	(19)	-	35	29	6	82.9	36	29
Fleet services	4 373	(771)	13	3 615	3 588	27	99.3	3 579	3 547
Inventory: Other Supplies	2 000	1 943	-	3 943	3 942	1	100.0	80	80
Consumable supplies	1 603	(598)	-	1 005	910	95	90.5	1 626	1 480
Consumable: Stationery, printing and office supplies	3 503	(648)	(189)	2 666	2 488	178	93.3	3 050	2 945
Operating leases	2 483	(314)	(50)	2 119	2 106	13	99.4	2 423	2 283
Property payments	2 274	(224)	-	2 050	2 047	3	99.9	1 779	1 771
Transport provided: Departmental activity	-	23	-	23	23	-	100.0	9	9
Travel and subsistence	9 465	1 235	(150)	10 550	10 318	232	97.8	9 142	8 246

DEPARTMENT OF THE PREMIER  
VOTE 1

**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
Training and development	5 940	(1 417)	(194)	4 329	4 306	23	99.5	6 690	6 094
Operating payments	5 969	(401)	(809)	4 759	4 729	30	99.4	6 067	4 671
Venues and facilities	2 883	(478)	(13)	2 392	2 288	104	95.7	2 846	2 697
Rental and hiring	56	(16)	-	40	39	1	97.5	201	193
<b>Transfers and subsidies</b>	<b>22 042</b>	<b>1 021</b>	<b>-</b>	<b>23 063</b>	<b>22 907</b>	<b>156</b>	<b>99.3</b>	<b>24 614</b>	<b>23 340</b>
Departmental agencies and accounts	36	22	-	58	44	14	75.9	45	32
Departmental agencies (non-business entities)	36	22	-	58	44	14	75.9	45	32
Non-profit institutions	20 600	(10)	-	20 590	20 472	118	99.4	23 100	21 858
Households	1 406	1 009	-	2 415	2 391	24	99.0	1 469	1 450
Social benefits	1 301	999	-	2 300	2 277	23	99.0	1 465	1 447
Other transfers to households	105	10	-	115	114	1	99.1	4	3
<b>Payments for capital assets</b>	<b>41 198</b>	<b>1</b>	<b>-</b>	<b>41 199</b>	<b>19 469</b>	<b>21 730</b>	<b>47.3</b>	<b>54 291</b>	<b>46 071</b>
Machinery and equipment	41 198	1	-	41 199	19 469	21 730	47.3	54 291	46 071
Transport equipment	5 941	994	-	6 935	6 896	39	99.4	6 707	6 401
Other machinery and equipment	35 257	(993)	-	34 264	12 573	21 691	36.7	47 584	39 670
<b>Payments for financial assets</b>	<b>-</b>	<b>62</b>	<b>-</b>	<b>62</b>	<b>54</b>	<b>8</b>	<b>87.1</b>	<b>413</b>	<b>404</b>
<b>Total</b>	<b>1 496 603</b>	<b>-</b>	<b>-</b>	<b>1 496 603</b>	<b>1 450 004</b>	<b>46 599</b>	<b>96.9</b>	<b>1 398 124</b>	<b>1 358 285</b>

DEPARTMENT OF THE PREMIER  
VOTE 1

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

Programme 1: EXECUTIVE SUPPORT (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
<b>Sub programme</b>									
1. Programme Support	2 687	(118)	-	2 569	2 466	103	96.0	2 198	2 076
2. Office of the Premier	16 240	(451)	-	15 789	15 275	514	96.7	15 465	15 127
3. Executive Council Support	10 500	1 116	-	11 616	11 466	150	98.7	10 350	10 321
4. Departmental Strategy	5 655	(271)	-	5 384	5 303	81	98.5	4 908	4 163
5. Office of the Director- General	32 417	(903)	-	31 514	28 695	2 819	91.1	30 553	27 813
6. Financial Management	43 403	653	29	44 085	43 053	1 032	97.7	38 334	38 279
7. Strategic Communication	6 373	(26)	-	6 347	5 938	409	93.6	4 233	3 670
<b>Total for sub programmes</b>	<b>117 275</b>	<b>-</b>	<b>29</b>	<b>117 304</b>	<b>112 196</b>	<b>5 108</b>	<b>95.6</b>	<b>106 041</b>	<b>101 449</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>114 843</b>	<b>(78)</b>	<b>13</b>	<b>114 778</b>	<b>109 730</b>	<b>5 048</b>	<b>95.6</b>	<b>103 873</b>	<b>99 295</b>
<b>Compensation of employees</b>	<b>95 042</b>	<b>(43)</b>	<b>-</b>	<b>94 999</b>	<b>90 933</b>	<b>4 066</b>	<b>95.7</b>	<b>83 879</b>	<b>83 217</b>
Salaries and wages	86 697	(1 098)	-	85 599	82 494	3 105	96.4	76 381	75 748
Social contributions	8 345	1 055	-	9 400	8 439	961	89.8	7 498	7 469
<b>Goods and services</b>	<b>19 801</b>	<b>(35)</b>	<b>13</b>	<b>19 779</b>	<b>18 797</b>	<b>982</b>	<b>95.0</b>	<b>19 994</b>	<b>16 078</b>
Administrative fees	61	(27)	-	34	27	7	79.4	32	28
Advertising	2 306	5	-	2 311	2 309	2	99.9	940	398
Minor assets	238	(72)	-	166	153	13	92.2	192	185
Audit costs: External	5 332	146	-	5 478	5 477	1	100.0	4 524	4 523
Catering: Departmental activities	370	129	-	499	494	5	99.0	385	341
Communication	1 118	(232)	-	886	472	414	53.3	558	477
Computer services	607	247	-	854	850	4	99.5	853	751
Consultants: Business and advisory services	2 990	(1 239)	-	1 751	1 433	318	81.8	5 153	2 934
Contractors	874	42	-	916	912	4	99.6	510	505

DEPARTMENT OF THE PREMIER  
VOTE 1

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

Programme 1: EXECUTIVE SUPPORT (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
Entertainment	19	-	-	19	17	2	89.5	15	14
Fleet services	749	36	13	798	792	6	99.2	567	561
Consumable supplies	342	(87)	-	255	231	24	90.6	333	303
Consumable: Stationery, printing and office supplies	985	344	-	1 329	1 207	122	90.8	1 476	1 427
Operating leases	527	131	-	658	655	3	99.5	749	620
Property payments	9	(7)	-	2	1	1	50.0	6	1
Travel and subsistence	1 384	189	-	1 573	1 533	40	97.5	1 851	1 380
Training and development	559	(179)	-	380	377	3	99.2	209	98
Operating payments	430	119	-	549	540	9	98.4	337	322
Venues and facilities	901	420	-	1 321	1 317	4	99.7	1 251	1 161
Rental and hiring	-	-	-	-	-	-	-	53	49
<b>Transfers and subsidies</b>	<b>432</b>	<b>45</b>	<b>-</b>	<b>477</b>	<b>425</b>	<b>52</b>	<b>89.1</b>	<b>350</b>	<b>342</b>
Departmental agencies and accounts	6	2	-	8	5	3	62.5	7	3
Departmental agencies (non-business entities)	6	2	-	8	5	3	62.5	7	3
Non-profit institutions	300	(10)	-	290	245	45	84.5	265	265
Households	126	53	-	179	175	4	97.8	78	74
Social benefits	21	43	-	64	61	3	95.3	74	71
Other transfers to households	105	10	-	115	114	1	99.1	4	3
<b>Payments for capital assets</b>	<b>2 000</b>	<b>1</b>	<b>16</b>	<b>2 017</b>	<b>2 010</b>	<b>7</b>	<b>99.7</b>	<b>1 764</b>	<b>1 759</b>
Machinery and equipment	2 000	1	16	2 017	2 010	7	99.7	1 764	1 759
Transport equipment	1 006	115	16	1 137	1 133	4	99.6	1 204	1 203
Other machinery and equipment	994	(114)	-	880	877	3	99.7	560	556
<b>Payments for financial assets</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>32</b>	<b>31</b>	<b>1</b>	<b>96.9</b>	<b>54</b>	<b>53</b>
<b>Total</b>	<b>117 275</b>	<b>-</b>	<b>29</b>	<b>117 304</b>	<b>112 196</b>	<b>5 108</b>	<b>95.6</b>	<b>106 041</b>	<b>101 449</b>

DEPARTMENT OF THE PREMIER  
VOTE 1

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

1.1 PROGRAMME SUPPORT									
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
<b>Current payments</b>	<b>2 686</b>	<b>(140)</b>	-	<b>2 546</b>	<b>2 444</b>	<b>102</b>	<b>96.0</b>	<b>2 196</b>	<b>2 075</b>
Compensation of employees	2 490	-	-	2 490	2 395	95	96.2	1 981	1 976
Goods and services	196	(140)	-	56	49	7	87.5	215	99
<b>Transfers and subsidies</b>	<b>1</b>	-	-	<b>1</b>	-	<b>1</b>	-	<b>1</b>	-
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
<b>Payments for capital assets</b>	-	<b>22</b>	-	<b>22</b>	<b>22</b>	-	<b>100.0</b>	<b>1</b>	<b>1</b>
Machinery and equipment	-	22	-	22	22	-	100.0	1	1
<b>Total</b>	<b>2 687</b>	<b>(118)</b>	-	<b>2 569</b>	<b>2 466</b>	<b>103</b>	<b>96.0</b>	<b>2 198</b>	<b>2 076</b>

1.2 OFFICE OF THE PREMIER									
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
<b>Current payments</b>	<b>15 863</b>	<b>(262)</b>	-	<b>15 601</b>	<b>15 089</b>	<b>512</b>	<b>96.7</b>	<b>15 273</b>	<b>14 939</b>
Compensation of employees	14 163	(28)	-	14 135	13 651	484	96.6	13 595	13 585
Goods and services	1 700	(234)	-	1 466	1 438	28	98.1	1 678	1 354
<b>Transfers and subsidies</b>	<b>2</b>	<b>28</b>	-	<b>30</b>	<b>30</b>	-	<b>100.0</b>	<b>58</b>	<b>55</b>
Departmental agencies and accounts	2	-	-	2	2	-	100.0	2	1
Households	-	28	-	28	28	-	100.0	56	54
<b>Payments for capital assets</b>	<b>375</b>	<b>(218)</b>	-	<b>157</b>	<b>156</b>	<b>1</b>	<b>99.4</b>	<b>109</b>	<b>109</b>
Machinery and equipment	375	(218)	-	157	156	1	99.4	109	109
<b>Payments for financial assets</b>	-	<b>1</b>	-	<b>1</b>	-	<b>1</b>	-	<b>25</b>	<b>24</b>
<b>Total</b>	<b>16 240</b>	<b>(451)</b>	-	<b>15 789</b>	<b>15 275</b>	<b>514</b>	<b>96.7</b>	<b>15 465</b>	<b>15 127</b>

DEPARTMENT OF THE PREMIER  
VOTE 1

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

1.3 EXECUTIVE COUNCIL SUPPORT									
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
<b>Current payments</b>	<b>10 064</b>	<b>1 136</b>	-	<b>11 200</b>	<b>11 051</b>	<b>149</b>	<b>98.7</b>	<b>10 030</b>	<b>10 003</b>
Compensation of employees	8 313	-	-	8 313	8 185	128	98.5	7 386	7 381
Goods and services	1 751	1 136	-	2 887	2 866	21	99.3	2 644	2 622
<b>Transfers and subsidies</b>	<b>100</b>	<b>1</b>	-	<b>101</b>	<b>101</b>	-	<b>100.0</b>	<b>19</b>	<b>18</b>
Departmental agencies and accounts	-	1	-	1	1	-	100.0	1	1
Households	100	-	-	100	100	-	100.0	18	17
<b>Payments for capital assets</b>	<b>336</b>	<b>(29)</b>	-	<b>307</b>	<b>306</b>	<b>1</b>	<b>99.7</b>	<b>301</b>	<b>300</b>
Machinery and equipment	336	(29)	-	307	306	1	99.7	301	300
<b>Payments for financial assets</b>	<b>-</b>	<b>8</b>	-	<b>8</b>	<b>8</b>	-	<b>100.0</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>10 500</b>	<b>1 116</b>	-	<b>11 616</b>	<b>11 466</b>	<b>150</b>	<b>98.7</b>	<b>10 350</b>	<b>10 321</b>

1.4 DEPARTMENTAL STRATEGY									
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
<b>Current payments</b>	<b>5 103</b>	<b>(311)</b>	-	<b>4 792</b>	<b>4 714</b>	<b>78</b>	<b>98.4</b>	<b>4 843</b>	<b>4 101</b>
Compensation of employees	4 298	(2)	-	4 296	4 228	68	98.4	4 095	3 847
Goods and services	805	(309)	-	496	486	10	98.0	748	254
<b>Transfers and subsidies</b>	<b>-</b>	<b>3</b>	-	<b>3</b>	<b>1</b>	<b>2</b>	<b>33.3</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	-	1	-	1	-	1	-	1	-
Households	-	2	-	2	1	1	50.0	-	-
<b>Payments for capital assets</b>	<b>552</b>	<b>37</b>	-	<b>589</b>	<b>588</b>	<b>1</b>	<b>99.8</b>	<b>64</b>	<b>62</b>
Machinery and equipment	552	37	-	589	588	1	99.8	64	62
<b>Total</b>	<b>5 655</b>	<b>(271)</b>	-	<b>5 384</b>	<b>5 303</b>	<b>81</b>	<b>98.5</b>	<b>4 908</b>	<b>4 163</b>



DEPARTMENT OF THE PREMIER  
VOTE 1

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

1.5 OFFICE OF THE DIRECTOR-GENERAL									
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
<b>Current payments</b>	<b>32 079</b>	<b>(895)</b>	<b>-</b>	<b>31 184</b>	<b>28 414</b>	<b>2 770</b>	<b>91.1</b>	<b>30 252</b>	<b>27 514</b>
Compensation of employees	28 131	(166)	-	27 965	25 556	2 409	91.4	23 997	23 622
Goods and services	3 948	(729)	-	3 219	2 858	361	88.8	6 255	3 892
<b>Transfers and subsidies</b>	<b>314</b>	<b>2</b>	<b>-</b>	<b>316</b>	<b>269</b>	<b>47</b>	<b>85.1</b>	<b>269</b>	<b>268</b>
Departmental agencies and accounts	1	1	-	2	1	1	50.0	1	1
Non-profit institutions	300	(10)	-	290	245	45	84.5	265	265
Households	13	11	-	24	23	1	95.8	3	2
<b>Payments for capital assets</b>	<b>24</b>	<b>(10)</b>	<b>-</b>	<b>14</b>	<b>12</b>	<b>2</b>	<b>85.7</b>	<b>32</b>	<b>31</b>
Machinery and equipment	24	(10)	-	14	12	2	85.7	32	31
<b>Total</b>	<b>32 417</b>	<b>(903)</b>	<b>-</b>	<b>31 514</b>	<b>28 695</b>	<b>2 819</b>	<b>91.1</b>	<b>30 553</b>	<b>27 813</b>

1.6 FINANCIAL MANAGEMENT									
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
<b>Current payments</b>	<b>42 736</b>	<b>363</b>	<b>13</b>	<b>43 112</b>	<b>42 083</b>	<b>1 029</b>	<b>97.6</b>	<b>37 046</b>	<b>36 993</b>
Compensation of employees	34 866	(12)	-	34 854	33 975	879	97.5	30 247	30 232
Goods and services	7 870	375	13	8 258	8 108	150	98.2	6 799	6 761
<b>Transfers and subsidies</b>	<b>14</b>	<b>12</b>	<b>-</b>	<b>26</b>	<b>24</b>	<b>2</b>	<b>92.3</b>	<b>2</b>	<b>1</b>
Departmental agencies and accounts	1	-	-	1	1	-	100.0	1	-
Households	13	12	-	25	23	2	92.0	1	1
<b>Payments for capital assets</b>	<b>653</b>	<b>255</b>	<b>16</b>	<b>924</b>	<b>923</b>	<b>1</b>	<b>99.9</b>	<b>1 257</b>	<b>1 256</b>
Machinery and equipment	653	255	16	924	923	1	99.9	1 257	1 256
<b>Payments for financial assets</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>23</b>	<b>23</b>	<b>-</b>	<b>100.0</b>	<b>29</b>	<b>29</b>
<b>Total</b>	<b>43 403</b>	<b>653</b>	<b>29</b>	<b>44 085</b>	<b>43 053</b>	<b>1 032</b>	<b>97.7</b>	<b>38 334</b>	<b>38 279</b>

DEPARTMENT OF THE PREMIER  
VOTE 1

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

1.7 STRATEGIC COMMUNICATION									
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
<b>Current payments</b>	<b>6 312</b>	<b>31</b>	<b>-</b>	<b>6 343</b>	<b>5 935</b>	<b>408</b>	<b>93.6</b>	<b>4 233</b>	<b>3 670</b>
Compensation of employees	2 781	165	-	2 946	2 943	3	99.9	2 578	2 574
Goods and services	3 531	(134)	-	3 397	2 992	405	88.1	1 655	1 096
<b>Transfers and subsidies</b>	<b>1</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental agencies and accounts	1	(1)	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>60</b>	<b>(56)</b>	<b>-</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>75.0</b>	<b>-</b>	<b>-</b>
Machinery and equipment	60	(56)	-	4	3	1	75.0	-	-
<b>Total</b>	<b>6 373</b>	<b>(26)</b>	<b>-</b>	<b>6 347</b>	<b>5 938</b>	<b>409</b>	<b>93.6</b>	<b>4 233</b>	<b>3 670</b>

DEPARTMENT OF THE PREMIER  
VOTE 1

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

Programme 2: PROVINCIAL STRATEGIC 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
<b>Sub programme</b>									
1. Programme Support	2 623	(31)	-	2 592	2 535	57	97.8	3 254	2 434
2. Policy and Strategy	16 842	(568)	-	16 274	15 973	301	98.2	14 538	13 515
3. Strategic Management Information	18 359	935	-	19 294	18 675	619	96.8	20 406	19 220
4. Strategic Programmes	15 586	(336)	(427)	14 823	14 491	332	97.8	16 825	15 115
<b>Total for sub programmes</b>	<b>53 410</b>	<b>-</b>	<b>(427)</b>	<b>52 983</b>	<b>51 674</b>	<b>1 309</b>	<b>97.5</b>	<b>55 023</b>	<b>50 284</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>52 304</b>	<b>(6)</b>	<b>(411)</b>	<b>51 887</b>	<b>51 057</b>	<b>830</b>	<b>98.4</b>	<b>53 733</b>	<b>49 484</b>
<b>Compensation of employees</b>	<b>39 695</b>	<b>(1)</b>	<b>-</b>	<b>39 694</b>	<b>39 078</b>	<b>616</b>	<b>98.4</b>	<b>39 740</b>	<b>36 013</b>
Salaries and wages	35 446	(160)	-	35 286	34 769	517	98.5	35 661	32 005
Social contributions	4 249	159	-	4 408	4 309	99	97.8	4 079	4 008
<b>Goods and services</b>	<b>12 609</b>	<b>(5)</b>	<b>(411)</b>	<b>12 193</b>	<b>11 979</b>	<b>214</b>	<b>98.2</b>	<b>13 993</b>	<b>13 471</b>
Administrative fees	30	8	-	38	33	5	86.8	39	32
Advertising	2 571	19	-	2 590	2 588	2	99.9	4 065	3 985
Minor assets	104	(49)	-	55	50	5	90.9	35	16
Catering: Departmental activities	301	(48)	-	253	247	6	97.6	183	178
Communication	330	(114)	-	216	203	13	94.0	184	159
Computer services	1	296	-	297	297	-	100.0	365	278
Consultants: Business and advisory services	4 482	18	-	4 500	4 498	2	100.0	5 307	5 306
Contractors	306	67	(248)	125	124	1	99.2	174	173
Entertainment	7	(5)	-	2	1	1	50.0	6	5
Fleet services	69	(29)	-	40	34	6	85.0	32	24
Consumable supplies	126	(18)	-	108	96	12	88.9	113	87
Consumable: Stationery, printing and office supplies	147	(1)	-	146	136	10	93.2	125	109

DEPARTMENT OF THE PREMIER  
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**APPROPRIATION STATEMENT**  
for the year ended 31 March 2019

Programme 2: PROVINCIAL STRATEGIC 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
Operating leases	217	(38)	-	179	177	2	98.9	210	206
Transport provided: Departmental activity	-	9	-	9	9	-	100.0	9	9
Travel and subsistence	2 270	389	(150)	2 509	2 461	48	98.1	1 964	1 844
Training and development	119	104	-	223	219	4	98.2	93	62
Operating payments	261	(74)	-	187	183	4	97.9	213	171
Venues and facilities	1 267	(539)	(13)	715	623	92	87.1	874	825
Rental and hiring	1	-	-	1	-	1	-	2	2
<b>Transfers and subsidies</b>	<b>606</b>	<b>1</b>	<b>-</b>	<b>607</b>	<b>529</b>	<b>78</b>	<b>87.1</b>	<b>792</b>	<b>746</b>
Departmental agencies and accounts	4	-	-	4	1	3	25.0	4	1
Departmental agencies (non-business entities)	4	-	-	4	1	3	25.0	4	1
Non-profit institutions	600	-	-	600	527	73	87.8	635	593
Households	2	1	-	3	1	2	33.3	153	152
Social benefits	2	1	-	3	1	2	33.3	153	152
<b>Payments for capital assets</b>	<b>500</b>	<b>-</b>	<b>(16)</b>	<b>484</b>	<b>84</b>	<b>400</b>	<b>17.4</b>	<b>472</b>	<b>30</b>
Machinery and equipment	500	-	(16)	484	84	400	17.4	472	30
Transport equipment	54	25	(16)	63	50	13	79.4	49	24
Other machinery and equipment	446	(25)	-	421	34	387	8.1	423	6
<b>Payments for financial assets</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>80.0</b>	<b>26</b>	<b>24</b>
<b>Total</b>	<b>53 410</b>	<b>-</b>	<b>(427)</b>	<b>52 983</b>	<b>51 674</b>	<b>1 309</b>	<b>97.5</b>	<b>55 023</b>	<b>50 284</b>

DEPARTMENT OF THE PREMIER  
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**APPROPRIATION STATEMENT**  
for the year ended 31 March 2019

2.1 PROGRAMME SUPPORT									
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
<b>Current payments</b>	<b>2 613</b>	<b>(31)</b>	-	<b>2 582</b>	<b>2 535</b>	<b>47</b>	<b>98.2</b>	<b>3 111</b>	<b>2 301</b>
Compensation of employees	2 449	-	-	2 449	2 411	38	98.4	2 857	2 108
Good and services	164	(31)	-	133	124	9	93.2	254	193
<b>Transfers and subsidies</b>	<b>1</b>	-	-	<b>1</b>	-	<b>1</b>	-	<b>135</b>	<b>133</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
Households	-	-	-	-	-	-	-	134	133
<b>Payments for capital assets</b>	<b>9</b>	-	-	<b>9</b>	-	<b>9</b>	-	<b>8</b>	-
Machinery and equipment	9	-	-	9	-	9	-	8	-
<b>Total</b>	<b>2 623</b>	<b>(31)</b>	-	<b>2 592</b>	<b>2 535</b>	<b>57</b>	<b>97.8</b>	<b>3 254</b>	<b>2 434</b>

2.2 POLICY AND STRATEGY									
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
<b>Current payments</b>	<b>16 249</b>	<b>(573)</b>	-	<b>15 676</b>	<b>15 430</b>	<b>246</b>	<b>98.4</b>	<b>13 930</b>	<b>12 994</b>
Compensation of employees	11 064	(1)	-	11 063	10 903	160	98.6	10 133	9 358
Goods and services	5 185	(572)	-	4 613	4 527	86	98.1	3 797	3 636
<b>Transfers and subsidies</b>	<b>501</b>	<b>1</b>	-	<b>502</b>	<b>500</b>	<b>2</b>	<b>99.6</b>	<b>520</b>	<b>519</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
Non-profit institutions	500	-	-	500	500	-	100.0	500	500
Households	-	1	-	1	-	1	-	19	19
<b>Payments for capital assets</b>	<b>92</b>	-	-	<b>92</b>	<b>39</b>	<b>53</b>	<b>42.4</b>	<b>88</b>	<b>2</b>
Machinery and equipment	92	-	-	92	39	53	42.4	88	2
<b>Payments for financial assets</b>	<b>-</b>	<b>4</b>	-	<b>4</b>	<b>4</b>	-	<b>100.0</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>16 842</b>	<b>(568)</b>	-	<b>16 274</b>	<b>15 973</b>	<b>301</b>	<b>98.2</b>	<b>14 538</b>	<b>13 515</b>

DEPARTMENT OF THE PREMIER  
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**APPROPRIATION STATEMENT**  
for the year ended 31 March 2019

2.3 STRATEGIC MANAGEMENT INFORMATION									
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
<b>Current payments</b>	<b>18 165</b>	<b>935</b>	<b>-</b>	<b>19 100</b>	<b>18 670</b>	<b>430</b>	<b>97.7</b>	<b>20 209</b>	<b>19 202</b>
Compensation of employees	17 031	-	-	17 031	16 644	387	97.7	16 645	15 683
Goods and services	1 134	935	-	2 069	2 026	43	97.9	3 564	3 519
<b>Transfers and subsidies</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	1	-
<b>Payments for capital assets</b>	<b>193</b>	<b>-</b>	<b>-</b>	<b>193</b>	<b>5</b>	<b>188</b>	<b>2.6</b>	<b>181</b>	<b>4</b>
Machinery and equipment	193	-	-	193	5	188	2.6	181	4
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>14</b>
<b>Total</b>	<b>18 359</b>	<b>935</b>	<b>-</b>	<b>19 294</b>	<b>18 675</b>	<b>619</b>	<b>96.8</b>	<b>20 406</b>	<b>19 220</b>

2.4 STRATEGIC PROGRAMMES									
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
<b>Current payments</b>	<b>15 277</b>	<b>(337)</b>	<b>(411)</b>	<b>14 529</b>	<b>14 422</b>	<b>107</b>	<b>99.3</b>	<b>16 483</b>	<b>14 987</b>
Compensation of employees	9 151	-	-	9 151	9 120	31	99.7	10 105	8 864
Goods and services	6 126	(337)	(411)	5 378	5 302	76	98.6	6 378	6 123
<b>Transfers and subsidies</b>	<b>103</b>	<b>-</b>	<b>-</b>	<b>103</b>	<b>29</b>	<b>74</b>	<b>28.2</b>	<b>136</b>	<b>94</b>
Departmental agencies and accounts	1	-	-	1	1	-	100.0	1	1
Non-profit institutions	100	-	-	100	27	73	27.0	135	93
Households	2	-	-	2	1	1	50.0	-	-
<b>Payments for capital assets</b>	<b>206</b>	<b>-</b>	<b>(16)</b>	<b>190</b>	<b>40</b>	<b>150</b>	<b>21.1</b>	<b>195</b>	<b>24</b>
Machinery and equipment	206	-	(16)	190	40	150	21.1	195	24
<b>Payments for financial assets</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>11</b>	<b>10</b>
<b>Total</b>	<b>15 586</b>	<b>(336)</b>	<b>(427)</b>	<b>14 823</b>	<b>14 491</b>	<b>332</b>	<b>97.8</b>	<b>16 825</b>	<b>15 115</b>

DEPARTMENT OF THE PREMIER  
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**APPROPRIATION STATEMENT**  
for the year ended 31 March 2019

Programme 3: PEOPLE MANAGEMENT (CORPORATE SERVICES CENTRE)									
	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
<b>Sub programme</b>									
1. Programme Support	2 810	(66)	-	2 744	2 687	57	97.9	3 146	2 684
2. Organisation Development	63 519	(2 992)	(6 429)	54 098	52 032	2 066	96.2	56 468	54 338
3. People Training and Empowerment	35 365	2 963	-	38 328	37 424	904	97.6	34 878	34 651
4. People Management Practices	101 051	95	-	101 146	98 675	2 471	97.6	96 339	94 123
<b>Total for sub programmes</b>	<b>202 745</b>	<b>-</b>	<b>(6 429)</b>	<b>196 316</b>	<b>190 818</b>	<b>5 498</b>	<b>97.2</b>	<b>190 831</b>	<b>185 796</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>200 294</b>	<b>(165)</b>	<b>(6 429)</b>	<b>193 700</b>	<b>188 473</b>	<b>5 227</b>	<b>97.3</b>	<b>187 917</b>	<b>183 413</b>
<b>Compensation of employees</b>	<b>166 782</b>	<b>(149)</b>	<b>-</b>	<b>166 633</b>	<b>161 563</b>	<b>5 070</b>	<b>97.0</b>	<b>160 130</b>	<b>155 796</b>
Salaries and wages	145 031	(604)	-	144 427	139 877	4 550	96.8	139 184	135 229
Social contributions	21 751	455	-	22 206	21 686	520	97.7	20 946	20 567
<b>Goods and services</b>	<b>33 512</b>	<b>(16)</b>	<b>(6 429)</b>	<b>27 067</b>	<b>26 910</b>	<b>157</b>	<b>99.4</b>	<b>27 787</b>	<b>27 617</b>
Administrative fees	-	71	-	71	65	6	91.5	71	65
Advertising	4 122	557	-	4 679	4 679	-	100.0	4 041	4 038
Minor assets	461	(305)	-	156	154	2	98.7	428	421
Bursaries	529	137	-	666	666	-	100.0	763	762
Catering: Departmental activities	767	445	-	1 212	1 206	6	99.5	1 242	1 234
Communication	997	(284)	-	713	687	26	96.4	651	627
Computer services	2 184	(24)	-	2 160	2 157	3	99.9	2 875	2 870
Consultants: Business and advisory services	11 621	(2 660)	(5 371)	3 590	3 587	3	99.9	3 716	3 707
Legal Services	112	(88)	-	24	23	1	95.8	-	-
Contractors	2 806	725	(423)	3 108	3 104	4	99.9	3 453	3 450
Agency and support / outsourced services	-	105	-	105	105	-	100.0	-	-
Fleet services	923	(270)	-	653	644	9	98.6	709	700
Consumable supplies	107	76	-	183	169	14	92.3	228	209



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

Programme 3: PEOPLE MANAGEMENT (CORPORATE SERVICES CENTRE)									
	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
Consumable: Stationery, printing and office supplies	1 070	(364)	(160)	546	535	11	98.0	484	474
Operating leases	730	(443)	-	287	287	-	100.0	391	389
Property payments	2 132	(565)	-	1 567	1 566	1	99.9	1 230	1 229
Transport provided: Departmental activity	-	8	-	8	8	-	100.0	-	-
Travel and subsistence	2 012	1 065	-	3 077	3 017	60	98.1	2 412	2 365
Training and development	1 261	1 502	-	2 763	2 755	8	99.7	3 514	3 511
Operating payments	1 127	608	(475)	1 260	1 259	1	99.9	1 115	1 111
Venues and facilities	496	(296)	-	200	198	2	99.0	447	439
Rental and hiring	55	(16)	-	39	39	-	100.0	17	16
<b>Transfers and subsidies</b>	<b>424</b>	<b>152</b>	<b>-</b>	<b>576</b>	<b>564</b>	<b>12</b>	<b>97.9</b>	<b>733</b>	<b>727</b>
Departmental agencies and accounts	17	3	-	20	17	3	85.0	17	16
Departmental agencies	17	3	-	20	17	3	85.0	17	16
Households	407	149	-	556	547	9	98.4	716	711
Social benefits	407	149	-	556	547	9	98.4	716	711
<b>Payments for capital assets</b>	<b>2 027</b>	<b>-</b>	<b>-</b>	<b>2 027</b>	<b>1 771</b>	<b>256</b>	<b>87.4</b>	<b>2 102</b>	<b>1 578</b>
Machinery and equipment	2 027	-	-	2 027	1 771	256	87.4	2 102	1 578
Transport equipment	1 270	(146)	-	1 124	1 107	17	98.5	1 281	1 021
Other machinery and equipment	757	146	-	903	664	239	73.5	821	557
<b>Payments for financial assets</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>13</b>	<b>10</b>	<b>3</b>	<b>76.9</b>	<b>79</b>	<b>78</b>
<b>Total</b>	<b>202 745</b>	<b>-</b>	<b>(6 429)</b>	<b>196 316</b>	<b>190 818</b>	<b>5 498</b>	<b>97.2</b>	<b>190 831</b>	<b>185 796</b>

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

3.1 PROGRAMME SUPPORT									
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
<b>Current payments</b>	<b>2 802</b>	<b>(70)</b>	<b>-</b>	<b>2 732</b>	<b>2 685</b>	<b>47</b>	<b>98.3</b>	<b>3 134</b>	<b>2 684</b>
Compensation of employees	2 618	(3)	-	2 615	2 578	37	98.6	2 982	2 540
Good and services	184	(67)	-	117	107	10	91.5	152	144
<b>Transfers and subsidies</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>50.0</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	-	1	-	1	-	1	-	1	-
Households	-	3	-	3	2	1	66.7	-	-
<b>Payments for capital assets</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>11</b>	<b>-</b>
Machinery and equipment	8	-	-	8	-	8	-	11	-
<b>Total</b>	<b>2 810</b>	<b>(66)</b>	<b>-</b>	<b>2 744</b>	<b>2 687</b>	<b>57</b>	<b>97.9</b>	<b>3 146</b>	<b>2 684</b>

3.2 ORGANISATION DEVELOPMENT									
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
<b>Current payments</b>	<b>63 107</b>	<b>(2 921)</b>	<b>(6 429)</b>	<b>53 757</b>	<b>51 708</b>	<b>2 049</b>	<b>96.2</b>	<b>55 686</b>	<b>53 746</b>
Compensation of employees	47 054	(61)	-	46 993	45 004	1 989	95.8	46 441	44 564
Goods and services	16 053	(2 860)	(6 429)	6 764	6 704	60	99.1	9 245	9 182
<b>Transfers and subsidies</b>	<b>187</b>	<b>61</b>	<b>-</b>	<b>248</b>	<b>246</b>	<b>2</b>	<b>99.2</b>	<b>455</b>	<b>454</b>
Departmental agencies and accounts	1	-	-	1	-	1	-	-	-
Households	186	61	-	247	246	1	99.6	455	454
<b>Payments for capital assets</b>	<b>225</b>	<b>(134)</b>	<b>-</b>	<b>91</b>	<b>76</b>	<b>15</b>	<b>83.5</b>	<b>307</b>	<b>118</b>
Machinery and equipment	225	(134)	-	91	76	15	83.5	307	118
<b>Payments for financial assets</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>100.0</b>	<b>20</b>	<b>20</b>
<b>Total</b>	<b>63 519</b>	<b>(2 992)</b>	<b>(6 429)</b>	<b>54 098</b>	<b>52 032</b>	<b>2 066</b>	<b>96.2</b>	<b>56 468</b>	<b>54 338</b>

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

3.3 PEOPLE TRAINING AND EMPOWERMENT									
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
<b>Current payments</b>	<b>34 552</b>	<b>2 948</b>	-	<b>37 500</b>	<b>36 829</b>	<b>671</b>	<b>98.2</b>	<b>33 993</b>	<b>33 947</b>
Compensation of employees	29 064	(12)	-	29 052	28 420	632	97.8	26 478	26 465
Goods and services	5 488	2 960	-	8 448	8 409	39	99.5	7 515	7 482
<b>Transfers and subsidies</b>	<b>20</b>	<b>12</b>	-	<b>32</b>	<b>29</b>	<b>3</b>	<b>90.6</b>	<b>48</b>	<b>46</b>
Departmental agencies and accounts	14	-	-	14	14	-	100.0	13	13
Households	6	12	-	18	15	3	83.3	35	33
<b>Payments for capital assets</b>	<b>793</b>	-	-	<b>793</b>	<b>564</b>	<b>229</b>	<b>71.1</b>	<b>837</b>	<b>658</b>
Machinery and equipment	793	-	-	793	564	229	71.1	837	658
<b>Payments for financial assets</b>	-	<b>3</b>	-	<b>3</b>	<b>2</b>	<b>1</b>	<b>66.7</b>	-	-
<b>Total</b>	<b>35 365</b>	<b>2 963</b>	-	<b>38 328</b>	<b>37 424</b>	<b>904</b>	<b>97.6</b>	<b>34 878</b>	<b>34 651</b>

3.4 PEOPLE MANAGEMENT PRACTICES									
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
<b>Current payments</b>	<b>99 833</b>	<b>(122)</b>	-	<b>99 711</b>	<b>97 251</b>	<b>2 460</b>	<b>97.5</b>	<b>95 104</b>	<b>93 036</b>
Compensation of employees	88 046	(73)	-	87 973	85 561	2 412	97.3	84 229	82 227
Goods and services	11 787	(49)	-	11 738	11 690	48	99.6	10 875	10 809
<b>Transfers and subsidies</b>	<b>217</b>	<b>75</b>	-	<b>292</b>	<b>287</b>	<b>5</b>	<b>98.3</b>	<b>229</b>	<b>227</b>
Departmental agencies and accounts	2	2	-	4	3	1	75.0	3	3
Households	215	73	-	288	284	4	98.6	226	224
<b>Payments for capital assets</b>	<b>1 001</b>	<b>134</b>	-	<b>1 135</b>	<b>1 131</b>	<b>4</b>	<b>99.6</b>	<b>947</b>	<b>802</b>
Machinery and equipment	1 001	134	-	1 135	1 131	4	99.6	947	802
<b>Payments for financial assets</b>	-	<b>8</b>	-	<b>8</b>	<b>6</b>	<b>2</b>	<b>75.0</b>	<b>59</b>	<b>58</b>
<b>Total</b>	<b>101 051</b>	<b>95</b>	-	<b>101 146</b>	<b>98 675</b>	<b>2 471</b>	<b>97.6</b>	<b>96 339</b>	<b>94 123</b>

DEPARTMENT OF THE PREMIER  
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**APPROPRIATION STATEMENT**  
for the year ended 31 March 2019

Programme 4: CENTRE FOR e-INNOVATION (CORPORATE SERVICES CENTRE)									
	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
<b>Sub programme</b>									
1. Programme Support	8 652	(157)	-	8 495	8 114	381	95.5	8 621	8 340
2. Strategic ICT Services	104 076	(1 922)	-	102 154	99 501	2 653	97.4	96 554	87 856
3. GITO Management Services	496 785	6 497	9 428	512 710	490 087	22 623	95.6	526 293	519 109
4. Connected Government and Unified Communications	311 746	-	-	311 746	306 713	5 033	98.4	236 406	232 521
5. Transversal Applications Development and Support	67 651	(4 418)	-	63 233	63 219	14	100.0	55 225	55 214
<b>Total for sub programmes</b>	<b>988 910</b>	<b>-</b>	<b>9 428</b>	<b>998 338</b>	<b>967 634</b>	<b>30 704</b>	<b>96.9</b>	<b>923 099</b>	<b>903 040</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>932 591</b>	<b>(479)</b>	<b>9 428</b>	<b>941 540</b>	<b>931 810</b>	<b>9 730</b>	<b>99.0</b>	<b>851 123</b>	<b>839 344</b>
<b>Compensation of employees</b>	<b>201 756</b>	<b>(1 392)</b>	<b>-</b>	<b>200 364</b>	<b>194 683</b>	<b>5 681</b>	<b>97.2</b>	<b>199 601</b>	<b>197 155</b>
Salaries and wages	181 165	(5 120)	-	176 045	170 737	5 308	97.0	177 001	174 584
Social contributions	20 591	3 728	-	24 319	23 946	373	98.5	22 600	22 571
<b>Goods and services</b>	<b>730 835</b>	<b>913</b>	<b>9 428</b>	<b>741 176</b>	<b>737 127</b>	<b>4 049</b>	<b>99.5</b>	<b>651 522</b>	<b>642 189</b>
Administrative fees	5	35	-	40	32	8	80.0	35	29
Advertising	-	36	-	36	36	-	100.0	66	65
Minor assets	1 123	164	-	1 287	1 278	9	99.3	946	876
Bursaries	323	(145)	-	178	177	1	99.4	324	324
Catering: Departmental activities	135	(10)	-	125	118	7	94.4	183	164
Communication	3 612	1 599	-	5 211	5 188	23	99.6	2 539	2 528
Computer services	709 831	4 355	9 428	723 614	719 735	3 879	99.5	631 807	624 473
Consultants: Business and advisory services	224	(126)	-	98	97	1	99.0	4 532	4 530
Contractors	1 229	(1 200)	-	29	23	6	79.3	65	59
Agency and support / outsourced services	-	-	-	-	-	-	-	187	19

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**APPROPRIATION STATEMENT**  
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Programme 4: CENTRE FOR e-INNOVATION (CORPORATE SERVICES CENTRE)									
	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
Entertainment	15	(2)	-	13	11	2	84.6	14	10
Fleet services	2 516	(512)	-	2 004	1 999	5	99.8	2 082	2 078
Inventory: Other	2 000	1 943	-	3 943	3 942	1	100.0	80	80
Consumable supplies	827	(469)	-	358	329	29	91.9	826	791
Consumable: Stationery, printing and office supplies	763	(485)	-	278	269	9	96.8	730	711
Operating leases	646	106	-	752	745	7	99.1	794	790
Property payments	93	388	-	481	480	1	99.8	543	541
Travel and subsistence	3 005	(850)	-	2 155	2 103	52	97.6	2 080	1 890
Training and development	2 750	(2 473)	-	277	275	2	99.3	1 625	1 490
Operating payments	1 688	(1 457)	-	231	226	5	97.8	1 848	526
Venues and facilities	50	16	-	66	64	2	97.0	216	215
<b>Transfers and subsidies</b>	<b>20 495</b>	<b>471</b>	<b>-</b>	<b>20 966</b>	<b>20 959</b>	<b>7</b>	<b>100.0</b>	<b>22 603</b>	<b>21 395</b>
Departmental agencies and accounts	6	14	-	20	18	2	90.0	12	9
Departmental agencies	6	14	-	20	18	2	90.0	12	9
Non-profit institutions	19 700	-	-	19 700	19 700	-	100.0	22 200	21 000
Households	789	457	-	1 246	1 241	5	99.6	391	386
Social benefits	789	457	-	1 246	1 241	5	99.6	391	386
<b>Payments for capital assets</b>	<b>35 824</b>	<b>-</b>	<b>-</b>	<b>35 824</b>	<b>14 859</b>	<b>20 965</b>	<b>41.5</b>	<b>49 138</b>	<b>42 070</b>
Machinery and equipment	35 824	-	-	35 824	14 859	20 965	41.5	49 138	42 070
Transport equipment	3 487	724	-	4 211	4 209	2	100.0	3 824	3 821
Other machinery and equipment	32 337	(724)	-	31 613	10 650	20 963	33.7	45 314	38 249
<b>Payments for financial assets</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>6</b>	<b>2</b>	<b>75.0</b>	<b>235</b>	<b>231</b>
<b>Total</b>	<b>988 910</b>	<b>-</b>	<b>9 428</b>	<b>998 338</b>	<b>967 634</b>	<b>30 704</b>	<b>96.9</b>	<b>923 099</b>	<b>903 040</b>

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4.1 PROGRAMME SUPPORT									
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
<b>Current payments</b>	<b>8 519</b>	<b>(158)</b>	<b>-</b>	<b>8 361</b>	<b>7 983</b>	<b>378</b>	<b>95.5</b>	<b>8 597</b>	<b>8 317</b>
Compensation of employees	8 155	-	-	8 155	7 794	361	95.6	8 161	8 149
Good and services	364	(158)	-	206	189	17	91.7	436	168
<b>Transfers and subsidies</b>	<b>131</b>	<b>1</b>	<b>-</b>	<b>132</b>	<b>131</b>	<b>1</b>	<b>99.2</b>	<b>2</b>	<b>1</b>
Departmental agencies and accounts	-	1	-	1	1	-	100.0	1	1
Households	131	-	-	131	130	1	99.2	1	-
<b>Payments for capital assets</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>8</b>	<b>8</b>
Machinery and equipment	2	-	-	2	-	2	-	8	8
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>14</b>
<b>Total</b>	<b>8 652</b>	<b>(157)</b>	<b>-</b>	<b>8 495</b>	<b>8 114</b>	<b>381</b>	<b>95.5</b>	<b>8 621</b>	<b>8 340</b>

4.2 STRATEGIC ICT SERVICES									
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
<b>Current payments</b>	<b>83 789</b>	<b>(3 460)</b>	<b>-</b>	<b>80 329</b>	<b>77 681</b>	<b>2 648</b>	<b>96.7</b>	<b>73 358</b>	<b>65 870</b>
Compensation of employees	34 410	(1 722)	-	32 688	30 097	2 591	92.1	30 569	28 398
Goods and services	49 379	(1 738)	-	47 641	47 584	57	99.9	42 789	37 472
<b>Transfers and subsidies</b>	<b>19 751</b>	<b>64</b>	<b>-</b>	<b>19 815</b>	<b>19 815</b>	<b>-</b>	<b>100.0</b>	<b>22 301</b>	<b>21 098</b>
Departmental agencies and accounts	2	(1)	-	1	1	-	100.0	3	2
Non-profit institutions	19 700	-	-	19 700	19 700	-	100.0	22 200	21 000
Households	49	65	-	114	114	-	100.0	98	96
<b>Payments for capital assets</b>	<b>536</b>	<b>1 474</b>	<b>-</b>	<b>2 010</b>	<b>2 005</b>	<b>5</b>	<b>99.8</b>	<b>889</b>	<b>884</b>
Machinery and equipment	536	1 474	-	2 010	2 005	5	99.8	889	884
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>4</b>
<b>Total</b>	<b>104 076</b>	<b>(1 922)</b>	<b>-</b>	<b>102 154</b>	<b>99 501</b>	<b>2 653</b>	<b>97.4</b>	<b>96 554</b>	<b>87 856</b>

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4.3 GITO MANAGEMENT SERVICES									
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
<b>Current payments</b>	<b>460 886</b>	<b>7 706</b>	<b>9 428</b>	<b>478 020</b>	<b>476 361</b>	<b>1 659</b>	<b>99.7</b>	<b>477 539</b>	<b>477 423</b>
Compensation of employees	156 031	(1 325)	-	154 706	153 107	1 599	99.0	158 265	158 237
Goods and services	304 855	9 031	9 428	323 314	323 254	60	100.0	319 274	319 186
<b>Transfers and subsidies</b>	<b>613</b>	<b>390</b>	<b>-</b>	<b>1 003</b>	<b>998</b>	<b>5</b>	<b>99.5</b>	<b>298</b>	<b>295</b>
Departmental agencies and accounts	4	-	-	4	3	1	75.0	6	5
Households	609	390	-	999	995	4	99.6	292	290
<b>Payments for capital assets</b>	<b>35 286</b>	<b>(1 607)</b>	<b>-</b>	<b>33 679</b>	<b>12 722</b>	<b>20 957</b>	<b>37.8</b>	<b>48 241</b>	<b>41 178</b>
Machinery and equipment	35 286	(1 607)	-	33 679	12 722	20 957	37.8	48 241	41 178
<b>Payments for financial assets</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>6</b>	<b>2</b>	<b>75.0</b>	<b>215</b>	<b>213</b>
<b>Total</b>	<b>496 785</b>	<b>6 497</b>	<b>9 428</b>	<b>512 710</b>	<b>490 087</b>	<b>22 623</b>	<b>95.6</b>	<b>526 293</b>	<b>519 109</b>

4.4 CONNECTED GOVERNMENT AND UNIFIED COMMUNICATIONS									
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
<b>Current payments</b>	<b>311 746</b>	<b>(13)</b>	<b>-</b>	<b>311 733</b>	<b>306 701</b>	<b>5 032</b>	<b>98.4</b>	<b>236 405</b>	<b>232 521</b>
Compensation of employees	3 160	(2)	-	3 158	2 031	1 127	64.3	2 567	2 335
Goods and services	308 586	(11)	-	308 575	304 670	3 905	98.7	233 838	230 186
<b>Transfers and subsidies</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>13</b>	<b>12</b>	<b>1</b>	<b>92.3</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	-	11	-	11	10	1	90.9	1	-
Households	-	2	-	2	2	-	100	-	-
<b>Total</b>	<b>311 746</b>	<b>-</b>	<b>-</b>	<b>311 746</b>	<b>306 713</b>	<b>5 033</b>	<b>98.4</b>	<b>236 406</b>	<b>232 521</b>



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**APPROPRIATION STATEMENT**  
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4.5 TRANSVERSAL APPLICATIONS DEVELOPMENT AND SUPPORT									
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
<b>Current payments</b>	67 651	(4 554)	-	63 097	63 084	13	100.0	55 224	55 213
Compensation of employees	-	1 657	-	1 657	1 654	3	99.8	39	36
Goods and services	67 651	(6 211)	-	61 440	61 430	10	100.0	55 185	55 177
<b>Transfers and subsidies</b>	-	3	-	3	3	-	100.0	1	1
Departmental agencies and accounts	-	3	-	3	3	-	100.0	1	1
<b>Payments for capital assets</b>	-	133	-	133	132	1	99.2	-	-
Machinery and equipment	-	133	-	133	132	1	99.2	-	-
<b>Total</b>	<b>67 651</b>	<b>(4 418)</b>	<b>-</b>	<b>63 233</b>	<b>63 219</b>	<b>14</b>	<b>100.0</b>	<b>55 225</b>	<b>55 214</b>

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Programme 5: CORPORATE ASSURANCE (CORPORATE SERVICES CENTRE)									
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
<b>Sub programme</b>									
1. Programme Support	3 165	(36)	(164)	2 965	2 756	209	93.0	2 783	2 769
2. Enterprise Risk Management	7 325	429	-	7 754	7 734	20	99.7	6 369	5 542
3. Internal Audit	44 571	(107)	(1 613)	42 851	41 346	1 505	96.5	40 202	39 314
4. Provincial Forensic Services	16 363	1	(520)	15 844	15 039	805	94.9	15 433	14 101
5. Legal Services	44 311	391	-	44 702	44 300	402	99.1	41 328	39 193
6. Corporate Communication	18 528	(678)	(304)	17 546	16 507	1 039	94.1	17 015	16 797
<b>Total for sub programmes</b>	<b>134 263</b>	<b>-</b>	<b>(2 601)</b>	<b>131 662</b>	<b>127 682</b>	<b>3 980</b>	<b>97.0</b>	<b>123 130</b>	<b>117 716</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>133 331</b>	<b>(356)</b>	<b>(2 601)</b>	<b>130 374</b>	<b>126 504</b>	<b>3 870</b>	<b>97.0</b>	<b>122 160</b>	<b>116 934</b>
<b>Compensation of employees</b>	<b>112 988</b>	<b>(349)</b>	<b>-</b>	<b>112 639</b>	<b>109 383</b>	<b>3 256</b>	<b>97.1</b>	<b>103 468</b>	<b>100 778</b>
Salaries and wages	99 249	574	-	99 823	97 423	2 400	97.6	92 153	89 654
Social contributions	13 739	(923)	-	12 816	11 960	856	93.3	11 315	11 124
<b>Goods and services</b>	<b>20 343</b>	<b>(7)</b>	<b>(2 601)</b>	<b>17 735</b>	<b>17 121</b>	<b>614</b>	<b>96.5</b>	<b>18 692</b>	<b>16 156</b>
Administrative fees	4	26	-	30	26	4	86.7	21	18
Advertising	5 239	(586)	-	4 653	4 172	481	89.7	3 428	3 427
Minor assets	187	38	-	225	218	7	96.9	171	152
Catering: Departmental activities	78	48	-	126	124	2	98.4	80	78
Communication	418	(120)	-	298	289	9	97.0	1 226	1 200
Computer services	1 428	(305)	-	1 123	1 120	3	99.7	1 709	923
Consultants: Business and advisory services	5 852	448	(1 994)	4 306	4 302	4	99.9	4 848	4 405
Legal services	938	491	-	1 429	1 427	2	99.9	612	402
Contractors	251	(88)	-	163	159	4	97.5	105	100
Agency and support / outsourced services	-	-	-	-	-	-	-	837	251
Entertainment	13	(12)	-	1	-	1	-	1	-
Fleet services	116	4	-	120	119	1	99.2	189	184

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Programme 5: CORPORATE ASSURANCE (CORPORATE SERVICES CENTRE)									
	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
Consumable supplies	201	(100)	-	101	85	16	84.2	126	90
Consumable: Stationery, printing and office supplies	538	(142)	(29)	367	341	26	92.9	235	224
Operating leases	363	(70)	(50)	243	242	1	99.6	279	278
Property payments	40	(40)	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	6	-	6	6	-	100.0	-	-
Travel and subsistence	794	442	-	1 236	1 204	32	97.4	835	767
Training and development	1 251	(371)	(194)	686	680	6	99.1	1 249	933
Operating payments	2 463	403	(334)	2 532	2 521	11	99.6	2 554	2 541
Venues and facilities	169	(79)	-	90	86	4	95.6	58	57
Rental and hiring	-	-	-	-	-	-	-	129	126
<b>Transfers and subsidies</b>	<b>85</b>	<b>352</b>	<b>-</b>	<b>437</b>	<b>430</b>	<b>7</b>	<b>98.4</b>	<b>136</b>	<b>130</b>
Departmental agencies and accounts	3	3	-	6	3	3	50.0	5	3
Departmental agencies	3	3	-	6	3	3	50.0	5	3
Households	82	349	-	431	427	4	99.1	131	127
Social benefits	82	349	-	431	427	4	99.1	131	127
<b>Payments for capital assets</b>	<b>847</b>	<b>-</b>	<b>-</b>	<b>847</b>	<b>745</b>	<b>102</b>	<b>88.0</b>	<b>815</b>	<b>634</b>
Machinery and equipment	847	-	-	847	745	102	88.0	815	634
Transport equipment	124	276	-	400	397	3	99.3	349	332
Other machinery and equipment	723	(276)	-	447	348	99	77.9	466	302
<b>Payments for financial assets</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>75.0</b>	<b>19</b>	<b>18</b>
<b>Total</b>	<b>134 263</b>	<b>-</b>	<b>(2 601)</b>	<b>131 662</b>	<b>127 682</b>	<b>3 980</b>	<b>97.0</b>	<b>123 130</b>	<b>117 716</b>

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**APPROPRIATION STATEMENT**  
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5.1 PROGRAMME SUPPORT									
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
<b>Current payments</b>	<b>3 163</b>	<b>(36)</b>	<b>(164)</b>	<b>2 963</b>	<b>2 755</b>	<b>208</b>	<b>93.0</b>	<b>2 781</b>	<b>2 769</b>
Compensation of employees	2 775	(1)	-	2 774	2 574	200	92.8	2 578	2 572
Good and services	388	(35)	(164)	189	181	8	95.8	203	197
<b>Transfers and subsidies</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>100.0</b>	<b>1</b>	<b>-</b>
Departmental agencies and accounts	1	(1)	-	-	-	-	-	1	-
Households	-	1	-	1	1	-	100.0	-	-
<b>Payments for capital assets</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>
Machinery and equipment	1	-	-	1	-	1	-	1	-
<b>Total</b>	<b>3 165</b>	<b>(36)</b>	<b>(164)</b>	<b>2 965</b>	<b>2 756</b>	<b>209</b>	<b>93.0</b>	<b>2 783</b>	<b>2 769</b>

5.2 ENTERPRISE RISK MANAGEMENT									
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
<b>Current payments</b>	<b>7 322</b>	<b>429</b>	<b>-</b>	<b>7 751</b>	<b>7 734</b>	<b>17</b>	<b>99.8</b>	<b>6 341</b>	<b>5 518</b>
Compensation of employees	6 724	394	-	7 118	7 116	2	100.0	5 489	5 060
Goods and services	598	35	-	633	618	15	97.6	852	458
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>20</b>
Households	-	-	-	-	-	-	-	20	20
<b>Payments for capital assets</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>-</b>
Machinery and equipment	3	-	-	3	-	3	-	3	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>4</b>
<b>Total</b>	<b>7 325</b>	<b>429</b>	<b>-</b>	<b>7 754</b>	<b>7 734</b>	<b>20</b>	<b>99.7</b>	<b>6 369</b>	<b>5 542</b>

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## APPROPRIATION STATEMENT

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5.3 INTERNAL AUDIT									
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
<b>Current payments</b>	<b>44 406</b>	<b>(574)</b>	<b>(1 613)</b>	<b>42 219</b>	<b>40 718</b>	<b>1 501</b>	<b>96.4</b>	<b>39 847</b>	<b>38 962</b>
Compensation of employees	37 902	(571)	-	37 331	35 845	1 486	96.0	34 545	34 540
Goods and services	6 504	(3)	(1 613)	4 888	4 873	15	99.7	5 302	4 422
<b>Transfers and subsidies</b>	<b>29</b>	<b>179</b>	<b>-</b>	<b>208</b>	<b>206</b>	<b>2</b>	<b>99.0</b>	<b>62</b>	<b>60</b>
Departmental agencies and accounts	-	2	-	2	1	1	50.0	2	1
Households	29	177	-	206	205	1	99.5	60	59
<b>Payments for capital assets</b>	<b>136</b>	<b>287</b>	<b>-</b>	<b>423</b>	<b>422</b>	<b>1</b>	<b>99.8</b>	<b>293</b>	<b>292</b>
Machinery and equipment	136	287	-	423	422	1	99.8	293	292
<b>Payments for financial assets</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>44 571</b>	<b>(107)</b>	<b>(1 613)</b>	<b>42 851</b>	<b>41 346</b>	<b>1 505</b>	<b>96.5</b>	<b>40 202</b>	<b>39 314</b>

5.4 PROVINCIAL FORENSIC SERVICES									
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
<b>Current payments</b>	<b>16 178</b>	<b>(28)</b>	<b>(520)</b>	<b>15 630</b>	<b>14 853</b>	<b>777</b>	<b>95.0</b>	<b>15 173</b>	<b>13 846</b>
Compensation of employees	14 273	(25)	-	14 248	13 504	744	94.8	12 774	12 050
Goods and services	1 905	(3)	(520)	1 382	1 349	33	97.6	2 399	1 796
<b>Transfers and subsidies</b>	<b>16</b>	<b>26</b>	<b>-</b>	<b>42</b>	<b>41</b>	<b>1</b>	<b>97.6</b>	<b>34</b>	<b>33</b>
Departmental agencies and accounts	-	1	-	1	-	1	-	-	-
Households	16	25	-	41	41	-	100.0	34	33
<b>Payments for capital assets</b>	<b>169</b>	<b>-</b>	<b>-</b>	<b>169</b>	<b>142</b>	<b>27</b>	<b>84.0</b>	<b>212</b>	<b>208</b>
Machinery and equipment	169	-	-	169	142	27	84.0	212	208
<b>Payments for financial assets</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>100.0</b>	<b>14</b>	<b>14</b>
<b>Total</b>	<b>16 363</b>	<b>1</b>	<b>(520)</b>	<b>15 844</b>	<b>15 039</b>	<b>805</b>	<b>94.9</b>	<b>15 433</b>	<b>14 101</b>

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

5.5 LEGAL SERVICES									
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
<b>Current payments</b>	<b>44 059</b>	<b>443</b>	<b>-</b>	<b>44 502</b>	<b>44 126</b>	<b>376</b>	<b>99.2</b>	<b>41 108</b>	<b>39 093</b>
Compensation of employees	41 313	(138)	-	41 175	40 843	332	99.2	38 900	37 517
Goods and services	2 746	581	-	3 327	3 283	44	98.7	2 208	1 576
<b>Transfers and subsidies</b>	<b>38</b>	<b>138</b>	<b>-</b>	<b>176</b>	<b>174</b>	<b>2</b>	<b>98.9</b>	<b>18</b>	<b>16</b>
Departmental agencies and accounts	1	-	-	1	1	-	100.0	1	1
Households	37	138	-	175	173	2	98.9	17	15
<b>Payments for capital assets</b>	<b>214</b>	<b>(190)</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>202</b>	<b>84</b>
Machinery and equipment	214	(190)	-	24	-	24	-	202	84
<b>Total</b>	<b>44 311</b>	<b>391</b>	<b>-</b>	<b>44 702</b>	<b>44 300</b>	<b>402</b>	<b>99.1</b>	<b>41 328</b>	<b>39 193</b>

5.6 CORPORATE COMMUNICATION									
	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
<b>Current payments</b>	<b>18 203</b>	<b>(590)</b>	<b>(304)</b>	<b>17 309</b>	<b>16 318</b>	<b>991</b>	<b>94.3</b>	<b>16 910</b>	<b>16 746</b>
Compensation of employees	10 001	(8)	-	9 993	9 501	492	95.1	9 182	9 039
Goods and services	8 202	(582)	(304)	7 316	6 817	499	93.2	7 728	7 707
<b>Transfers and subsidies</b>	<b>1</b>	<b>9</b>	<b>-</b>	<b>10</b>	<b>8</b>	<b>2</b>	<b>80.0</b>	<b>1</b>	<b>1</b>
Departmental agencies and accounts	1	1	-	2	1	1	50.0	1	1
Households	-	8	-	8	7	1	87.5	-	-
<b>Payments for capital assets</b>	<b>324</b>	<b>(97)</b>	<b>-</b>	<b>227</b>	<b>181</b>	<b>46</b>	<b>79.7</b>	<b>104</b>	<b>50</b>
Machinery and equipment	324	(97)	-	227	181	46	79.7	104	50
<b>Total</b>	<b>18 528</b>	<b>(678)</b>	<b>(304)</b>	<b>17 546</b>	<b>16 507</b>	<b>1 039</b>	<b>94.1</b>	<b>17 015</b>	<b>16 797</b>

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## 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 note 6 (Transfers and subsidies) and Annexure 1 -3 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 note 5 (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
Executive Support (Administration)	117 304	112 196	5 108	4.35
Provincial Strategic Management	52 983	51 674	1 309	2.47
People Management (CSC)	196 316	190 818	5 498	2.80
Centre for e-Innovation (CSC)	998 338	967 634	30 704	3.08
Corporate Assurance (CSC)	131 662	127 682	3 980	3.02
<b>Total</b>	<b>1 496 603</b>	<b>1 450 004</b>	<b>46 599</b>	<b>3.11</b>

Underspending under Executive Support (Administration) is mainly due to staff exits (R4,0m).

Underspending under Provincial Strategic Management is mainly due to staff exits (R0,6m).

Underspending under People Management (CSC) is mainly due to staff exits (R5,0m).

Underspending under Centre for e-Innovation (CSC) is due to staff exits (R5,6m), a shift from capital expenditure to operating expenditure on the server side to the cloud-based services platform (R11,9m), credits received from the service provider relating to Broadband services (R1,8m), as well as delays in the delivery of network equipment (R9,0m) and Public WiFi roll-out (R1,8m).

Underspending under Corporate Assurance (CSC) is mainly due to staff exits (R3,2m).



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

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>				
Compensation of employees	614 329	595 640	18 689	3.04
Goods and services	817 950	811 934	6 016	0.74
<b>Transfers and subsidies</b>				
Provinces and municipalities				
Departmental agencies and accounts	58	44	14	24.14
Non-profit institutions	20 590	20 472	118	0.57
Households	2 415	2 391	24	0.99
<b>Payments for capital assets</b>				
Machinery and equipment	41 199	19 469	21 730	52.74
<b>Payments for financial assets</b>	62	54	8	12.90
<b>Total</b>	<b>1 496 603</b>	<b>1 450 004</b>	<b>46 599</b>	<b>3.11</b>

Underspending under Compensation of Employees is due to staff exits.

Underspending under Goods and Services is largely due to credits received from the service provider relating to Broadband services (R1,8m), as well as delays in the Public WiFi roll-out (R1,8m).

Underspending under Departmental Agencies and Accounts is due to shifting of funds with regard to the SABC license payments.

Underspending under Payments for capital assets is mainly due to a shift from capital expenditure to operating expenditure (R11,9m) on the server side to the cloud-based services platform and delays in the delivery of network equipment (R9,0m).

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**STATEMENT OF FINANCIAL PERFORMANCE**  
for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
<b>REVENUE</b>			
Annual appropriation	1.1	1 496 603	1 398 124
Departmental revenue	2	157	2 326
<b>TOTAL REVENUE</b>		<b>1 496 760</b>	<b>1 400 450</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	595 640	572 959
Goods and services	4	811 934	715 511
<b>Total current expenditure</b>		<b>1 407 574</b>	<b>1 288 470</b>
<b>Transfers and subsidies</b>	6	<b>22 907</b>	<b>23 340</b>
<b>Expenditure for capital assets</b>			
Tangible assets	7	19 469	46 071
Intangible assets	7	-	-
<b>Total expenditure for capital assets</b>		<b>19 469</b>	<b>46 071</b>
<b>Payments for financial assets</b>	5	<b>54</b>	<b>404</b>
<b>TOTAL EXPENDITURE</b>		<b>1 450 004</b>	<b>1 358 285</b>
<b>SURPLUS FOR THE YEAR</b>		<b>46 756</b>	<b>42 165</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds	11	46 599	39 839
Departmental revenue	12	157	2 326
<b>SURPLUS FOR THE YEAR</b>		<b>46 756</b>	<b>42 165</b>

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**STATEMENT OF FINANCIAL POSITION**  
for the year ended 31 March 2019

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>ASSETS</b>			
<b>Current assets</b>		<b>45 398</b>	<b>39 475</b>
Cash and cash equivalents	8	42 415	33 045
Prepayments and advances	9	101	-
Receivables	10	2 882	6 430
<b>Non-current assets</b>		<b>1 714</b>	<b>1 273</b>
Receivables	10	1 714	1 273
<b>TOTAL ASSETS</b>		<b>47 112</b>	<b>40 748</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>46 884</b>	<b>40 580</b>
Voted funds to be surrendered to the Revenue Fund	11	46 599	39 839
Departmental revenue to be surrendered to the Revenue Fund	12	23	705
Payables	13	262	36
<b>TOTAL LIABILITIES</b>		<b>46 884</b>	<b>40 580</b>
<b>NET ASSETS</b>		<b>228</b>	<b>168</b>
<b>Represented by:</b>			
Recoverable revenue		228	168
<b>TOTAL</b>		<b>228</b>	<b>168</b>

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**STATEMENT OF CHANGES IN NET ASSETS**  
for the year ended 31 March 2019

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>Recoverable revenue</b>			
Opening balance		168	125
Transfers:		<b>60</b>	<b>43</b>
Irrecoverable amounts written off	5.2	(5)	(6)
Debts recovered (included in departmental receipts)		65	49
Closing balance		<b>228</b>	<b>168</b>
<b>TOTAL</b>		<b>228</b>	<b>168</b>

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**CASH FLOW STATEMENT**  
for the year ended 31 March 2019

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>1 498 554</b>	<b>1 402 172</b>
Annual appropriated funds received	1.1	1 496 603	1 398 124
Departmental revenue received	2	1 949	4 032
Interest received	2.2	2	16
Net (increase)/decrease in working capital		3 232	(4 549)
Surrendered to Revenue Fund		(42 476)	(25 646)
Current payments		(1 407 574)	(1 288 470)
Payments for financial assets	5	(54)	(404)
Transfers and subsidies paid	6	(22 907)	(23 340)
<b>Net cash flow available from operating activities</b>	14	<b>28 775</b>	<b>59 763</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	7	(19 469)	(46 071)
Proceeds from sale of capital assets	2.3	4	32
<b>Net cash flows from investing activities</b>		<b>(19 465)</b>	<b>(46 039)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in net assets		60	43
<b>Net cash flows from financing activities</b>		<b>60</b>	<b>43</b>
Net increase/(decrease) in cash and cash equivalents		9 370	13 767
Cash and cash equivalents at beginning of period		33 045	19 278
<b>Cash and cash equivalents at end of period</b>	8	<b>42 415</b>	<b>33 045</b>

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**ACCOUNTING POLICIES**  
for the year ended 31 March 2019

**Summary of significant accounting policies**

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

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

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

<b>1</b>	<b>Basis of preparation</b> The financial statements have been prepared in accordance with the Modified Cash Standard.
<b>2</b>	<b>Going concern</b> The financial statements have been prepared on a going concern basis.
<b>3</b>	<b>Presentation currency</b> Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
<b>4</b>	<b>Rounding</b> Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
<b>5</b>	<b>Foreign currency translation</b> 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.
<b>6</b>	<b>Comparative information</b>
<b>6.1</b>	<b>Prior period comparative information</b> 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.
<b>6.2</b>	<b>Current year comparison with budget</b> A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

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**ACCOUNTING POLICIES**  
for the year ended 31 March 2019

<b>7</b>	<b>Revenue</b>
<b>7.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprised of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<p><b>Other expenditure</b></p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
<b>8.3</b>	<p><b>Accruals and payables not recognised</b></p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>



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**ACCOUNTING POLICIES**  
for the year ended 31 March 2019

<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>8.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul> <p>Finance lease liabilities are not recognised in the statement of financial position and as such finance lease payments do not reduce liabilities in the statement of financial position. Payments to the lessors are recognised as payments for capital assets in the statement of financial performance and as a result are reflected as cash for investing activities in the cash flow statement.</p>
<b>9</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
<b>10</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
<b>11</b>	<p><b>Loans and receivables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
<b>12</b>	<p><b>Payables</b></p> <p>Loans and payables are recognised in the statement of financial position at cost.</p>

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**ACCOUNTING POLICIES**  
for the year ended 31 March 2019

<b>13</b>	<b>Capital Assets</b>
<b>13.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements</p>
<b>13.2</b>	<p><b>Movable capital assets</b></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p>
<b>13.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>

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**ACCOUNTING POLICIES**  
for the year ended 31 March 2019

<b>14</b>	<b>Provisions and Contingents</b>
<b>14.1</b>	<p><b>Provisions</b></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>
<b>14.2</b>	<p><b>Contingent liabilities</b></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>
<b>14.3</b>	<p><b>Contingent assets</b></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>
<b>14.4</b>	<p><b>Commitments</b></p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
<b>15</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>

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**ACCOUNTING POLICIES**  
for the year ended 31 March 2019

16	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
17	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
18	<p><b>Changes in accounting policies, accounting estimates and errors</b></p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
19	<p><b>Events after the reporting date</b></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>

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**ACCOUNTING POLICIES**  
for the year ended 31 March 2019

<b>20</b>	<p><b>Recoverable revenue</b></p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
<b>21</b>	<p><b>Related party transactions</b></p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister'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>
<b>22</b>	<p><b>Inventories</b></p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
<b>23</b>	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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 Provincial Departments (Voted funds).

Programme	2018/19			2017/18	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Executive Support (Administration)	117 304	117 304	-	106 041	106 041
Provincial Strategic Management	52 983	52 983	-	55 023	55 023
People Management (CSC)	196 316	196 316	-	190 831	190 831
Centre for e-Innovation (CSC)	998 338	998 338	-	923 099	923 099
Corporate Assurance (CSC)	131 662	131 662	-	123 130	123 130
<b>Total</b>	<b>1 496 603</b>	<b>1 496 603</b>	<b>-</b>	<b>1 398 124</b>	<b>1 398 124</b>

### 2. Departmental revenue

	Note	2018/19 R'000	2017/18 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	1 588	1 859
Interest, dividends and rent on land	2.2	2	16
Sales of capital assets	2.3	4	32
Transactions in financial assets and liabilities	2.4	361	2 173
Total revenue collected		<b>1 955</b>	<b>4 080</b>
Less: Own revenue included in appropriation	12	1 798	1 754
<b>Departmental revenue collected</b>		<b>157</b>	<b>2 326</b>

#### 2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department

		2018/19 R'000	2017/18 R'000
Sales by market establishment <sup>1</sup>	2	547	725
Administrative fees	2	-	1
Other sales <sup>2</sup>	2	1 041	1 133
<b>Total</b>		<b>1 588</b>	<b>1 859</b>

<sup>1</sup> Downward movement is due to decreased usage of venues and facilities at the Provincial Training Institute [People Training and Empowerment (PTE)]

<sup>2</sup> Included under this item is mostly expenditure relating to commission on insurance (R0,10m) received and sales related to the publication of the Provincial Government Gazette (R0,92m).

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

	Note	2018/19 R'000	2017/18 R'000
<b>2.2 Interest, dividends and rent on land</b>			
Interest	2	2	16
<b>Total</b>		<b>2</b>	<b>16</b>
<b>2.3 Sales of capital assets</b>			
<b>Tangible assets</b>	2	<b>4</b>	<b>32</b>
Machinery and equipment	25.2	4	32
<b>Total</b>		<b>4</b>	<b>32</b>
<b>2.4 Transactions in financial assets and liabilities</b>			
Receivables	2	5	4
Other Receipts including Recoverable Revenue <sup>1</sup>	2	356	2 169
<b>Total</b>		<b>361</b>	<b>2 173</b>

<sup>1</sup> The decrease is due to an unspent portion of a Provincial Unconditional grant to the City of Cape Town in respect of the 2015/16 financial year that was refunded in the 2017/18 financial year due to a scope change to the Western Cape Government Broadband Project – R1,62m.

**3. Compensation of Employees**

**3.1 Salaries and Wages**

	Note	2018/19 R'000	2017/18 R'000
Basic salary		424 265	408 971
Performance award		8 948	6 006
Service Based		534	407
Compensative/circumstantial		5 803	5 726
Periodic payments		1 571	2 053
Other non-pensionable allowances		84 179	84 057
<b>Total</b>		<b>525 300</b>	<b>507 220</b>



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for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
<b>3.2 Social Contributions</b>			
<b>Employer contributions</b>			
Pension		51 045	47 549
Medical		19 206	18 099
Bargaining council		89	91
<b>Total</b>		<b>70 340</b>	<b>65 739</b>
<b>Total compensation of employees</b>		<b>595 640</b>	<b>572 959</b>
Average number of employees		1 056	1 086
<b>4. Goods and services</b>			
Administrative fees		183	172
Advertising		13 784	11 913
Minor assets	4.1	1 853	1 650
Bursaries (employees)		843	1 086
Catering		2 189	1 995
Communication <sup>1</sup>		6 839	4 991
Computer services <sup>2</sup>	4.2	724 159	629 295
Consultants: Business and advisory services <sup>3</sup>		13 917	20 882
Legal services <sup>4</sup>		1 450	402
Contractors		4 322	4 287
Agency and support / outsourced services		105	270
Entertainment		29	29
Audit cost – external	4.3	5 477	4 523
Fleet services		3 588	3 547
Inventory <sup>5</sup>	4.4	3 942	80
Consumables	4.5	3 398	4 425
Operating leases		2 106	2 283
Property payments	4.6	2 047	1 771
Rental and hiring		39	193
Transport provided as part of the departmental activities		23	9
Travel and subsistence	4.7	10 318	8 246
Venues and facilities		2 288	2 697
Training and development		4 306	6 094
Other operating expenditure <sup>6</sup>	4.8	4 729	4 671
<b>Total</b>		<b>811 934</b>	<b>715 511</b>

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

- <sup>1</sup> Communication: The increase is due to the payment of a final Telkom account claimed by the Department of Transport and Public Works (DTPW), given that the function was transferred from DTPW to DOTP as from 1 July 2013.
- <sup>2</sup> Computer services: Expenditure for the utilisation of information technology, information systems and related services (R724,16m). The increase is due to the Broadband and Public WiFi roll-out.
- <sup>3</sup> Consultants: Includes amongst other expenditure relating to Research and Advisory services (R8,10m), specialist services and skills provided by the Audit Committee Members, Accountants and Auditors (R2,28m), Qualification Verification, Editors and Translators (R2,74m).
- <sup>4</sup> Legal Services: Includes cost to obtain external legal advice (R1,01m).
- <sup>5</sup> Inventory: Telephones relating to Broadband roll-out and telecommunications function.
- <sup>6</sup> Other operating expenditure: Includes amongst other expenditure relating to the printing of training manuals and the Provincial Government Gazette (R3,28m), subscription to professional bodies and membership fees (R1,19m).

#### 4.1 Minor assets

	Note	2018/19 R'000	2017/18 R'000
<b>Tangible assets</b>		<b>1 853</b>	<b>1 650</b>
Machinery and equipment	4	1 853	1 650
<b>Total</b>	25.4	<b>1 853</b>	<b>1 650</b>

#### 4.2 Computer services

SITA computer services <sup>1</sup>	4	370 475	304 324
External computer service providers	4	353 684	324 971
<b>Total</b>		<b>724 159</b>	<b>629 295</b>

<sup>1</sup> The increase of expenditure relating to SITA computer services is due to the Broadband and Public WiFi roll-out.

	Note	2018/19 R'000	2017/18 R'000
<b>4.3 Audit cost – External</b>			
Regularity audits	4	5 477	4 523
<b>Total</b>		<b>5 477</b>	<b>4 523</b>

#### 4.4 Inventory

Other Supplies	4	3 942	80
<b>Total</b>	4.4.1	<b>3 942</b>	<b>80</b>

##### 4.4.1 Other Supplies

Assets for distribution		3 942	80
Machinery and equipment	4.4	3 942	80
<b>Total</b>	Annex 9	<b>3 942</b>	<b>80</b>

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
<b>4.5 Consumables</b>			
Consumable supplies		912	1 480
Uniform and clothing	4	40	114
Household supplies	4	518	672
IT Consumables	4	243	562
Other consumables <sup>1</sup>	4	111	132
Stationery, printing and office supplies	4	2 486	2 945
<b>Total</b>		<b>3 398</b>	<b>4 425</b>

<sup>1</sup> Included in this note is mostly expenditure for gifts and awards (R0,10m), bags and accessories (R0,01m).

<b>4.6 Property payments</b>			
Municipal services	4	4	-
Property management fees	4	-	6
Property maintenance and repairs <sup>1</sup>	4	771	-
Other <sup>2</sup>	4	1 272	1 765
<b>Total</b>		<b>2 047</b>	<b>1 771</b>

<sup>1</sup> Day-to-day maintenance by external contractors at the Provincial Training Institute (R0,77m), included under Other in the 2017/18 financial year.

<sup>2</sup> Included in this note is mostly expenditure for security services (R0,26m), gardening services (R0,095m), cleaning services (R0,12m) at various offices, fees for the management of the cafeteria at the Provincial Training Institute (R0,79m).

<b>4.7 Travel and subsistence</b>			
Local	4	8 222	6 936
Foreign <sup>1</sup>	4	2 096	1 310
<b>Total</b>		<b>10 318</b>	<b>8 246</b>

<sup>1</sup> During the reporting period the Premier, supported by relevant officials, has undertaken four official visits abroad. Destinations included Canada, United States of America and Germany on two occasions.

<b>4.8 Other operating expenditure</b>			
Professional bodies, membership and subscription fees	4	1 189	1 069
Resettlement costs	4	244	200
Printing and publication costs	4	3 283	3 326
Other <sup>1</sup>	4	13	76
<b>Total</b>		<b>4 729</b>	<b>4 671</b>

<sup>1</sup> Included in "Other" is expenditure for courier services (R0,01m).

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
<b>5. Payments for financial assets</b>			
Other material losses written off	5.1	49	14
Debts written off	5.2	5	6
Material losses through criminal conduct		-	384
Theft	5.3	-	384
<b>Total</b>		<b>54</b>	<b>404</b>
<b>5.1 Other material losses written off</b>			
<b>Nature of losses</b>			
Damages to Government Garage Vehicles (9 cases)	5	26	14
Fruitless and wasteful expenditure, not condoned and not recoverable	5	23	-
<b>Total</b>		<b>49</b>	<b>14</b>
<b>5.2 Debts written off</b>			
<b>Other debt written off</b>			
Irrecoverable debt written off (4 cases)	5	5	6
<b>Total debt written off</b>		<b>5</b>	<b>6</b>
<b>5.3 Details of theft</b>			
<b>Nature of theft</b>			
Machinery and Equipment	5	-	384
<b>Total</b>		<b>-</b>	<b>384</b>
<b>6. Transfers and subsidies</b>			
Departmental agencies and accounts	Annex 1	44	32
Non-profit institutions	Annex 2	20 200	21 500
Households	Annex 3	2 663	1 808
<b>Total</b>		<b>22 907</b>	<b>23 340</b>
<b>7. Expenditure for capital assets</b>			
<b>Tangible assets</b>		<b>19 469</b>	<b>46 071</b>
Buildings and other fixed structures	27.1	957	-
Machinery and equipment <sup>1</sup>	25.1	18 512	46 071
<b>Intangible assets</b>		<b>-</b>	<b>-</b>
Software	26	-	-
<b>Total</b>		<b>19 469</b>	<b>46 071</b>

<sup>1</sup> The downward movement is mostly due to a shift from capital expenditure to operating expenditure on the server side to cloud-based services platform and delays in the delivery of network equipment.

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

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

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>19 469</b>	<b>-</b>	<b>19 469</b>
Buildings and other fixed structures	957	-	957
Machinery and equipment	18 512	-	18 512
<b>Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
Software	-	-	-
<b>Total</b>	<b>19 469</b>	<b>-</b>	<b>19 469</b>

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

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>46 071</b>	<b>-</b>	<b>46 071</b>
Machinery and equipment	46 071	-	46 071
<b>Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
Software	-	-	-
<b>Total</b>	<b>46 071</b>	<b>-</b>	<b>46 071</b>

**7.3 Finance lease expenditure included in Expenditure for capital assets**

	Note	2018/19 R'000	2017/18 R'000
<b>Tangible assets</b>			
Machinery and equipment		7 105	6 820
<b>Total</b>		<b>7 105</b>	<b>6 820</b>
<b>8. Cash and cash equivalents</b>			
Consolidated Paymaster General Account <sup>1</sup>		42 384	33 014
Cash on hand		31	31
<b>Total</b>		<b>42 415</b>	<b>33 045</b>

<sup>1</sup> The cash surplus is mainly due to:

- Underspending under Compensation of Employees due to staff exits.
- Underspending under Goods and Services is due to credits received from the service provider relating to Broadband services, as well as delays in the Public WiFi roll-out.
- Underspending under Payments for capital assets due to a shift from capital expenditure to operating expenditure on the server side to the cloud-based services platform and delays in the delivery of network equipment.

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

	<i>Note</i>	2018/19 R'000	2017/18 R'000
<b>9. Prepayments and advances</b>			
Travel and subsistence		101	-
<b>Total</b>		<b>101</b>	<b>-</b>

<b>9.1 Prepayments (Expensed)</b>	<i>Note</i>	Balance as at 1 April 2018  R'000	Less: Received in the current year R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2019 R'000
Goods and services		-	-	199	199
Transfers and subsidies <sup>1</sup>	<i>Annex 2</i>	4 010	(4 010)	1 579	1 579
<b>Total</b>		<b>4 010</b>	<b>(4 010)</b>	<b>1 778</b>	<b>1 778</b>

<sup>1</sup> The above amount relates to the unspent funds by Library Business Corners (LBC) and Cape Higher Education Consortium (CHEC) i.r.o the 2018/19 transfer payments.

## 10. Receivables

		Current	2018/19 Non- current	Total	Current	2017/18 Non- current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	<i>Note 10.1</i>	2 601	517	3 118	6 150	384	6 534
Recoverable expenditure	<i>10.2</i>	34	139	173	86	74	160
Staff debt	<i>10.3</i>	245	1 058	1 303	172	815	987
Fruitless and wasteful expenditure	<i>10.4</i>	2	-	2	22	-	22
<b>Total</b>		<b>2 882</b>	<b>1 714</b>	<b>4 596</b>	<b>6 430</b>	<b>1 273</b>	<b>7 703</b>

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

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>10.1 Claims recoverable</b>	<b>10</b>		
National departments	<i>Annex 7</i>	15	48
Provincial departments	<i>Annex 7</i>	2 237	5 789
Public entities	<i>Annex 7</i>	112	85
Private enterprises	<i>Annex 7</i>	47	72
Local governments	<i>Annex 7</i>	707	540
<b>Total</b>		<b>3 118</b>	<b>6 534</b>
<b>10.2 Recoverable expenditure (disallowance accounts)</b>			
Damages to Government Garage vehicles	<i>10</i>	167	155
Disallowance Miscellaneous account	<i>10</i>	6	5
<b>Total</b>		<b>173</b>	<b>160</b>
<b>10.3 Staff debt</b>			
Departmental debt account	<i>10</i>	1 303	987
<b>Total</b>		<b>1 303</b>	<b>987</b>
<b>10.4 Fruitless and wasteful expenditure</b>			
Opening Balance		22	-
Less amounts recovered		(22)	-
Transfers from note 22.1 Fruitless & Wasteful expenditure	<i>10</i>	2	22
<b>Total</b>	<i>22.1</i>	<b>2</b>	<b>22</b>
<b>10.5 Impairment of receivables</b>			
Estimate of impairment of receivables		145	139
<b>Total</b>		<b>145</b>	<b>139</b>
<b>11. Voted funds to be surrendered to the Revenue Fund</b>			
Opening balance		39 839	21 906
Transfer from statement of financial performance		46 599	39 839
Paid during the year		(39 839)	(21 906)
<b>Closing balance</b>		<b>46 599</b>	<b>39 839</b>



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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

	<i>Note</i>	<b>2018/19 R'000</b>	<b>2017/18 R'000</b>
<b>12. Departmental revenue to be surrendered to the Revenue Fund</b>			
Opening balance		705	365
Transfer from Statement of Financial Performance		157	2 326
Own revenue included in appropriation		1 798	1 754
Paid during the year		(2 637)	(3 740)
<b>Closing balance</b>		<b>23</b>	<b>705</b>
<b>13. Payables – current</b>			
Clearing accounts	13.1	262	36
<b>Total</b>		<b>262</b>	<b>36</b>
<b>13.1 Clearing accounts</b>			
Salary: Disallowance account	13	96	27
Unallocated receipts	13	166	9
<b>Total</b>		<b>262</b>	<b>36</b>
<b>14. Net cash flow available from operating activities</b>			
Net surplus as per Statement of Financial Performance		46 756	42 165
Add back non cash/cash movements not deemed operating activities		(17 981)	17 598
(Increase)/decrease in receivables – current		3 107	(4 586)
(Increase)/decrease in prepayments and advances		(101)	41
Increase/(decrease) in payables – current		226	(4)
Proceeds from sale of capital assets		(4)	(32)
Expenditure on capital assets		19 469	46 071
Surrenders to Revenue Fund		(42 476)	(25 646)
Own revenue included in appropriation		1 798	1 754
<b>Net cash flow generated by operating activities</b>		<b>28 775</b>	<b>59 763</b>
<b>15. Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General account		42 384	33 014
Cash on hand		31	31
<b>Total</b>		<b>42 415</b>	<b>33 045</b>

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

		<i>Note</i>	2018/19 R'000	2017/18 R'000
<b>16. Contingent liabilities and contingent assets</b>				
<b>16.1 Contingent liabilities</b>				
<b>Liable to</b>	<b>Nature</b>			
Housing loan guarantees	Employees	<i>Annex 5</i>	-	111
Claims against the department <sup>1</sup>		<i>Annex 6</i>	184 827	428
Intergovernmental payables (unconfirmed balances)		<i>Annex 8</i>	540	3 781
<b>Total</b>			<b>185 367</b>	<b>4 320</b>

<sup>1</sup> "The department is defending the claim, as it believes the summons is materially defective as it fails to disclose a legitimate cause of action on which to hold the department liable for the damages claimed."

### 16.2 Contingent assets

For the year under review 151 Procedures for Incapacity Leave and Ill-Health Retirement (PILIR) cases were approved and 106 cases were declined. The Corporate Services Centre continuously monitors these cases with Alexander Forbes. The amount cannot be reliably estimated.

At this stage the Department is not able to reliably measure the contingent asset in terms of the Government Employees Housing Scheme (GEHS) of the Individually Linked Savings Facility (ILSF), relating to resignations and termination of service.

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

### 17. Commitments

	Note	2018/19 R'000	2017/18 R'000
<b>Current expenditure</b>			
Approved and contracted		3 612 897	3 812 334
Approved but not yet contracted		-	1 808
		<b>3 612 897</b>	<b>3 814 142</b>
<b>Capital expenditure</b>			
Approved and contracted		10 191	10 145
		<b>10 191</b>	<b>10 145</b>
<b>Total Commitments</b>		<b>3 623 088</b>	<b>3 824 287</b>

The following commitments are for longer than a year:

- Provision of Broadband services to the Western Cape Government (WCG) - R3,04bn
- Procurement of a contracted Network Management service for the (WCG) - R111m
- Provision of SITA services to the WCG - R101m
- Corporate LAN services for the WCG – R56m
- Procurement of Datacentre Co-location facilities to the WCG - R34m
- Procurement of Business Analysis (Information Technology) Services - R30m
- Procurement of Corporate Governance Information Technology (IT) services for the WCG – R28m
- The procurement of a ESRI licence agreement (ELA) contract – R22m
- The procurement of contact centre services for the WCG – R21m
- Procurement of a citizen relationship management CRM solution – R21m
- Procurement for the enhancement, consulting and support services for a web focus application tool – R12m
- The provision of recruitment advertising services – R10m
- Procurement of Enterprise Architecture Services - R10m
- Provision of services for 3x Senior Analysts developers for a fixed period of 36 months (3 years) – R9m
- Provision of the services for 2x Senior Business Intelligence (Microsoft) Developers for a fixed period of 36 months (3 years) – R6m
- Provision of services for 2x Senior Oracle Web Developers for a fixed period of 36 months (3 years) – R6m
- The Publishing and Distribution of the WCG Provincial Gazettes and Bills and Acts of Parliament - R4m
- Provision of services for a business analyst for a fixed period of 36 months (3 years) – R3m
- Provision of an online recruitment service to the WCG – R1,21m
- Appointment of a media monitoring company - R0,88m
- Service Provider to provide a Suitable Queue Management Solution as a Service for the WCG – R0,85m
- Procurement of 13 x Leadership Values Assessments (LVA's) - R0,53m
- Procurement of a security and alarm system - R0,06m

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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### 18. Accruals and payables not recognised

			2018/19 R'000	2017/18 R'000
<b>18.1 Accruals</b>				
<b>Listed by economic classification</b>	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	32 596	2 386	34 982	42 535
Capital assets	-	-	-	46
<b>Total</b>	<b>32 596</b>	<b>2 386</b>	<b>34 982</b>	<b>42 581</b>
 <b>Listed by programme level</b>				
Executive Support (Administration)			2 592	2 592
Provincial Strategic Management			97	55
People Management (CSC)			3 611	719
Centre for e-Innovation (CSC)			27 458	39 058
Corporate Assurance (CSC)			1 224	157
<b>Total</b>			<b>34 982</b>	<b>42 581</b>

*Includes amongst other:*

- Audit costs in respect of March 2019 – R1m
- External computer services for March 2019 – R19,21m
- SITA computer services for March 2019 – R7,55m
- Telkom services for March 2019 - R0,51m
- Fleetman services for March 2019 - R0,93m

### 18.2 Payables not recognised

			2018/19 R'000	2017/18 R'000
<b>Listed by economic classification</b>	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	174	-	174	8 868
Capital assets	-	-	-	143
<b>Total</b>	<b>174</b>	<b>-</b>	<b>174</b>	<b>9 011</b>
 <b>Listed by programme level</b>				
Executive Support (Administration)			33	156
Provincial Strategic Management			28	14
People Management (CSC)			66	161
Centre for e-Innovation (CSC)			3	8 456
Corporate Assurance (CSC)			44	224
<b>Total</b>			<b>174</b>	<b>9 011</b>

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	Note	2018/19 R'000	2017/18 R'000
Confirmed balances with other departments	Annex 8	210	1
Confirmed balances with other government entities	Annex 8	928	897
<b>Total</b>		<b>1 138</b>	<b>898</b>

### 19. Employee benefits

Leave entitlement <sup>1</sup>	16 025	16 025
Service bonus (Thirteenth cheque)	13 511	12 668
Performance awards	3 291	3 158
Capped leave commitments	8 453	8 467
Long service awards	587	471
Other <sup>2</sup>	1 627	1 424
<b>Total</b>	<b>43 494</b>	<b>42 213</b>

<sup>1</sup> A credit amount of R1,57m was included in the leave entitlement amount.

Annual leave cycles run from January to December of each year. Leave cycles do not run concurrently with a financial year end cycle. Annual leave credits are accrued in January of each year, for the entire 12-month period. As a result, when reports are drawn at the end of March for the financial reporting, leave credits in some instances reflect a negative balance since it calculates the pro-rata leave due to an individual as at 31 March of the respective year.

<sup>2</sup> Included in "Other" is an amount of R0,27m in respect of overtime work performed in March 2019, as well as an amount of R1,36m (2017/2018 – R1,13m) in respect of a provision made for an exit gratuity owing to Premier Helen Zille (In terms of Proclamation 48 of 2016 issued in Government Gazette 40182 dated 2 August 2016).

### 20. Lease commitments

#### 20.1 Operating leases

2018/19	Machinery and equipment R'000	Total R'000
Not later than 1 year	1 477	1 477
Later than 1 year and not later than 5 years	341	341
<b>Total lease commitments</b>	<b>1 818</b>	<b>1 818</b>

2017/18	Machinery and equipment R'000	Total R'000
Not later than 1 year	2 052	2 052
Later than 1 year and not later than 5 years	1 511	1 511
<b>Total lease commitments</b>	<b>3 562</b>	<b>3 562</b>

Included in the above totals are mainly Operating leases for the rental of photocopiers for a period of 36 months. The department has the option to extend this type of operating lease for a further two years.

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for the year ended 31 March 2019

**20.2 Finance leases (Machinery and equipment)**  
**2018/19**

	<i>Note</i>	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year		55	55
Later than 1 year and not later than 5 years		9	9
<b>Total lease commitments</b>		<b>64</b>	<b>64</b>

**2017/18**

	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year	250	250
Later than 1 year and not later than 5 years	25	25
<b>Total lease commitments</b>	<b>275</b>	<b>275</b>

As determined by the National Accountant General, the arrangement between the Department of the Premier and Government Motor Transport (GMT) constitutes finance leases. The obligation in respect of the finance leases are presented below:

**20.3 Finance leases expenditure (Government Motor Transport)**  
**2018/19**

	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year	6 600	6 600
Later than 1 year and not later than 5 years	13 419	13 419
<b>Total lease commitments</b>	<b>20 019</b>	<b>20 019</b>

**2017/18**

	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>
Not later than 1 year	6 576	6 576
Later than 1 year and not later than 5 years	9 986	9 986
<b>Total lease commitments</b>	<b>16 562</b>	<b>16 562</b>

The Department of the Premier leased 124 vehicles from GMT as at 31 March 2019 (March 2018: 124). Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement.

The implicit Interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

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### 21. Irregular expenditure

#### 21.1 Reconciliation of irregular expenditure

	Note	2018/19 R'000	2017/18 R'000
Opening balance		474	4 449
Prior period error		-	-
As restated		474	4 449
Add: Irregular expenditure – relating to prior year		-	2
Add: Irregular expenditure – relating to current year		2 282	474
Less: Prior year amounts condoned		(401)	(4 246)
Less: Current year amounts condoned		(1 225)	(2)
Less: Amounts not condoned and recoverable		-	(6)
Less: Amounts not condoned and not recoverable		(73)	(197)
<b>Closing balance</b>		<b>1 057</b>	<b>474</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		1 057	472
Prior years		-	2
<b>Total</b>		<b>1 057</b>	<b>474</b>

*Subsequent to year end, two cases amounting to R78,574.39 were deemed as valid expenses, therefore not recoverable (not condoned).*

#### 21.2 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 procurement prescripts (various cases)	Where applicable, cases as approved by the Accounting Officer are forwarded to the Directorate: Employee Relations for possible disciplinary action.	1 175
Non-compliance with financial delegations (payment authorised by incorrect level of authority)	Official received corrective counselling.	1 107
<b>Total</b>		<b>2 282</b>



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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

### 21.3 Details of irregular expenditure condoned Incident

	Condoned by (condoning authority)	2018/19 R'000
The following relates to goods and services procured without approval:		
Catering, Accommodation, Car Hire and Flight services	Accounting Officer	4
Course, Conference and Training Attendance	Accounting Officer	167
Non-compliance to standard government procedures	Accounting Officer	269
Non-compliance to Financial Delegations	Accounting Officer	1 107
Transportation Services	Accounting Officer	7
Software License Renewal and Maintenance	Accounting Officer	70
Printing and copying services procured using an expired contract	Accounting Officer	2
<b>Total</b>		<b>1 626</b>

*In all these cases value for money was received and approval for condonation was obtained from the Accounting Officer.*

### 21.4 Details of irregular expenditure removed - not recoverable (not condoned) Incident

	Not condoned by (condoning authority)	2018/19 R'000
Advisory Consulting Services – valid expense	Accounting Officer	34
Conference Attendance – valid expense	Accounting Officer	13
Accommodation, Catering, Flight and Other services – valid expense	Accounting Officer	26
<b>Total</b>		<b>73</b>

## 22. Fruitless and wasteful expenditure

### 22.1 Reconciliation of fruitless and wasteful expenditure

	2018/19 R'000	2017/18 R'000
Opening balance	3	4
Prior period error	-	-
As restated	3	4
Fruitless and wasteful expenditure – relating to prior year	-	-
Fruitless and wasteful expenditure – relating to current year	31	26
Less: Amounts resolved	(29)	(5)
Less: Amounts transferred to receivables for recovery	(2)	(22)
<b>Closing balance</b>	<b>3</b>	<b>3</b>

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	2018/19 R'000	2017/18 R'000
<b>22.2 Analysis of awaiting resolution per economic classification</b>		
Current	3	3
<b>Total</b>	<b>3</b>	<b>3</b>

<b>22.3 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure</b>		
<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2018/19 R'000</b>
After hours service fees and a flight cancellation fee paid in respect of pre-booked flights – valid expense	None	4
Shuttle services fee and after hours service fees - transferred to receivables for recovery	None	1
Parking fees claimed - transferred to receivables for recovery	Verbal warning issued to both officials	1
Non-attendance of SCOA Training	Verbal warning issued to an official	22
Shuttle services, Hired vehicle damages and Hired vehicle cancellation fees, Administration fees and after hours service fee	None	3
<b>Total</b>		<b>31</b>

### 23. Related party transactions

1. The Department of the Premier occupies buildings managed by the Department of Transport and Public Works free of charge. Parking space is also provided for government officials at an approved fee that is not market related.
2. A related party relationship exists between the Department and Government Motor Transport (GMT) with regard to the management of government motor vehicles of the Departments. This relationship is based on an arm's length transaction in terms of tariffs approved by the Provincial Treasury.
3. The Department of the Premier rendered corporate services to all provincial departments in the Western Cape via the Corporate Services Centre with effect from 1 April 2010 in respect of the following service areas:
  - a) Information and Communication Technology related infrastructure services
  - b) Human Resource Management services
  - c) Organisational Development services
  - d) Transversal Provincial Training
  - e) Enterprise Risk Management support
  - f) Internal Audit services
  - g) Provincial Forensic services
  - h) Audit Committees performing oversight functions
  - i) Legal services

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

j) Corporate Communication services

With regard to the Departments of Health and Education all the above services were rendered excluding Human Resource Management Services.

The Department of the Premier received Security Advisory Services and Security Operations from the Department of Community Safety in the Western Cape Province excluding the Provincial Training Institute at Kromme Rhee where the services were outsourced and the Legislature Building where the South African Police Services renders the service.

### 24. Key management personnel

	No. of Individuals	2018/19 R'000	2017/18 R'000
Political office bearers	1	2 261	2 261
Officials:			
Management <sup>1</sup>	28	39 403	38 298
<b>Total</b>		<b>41 664</b>	<b>40 559</b>

**Note:** Responsible Political office bearer – Premier Helen Zille

<sup>1</sup> Key management personnel only includes level 14 and above, who have significant influence over the financial and operational policy decisions of the department.

### 25. 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
<b>MACHINERY AND EQUIPMENT</b>	<b>477 328</b>	<b>-</b>	<b>16 768</b>	<b>8 239</b>	<b>485 857</b>
Transport assets	18 832	-	5 426	3 260	20 998
Computer equipment	443 566	-	9 908	4 830	448 644
Furniture and office equipment	8 693	-	260	93	8 860
Other machinery and equipment	6 237	-	1 174	56	7 355
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>477 328</b>	<b>-</b>	<b>16 768</b>	<b>8 239</b>	<b>485 857</b>

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<b>Movable Tangible Capital Assets under investigation</b>	<b>Number</b>	<b>Value R'000</b>
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Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:

Machinery and equipment	69	1 331
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*Included above are 33 assets that are more than 5 years old (original purchase value equals R0,73m) that have not yet been verified in the 2018/19 asset verification count.*

*Note that 5 of these assets valued at R0,06m have been reported as lost.*

**25.1 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
<b>MACHINERY AND EQUIPMENT</b>	<b>18 512</b>	<b>5 440</b>	<b>(7 105)</b>	<b>(79)</b>	<b>16 768</b>
Transport assets	6 895	5 426	(6 895)	-	5 426
Computer equipment	9 927	14	-	(33)	9 908
Furniture and office equipment	260	-	-	-	260
Other machinery and equipment	1 430	-	(210)	(46)	1 174
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>18 512</b>	<b>5 440</b>	<b>(7 105)</b>	<b>(79)</b>	<b>16 768</b>

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

**25.2 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
<b>MACHINERY AND EQUIPMENT</b>	<b>228</b>	<b>8 011</b>	<b>8 239</b>	<b>4</b>
Transport assets	-	3 260	3 260	-
Computer equipment	189	4 641	4 830	4
Furniture and office equipment	39	54	93	-
Other machinery and equipment	-	56	56	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>228</b>	<b>8 011</b>	<b>8 239</b>	<b>4</b>

**25.3 Movement for 2017/18**

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

	Opening balance	Value adjustments	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>436 508</b>	<b>-</b>	<b>-</b>	<b>52 228</b>	<b>11 408</b>	<b>477 328</b>
Transport assets	17 131	-	-	4 763	3 062	18 832
Computer equipment	405 875	-	-	45 590	7 899	443 566
Furniture and office equipment	8 431	-	-	446	184	8 693
Other machinery and equipment	5 071	-	-	1 429	263	6 237
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>436 508</b>	<b>-</b>	<b>-</b>	<b>52 228</b>	<b>11 408</b>	<b>477 328</b>

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**25.4 Minor assets**

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

		<b>Intangible assets</b>	<b>Heritage assets</b>	<b>Machinery and equipment</b>	<b>Total</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance		-	-	21 824	21 824
Additions	4.1	-	-	1 853	1 853
Disposals		-	-	744	744
<b>TOTAL MINOR ASSETS</b>		<b>-</b>	<b>-</b>	<b>22 933</b>	<b>22 933</b>

		<b>Intangible assets</b>	<b>Heritage assets</b>	<b>Machinery and equipment</b>	<b>Total</b>
Number of minor assets at cost		-	-	12 848	12 848
<b>TOTAL NUMBER OF MINOR ASSETS</b>		<b>-</b>	<b>-</b>	<b>12 848</b>	<b>12 848</b>

**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	206	357
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*Included above are 79 assets that are more than 5 years old (original purchase value equals R0,13m) that have not yet been verified in the 2018/19 asset verification count.*

*Note that 37 of these assets valued at R0,05m have been reported as lost.*

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

		<b>Intangible assets</b>	<b>Heritage assets</b>	<b>Machinery and equipment</b>	<b>Total</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance		-	-	21 665	21 665
Additions		-	-	1 605	1 605
Disposals		-	-	1 446	1 446
<b>TOTAL MINOR ASSETS</b>		<b>-</b>	<b>-</b>	<b>21 824</b>	<b>21 824</b>

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	Intangible assets	Heritage assets	Machinery and equipment	Total
Number of minor assets at cost	-	-	11 792	11 792
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>11 792</b>	<b>11 792</b>

**25.5 Movable assets written off**

**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2019**

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Assets written off	-	-	1 100	1 100
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>1 100</b>	<b>1 100</b>

**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2018**

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Assets written off	-	-	3 058	3 058
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>-</b>	<b>3 058</b>	<b>3 058</b>

**25.6 S42 Movable Capital Assets**

**MAJOR ASSETS TO BE TRANSFERRED IN TERMS OF S42 OF THE PFMA - 31 MARCH 2019**

	Intangible assets	Heritage assets	Machinery and equipment	Total
No. of Assets	-	-	70	70
Value of the assets (R'000)	-	-	2 539	2 539

**26. 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	31 845	-	-	-	31 845
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>31 845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31 845</b>



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**26.1 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	31 845	-	-	-	31 845
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>31 845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31 845</b>

**27. Immovable Tangible Capital Assets**

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

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>1 151</b>	<b>-</b>	<b>957</b>	<b>-</b>	<b>2 108</b>
Other fixed structures	1 151	-	957	-	2 108
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>1 151</b>	<b>-</b>	<b>957</b>	<b>-</b>	<b>2 108</b>

**27.1 Additions**

**ADDITIONS TO IMMOVABLE 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
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>957</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>957</b>
Other fixed structures	957	-	-	-	957
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>957</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>957</b>

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**27.2 Movement for 2017/18**

**MOVEMENT IN IMMOVABLE 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
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>271</b>	<b>-</b>	<b>880</b>	<b>-</b>	<b>1 151</b>
Other fixed structures	271	-	880	-	1 151
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>271</b>	<b>-</b>	<b>880</b>	<b>-</b>	<b>1 151</b>

**28. Prior period errors**

**28.1 Correction of prior period errors**

	Note	Amount before error correction 2017/18 R'000	Prior period error 2017/18 R'000	Restated Amount 2017/18 R'000
<b>Employee Benefits - Other</b>				
Included in the Note: Employee Benefits - Other is an amount in respect of a provision made for an exit gratuity owing to Premier Helen Zille.	19	-	1 134	1 134
<b>Net effect</b>		<b>-</b>	<b>1 134</b>	<b>1 134</b>

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 1 STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

AGENCY	TRANSFER ALLOCATION				TRANSFER		2017/18 Final Appropriation Act
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
South African Broadcasting Corporation Limited iro licence fees	36	-	22	58	44	76	32
<b>TOTAL</b>	<b>36</b>	<b>-</b>	<b>22</b>	<b>58</b>	<b>44</b>	<b>-</b>	<b>32</b>

Note 6

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 2 STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2017/18
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	
<b>Transfers</b>							
Library Business Corners	19 700	-	-	19 700	19 700	100	21 000
Cape Higher Education Consortium	500	-	-	500	500	100	500
<b>TOTAL</b>	<b>20 200</b>	<b>-</b>	<b>-</b>	<b>20 200</b>	<b>20 200</b>	<b>-</b>	<b>21 500</b>

Note 6 & 9.1

## ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

ANNEXURE 3  
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2017/18 Final Appropriation Act
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred
	R'000	R'000	R'000	R'000	R'000	%
<b>Transfers</b>						
Employee Leave gratuities	1 277	-	851	2 128	2 108	99
Injury on duty	24	-	148	172	169	98
Claims against the State	5	-	-	5	4	80
Non-profit institutions - Sponsorships	400	-	(10)	390	272	70
Non-profit institutions - Donations	100	-	10	110	110	100
<b>TOTAL</b>	<b>1 806</b>	<b>-</b>	<b>999</b>	<b>2 805</b>	<b>2 663</b>	<b>-</b>
						<b>1 808</b>

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 4 STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
Huawei Technologies	Sponsorship to cover travel and accommodation costs for three officials who attended the Huawei Connect Conference from 6 till 14 October 2018 in the People's Republic of China.	180	-
Microsoft	Sponsorship to cover accommodation cost for one official who attended Microsoft's Smart City Expo World Congress from 11 to 16 November 2018 in Barcelona.	40	-
Friedrich Naumann Foundation	Sponsorship to cover travel and accommodation cost for one official to co-facilitate a seminar on translating values into policy, programmes and delivery in Government from 25 November 2018 until 7 December 2018 in Germany.	16	-
TOTAL		236	-

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 5 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	Guaranteed repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2019	Guaranteed interest for year ended 31 March 2019	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	-	111	-	(111)	-	-	-	-
<b>TOTAL</b>		-	<b>111</b>	-	<b>(111)</b>	-	-	-	-

Note 16.1



# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 6 STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2019

Nature of Liability	Opening Balance 1 April 2018	Liabilities incurred during the year	Liabilities paid/cancell ed/reduced during the year	Liabilities recoverable	Closing Balance 31 March 2019
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Ex-employee of the Provincial Development Council – Labour dispute	428	-	428	-	-
JF van Niekerk and Others (Seemeeu Park) – Property damages claim <sup>1</sup>	-	184 827	-	-	184 827
<b>TOTAL</b>	<b>428</b>	<b>184 827</b>	<b>428</b>	<b>-</b>	<b>184 827</b>

Note 16.1

Note: <sup>1</sup> The Plaintiffs have cited the Premier (as the First Defendant) for the payment of delictual damages suffered for pure economic loss following the approval of a proposed development plan for portion 101 of the farm "Vyf Braamfontein" known as Seemeeu Park located in Hartenbos, Mossel Bay.

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 7 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	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
WC Local Government	1	7	-	7	1	14		-
WC Provincial Treasury	170	105	7	14	177	119	03.04.2019	170
WC Social Development	484	335	-	38	484	373	03.04.2019	385
WC Transport and Public Works	554	410	-	3	554	413	03.04.2019	243
WC Economic Development and Tourism	97	302	46	3	143	305	03.04.2019	97
WC Human Settlements	-	535	-	-	-	535		-
WC Agriculture	73	78	-	4	73	82	03.04.2019	73
WC Health	440	-	-	982	440	982	03.04.2019	443
WC Cultural Affairs and Sport	-	-	-	2 001	-	2 001		-
WC Community Safety	-	-	39	55	39	55		-
WC Environmental Affairs and Development Planning	302	-	-	217	302	217	03.04.2019	302
WC Education	-	-	25	693	25	693		-
South African Police Services	-	-	-	1	-	1		-
EC Education	-	-	-	33	-	33		-

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 7 CLAIMS RECOVERABLE – CONTINUE

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
<b>Department</b>								
Government Motor Transport	-	14	-	-	-	14		-
Department: Social Development	-	-	15	15	15	15		-
<b>Sub-total</b>	<b>2 121</b>	<b>1 786</b>	<b>132</b>	<b>4 066</b>	<b>2 253</b>	<b>5 852</b>		<b>1 713</b>
<b>Other Government Entities</b>								
Western Cape Nature Board	-	-	87	1	87	1		-
Western Cape Liquor Authority	-	-	5	11	5	11		-
Independent Electoral Commission	-	-	15	1	15	1		-
Beaufort West Municipality	-	-	2	2	2	2		-
Bitou Municipality	-	-	31	28	31	28		-
Berg River Municipality	2	-	-	-	2	-		-
Breede Valley Municipality	-	-	19	18	19	18		-
Cape Agulhas Municipality	-	-	1	2	1	2		-
Cederberg Municipality	-	-	3	4	3	4		-
City of Cape Town Municipality	-	-	383	271	383	271		-

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 7 CLAIMS RECOVERABLE – CONTINUE

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
Drakenstein Municipality	-	-	37	8	37	8		-
Eden District Municipality	-	-	37	6	37	6		-
Garden Route Municipality	-	-	10	-	10	-		-
George Municipality	-	-	4	4	4	4		-
Hessequa Municipality	-	-	1	(3)	1	(3)		-
Kannaland Municipality	-	-	47	35	47	35		-
Knysna Municipality	-	-	-	10	-	10		-
Laingsburg Municipality	-	-	-	(6)	-	(6)		-
Langeberg Municipality	-	-	4	4	4	4		-
Matzikama Municipality	-	-	15	19	15	19		-
Mossel Bay Municipality	-	-	11	33	11	33		-
Municipal Demarcation Board	-	-	-	54	-	54		-
Oudtshoorn Municipality	-	-	4	-	4	-		-
Overstrand Municipality	-	-	44	56	44	56		-
Prince Albert Municipality	-	-	1	1	1	1		-
Petroleum Agency SA	-	-	6	-	6	-		-
Saldanha Bay Municipality	-	-	2	4	2	4		-
Stellenbosch Municipality	-	-	10	11	10	11		-

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 7 CLAIMS RECOVERABLE – CONTINUE

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
Swartland Municipality	5	-	-	(8)	5	(8)		-
Swellendam Municipality	-	-	1	(6)	1	(6)		-
Theewaterskloof Municipality	-	-	1	17	1	17		-
Witzenberg Municipality	-	-	30	32	30	32		-
<b>Sub-total</b>	<b>7</b>	<b>-</b>	<b>811</b>	<b>609</b>	<b>818</b>	<b>609</b>		
<b>PRIVATE ENTERPRISES</b>								
Other	1	-	46	73	47	73		-
<b>Sub-total</b>	<b>1</b>	<b>-</b>	<b>46</b>	<b>73</b>	<b>47</b>	<b>73</b>		-
<b>TOTAL</b>	<b>2 129</b>	<b>1 786</b>	<b>989</b>	<b>4 748</b>	<b>3 118</b>	<b>6 534</b>		-

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 8 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	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>DEPARTMENTS</b>								
<b>Current</b>								
National School of Government	-	-	-	601	-	601	-	-
Justice and Constitutional Development	-	-	-	738	64	738	-	-
WC Health	9	-	64	-	23	-	-	-
WC Cultural Affairs & Sport	-	1	14	-	-	1	-	-
WC Human Settlements	-	-	-	-	1	-	-	-
Government Printing Works	1	-	1	-	2	-	-	-
WC Transport and Public Works	200	-	-	2 178	200	2 178	-	-
<b>Subtotal</b>	<b>210</b>	<b>1</b>	<b>80</b>	<b>3 517</b>	<b>290</b>	<b>3 518</b>		
<i>Note 18.2</i>								

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 8 INTER-GOVERNMENT PAYABLES – CONTINUE

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	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Non-current</b>								
Justice and Constitutional Development	-	-	460	-	460	-	-	-
National School of Government	-	-	-	244	-	244	-	-
<b>Subtotal</b>	-	-	<b>460</b>	<b>244</b>	<b>460</b>	<b>244</b>	-	-
<b>TOTAL DEPARTMENTS</b>	<b>210</b>	<b>1</b>	<b>540</b>	<b>3 761</b>	<b>750</b>	<b>3 762</b>	-	-
<b>OTHER GOVERNMENT ENTITY</b>								
<b>Current</b>								
Government Motor Transport	928	897	-	20	928	917	-	-
<b>Subtotal</b>	<b>928</b>	<b>897</b>	<b>-</b>	<b>20</b>	<b>928</b>	<b>917</b>	-	-
<b>TOTAL</b>	<b>1 138</b>	<b>898</b>	<b>540</b>	<b>3 781</b>	<b>1 678</b>	<b>4 679</b>	-	-

Note 16.1

# ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

## ANNEXURE 9 INVENTORIES

INVENTORIES	Note	2018/19		2017/18	
		Quantity	R'000	Quantity	R'000
Opening balance		2 030	3 632	3 925	6 180
Add/(Less): Adjustments to prior year balances <sup>1</sup>		-	(9)	(1)	2
Add: Additions/Purchases – Cash	4.4.1	1 900	3 942	250	80
Add: Additions - Non-cash		-	-	-	-
(Less): Disposals		-	-	(1 944)	(3 503)
(Less): Issues		(1 579)	(2 557)	(200)	(365)
Add/(Less): Adjustments <sup>2</sup>		-	(1 360)	-	1 238
<b>Closing balance</b>		<b>2 351</b>	<b>3 648</b>	<b>2 030</b>	<b>3 632</b>

Note: <sup>1</sup> The adjustment to the prior year balance, is as a result in the recording of an incorrect figure wrt the year-end balance.

<sup>2</sup> The adjustment of current year balance is a result of the difference between invoice price and the weighted average price.

The above inventories relates to telephones for distribution.



## ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2019

for the year ended 31 March 2019

### ANNEXURE 9 INVENTORIES

INVENTORIES	Note	2018/19		2017/18	
		Quantity	R'000	Quantity	R'000
Opening balance		2 030	3 632	3 925	6 180
Add/(Less): Adjustments to prior year balances <sup>1</sup>		-	(9)	(1)	2
Add: Additions/Purchases – Cash		1 900	3 942	250	80
Add: Additions - Non-cash	4.4.1	-	-	-	-
(Less): Disposals		-	-	(1 944)	(3 503)
(Less): Issues		(1 579)	(2 557)	(200)	(365)
Add/(Less): Adjustments <sup>2</sup>		-	(1 360)	-	1 238
<b>Closing balance</b>		<b>2 351</b>	<b>3 648</b>	<b>2 030</b>	<b>3 632</b>

Note: <sup>1</sup> The adjustment to the prior year balance, is as a result in the recording of an incorrect figure wrt the year-end balance.

<sup>2</sup> The adjustment of current year balance is a result of the difference between invoice price and the weighted average price.

The above inventories relates to telephones for distribution.

## Notes



## Notes



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