



KWAZULU-NATAL PROVINCE

PUBLIC WORKS
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT 2021-2022

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OFFICIAL HAND OVER OF 2021 – 2022 ANNUAL REPORT



To: Honourable

Dr. NNG Mahlaba

MEC for Human Settlements and Public Works

I have the honour of submitting the Annual Report of the KZN Department of Public Works for the period 1 April 2021 to 31 March 2022



From:

Mr SP Majola

Accounting Officer (Acting)

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PART A:

GENERAL INFORMATION

1. DEPARTMENTAL GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS /ACRONYMS

A

ABET	-	Adult Basic Education & Training
AG	-	Auditor-General
AGSA	-	Auditor-General South Africa
APP	-	Annual Performance Plan
AO	-	Accounting Officer

B

BAS	-	Basic Accounting System
BBBEE	-	Broad Based Black Economic Empowerment

C

CARC	-	Cluster Audit & Risk Committee
CETA	-	Construction Education and Training Authority
CFO	-	Chief Financial Officer
CIDB	-	Construction Industry and Development Board
COGTA	-	Department of Cooperative Governance and Traditional Affairs

D

DARD	-	Department of Agriculture and Rural Development
DoE	-	Department of Education
DOPW	-	Department of Public Works

E

EPWP	-	Expanded Public Works Programme
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F

FRPC	-	Fixed Rate Period Contract
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G

GIAMA	-	Government Immovable Asset Management Act
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H

HOD	-	Head of Department
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I

IDIP	-	Infrastructure Delivery Improvement Plan
IPIP	-	Infrastructure Programme Implementation Plan
IPMP	-	Infrastructure Programme Management Plan

M

M&E	-	Monitoring and Evaluation
MEC	-	Member of Executive Council
MTSF	-	Medium Term Strategic Framework
MTEF	-	Medium Term Expenditure Framework
MPL	-	Member of Provincial Legislature

P

PFMA	-	Public Finance Management Act
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S

SLA	-	Service level Agreement
SDIP	-	Service Delivery Improvement Plan

3. FOREWORD BY MEMBER OF EXECUTIVE COUNCIL

FOREWORD BY THE MEC

Honourable Dr. NNG Mahlaba

Member of the Executive Council for
Department of Human Settlements and Public Works
KwaZulu-Natal



EXECUTIVE AUTHORITY STATEMENT ANNUAL REPORT

FOREWORD

We present this annual report with heavy hearts as our province is still recovering from severe weather patterns that destroyed social infrastructure constructed by hard working professionals employed by the department.

As the Department of Public Works we have internalized the fact that realities of climate change have hit our own doorstep with floods continue to ravage much needed infrastructure that is part of service delivery.

Despite this, as the department we have demonstrated the determination to lead in the reconstruction of socio-economic infrastructure needed by the people of this province.

During the year under review, we completed 540 capital projects across all districts at a combined cost of R 1, 5 billion.

As government's Implementor of Choice we have ensured the creation of much needed jobs for our people by utilizing emerging contractors during the delivery of infrastructure. Critically,

we have spent more than R 104 million on the maintenance of over 479 government facilities in the province.

Critically, we remain convinced that Public Works has made a tremendous contribution towards 233 000 work opportunities which the Provincial Government planned to create during the last few years of the sixth democratic administration.

Key to our performance has been the establishment of SIDA and the co-ordination of infrastructure delivery. We are moving we speed in that regard.

We paid more attention towards the Infrastructure Development Management System (IDMS) and the District Development Model.

As government we know that a requirement of a developmental state is demonstrable capacity to implement the planned projects in time and on budget. The developmental state has a responsibility of ensuring a united focus in the

achievement of the outcomes for the success of the country.

This requires a state capable of uniting its efforts and work in unison with each player working hard for the success of the whole and creating a win-win outcome for all stakeholders.

Our approach was based on the institutionalisation of both Infrastructure Development Management System (IDMS) and the District Development Model.

As guided by the two models, the Department of Public Works is in the process of phasing our regions and focus on district offices however, financial resources are also a challenge. This process was aimed to achieve the following:-

- Focus on capacitating district offices to provide the full range of services;
- Integrate planning across districts to ensure alignment of development and radical socio-economic transformation imperatives;
- Improve service delivery processes and procedures;

- Enhance data collection to support reporting;
- Enhance Information Communication Technology (ICT) infrastructure to Districts to leverage to benefits of the Fourth Industrial Revolution; and
- Capacitate districts to reduce reliance on consultants.

Despite challenges created by COVID-19, we have delivered on our mandate. We wish to pay tribute Portfolio committee on Public Works, senior management in the department, all categories of staff and stakeholders for making this a memorable year – characterized by commitment towards solid service delivery.



.....
Honourable Dr NNG MAHLABA
MEC FOR HUMAN SETTLEMENTS AND
PUBLIC WORKS
KWAZULU-NATAL
Date: 31 August 2022

4. REPORT OF THE ACCOUNTING OFFICER

Mr SP MAJOLA

**(Acting) HEAD: Department of Public Works,
KwaZulu-Natal**



At the beginning of the financial year, we set out a target of using the rollout of socio-economic infrastructure to create jobs for thousands of people throughout the corners of the province.

We wish to report that we responded well to sluggish economic growth which has had a wide ranging knock-on effects in our province. One of the most severe impacts has been on the ability of the provincial economy to, not only sustain and retain existing jobs in the province, but also to grow the job market and reduce unemployment.

By rolling out infrastructure on behalf of government departments, we have effectively implemented the National Development Plan. The plan identifies specific steps that need to be taken to promote the values and principles of public administration contained in the Constitution. We demonstrated commitment towards building an efficient, effective and development oriented public service as part of a capable and developmental state.

As an Accounting Officer, the Office of the Head of Department provided strategic leadership and overall management of the department. Other

areas of responsibilities included supporting the Executive Authority, building a positive corporate culture and rendering support and advice in terms of human resources and legal matters. This was achieved during the year under review, as clear reported in this annual report.

In addition, we ensured effective monitoring and evaluation (M&E) systems were in place and we rendered sound financial management services, risk management and supply chain management.

We also worked hard to build a solid programme of service delivery through integration of programmes and services. We have maintained a strong sense of accountability of senior management at head office and across the districts. The monitoring and evaluation of performance has greatly assisted the process of ensuring solid service delivery.

On good governance matters, we worked with Provincial Treasury to do a thorough review of all government contracts, tracking performance, determining value for money and preventing irregularities. We ensured consequence management by dealing with cases of fraud associated with procurement processes.

Importantly, we worked with the Office of the Premier to ensure integrity in the workplace. The focus was to ensure that our workers served our people with dignity and honour.

As Public Works we also paid special focus on issues of skills development during the year under review. We strongly believe that the skills development of our young people is fundamental to the growth trajectory that we have set ourselves as the province. Only massive production of appropriate skills and ensuring the access to apprenticeship or supervised training, is the way to go.

The Department concentrated on four capacity building programmes to empower the youth and assist them in finding sustainable employment:

- Internship programme;
- Bursary Programme;
- Work Integrated Learning Programme;
- Schools Programme.

Our professionals in the built environment provided mentorship to students in a range of fields such as Electrical, Mechanical, and Structural Engineering, Quantity Surveying, Architecture, Property Valuation, and Construction Project Management.

Spending approximately more than R24, 7 million on bursaries and stipend for interns, to date there more than fifty seven (57) young people have registered as fully fledged professionals.

We are cognisant of the fact that a modern economy demands human resources that are numerically and scientifically literate, technology fluent and skilled at problem solving. In this regard, we offered bursaries to Grade 11 learners in various high schools across the province especially in rural areas.

We are delighted to present this report as an expression of our improved service delivery performance and a commitment to improving our service offering to all our client departments.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

PROGRAMME EXPENDITURE

PROGRAMME NAME	FINANCIAL YEAR 2021/22			FINANCIAL YEAR 2020/21		
	FINAL APPROPRIATION	ACTUAL EXPENDITURE	VARIANCE/ OVER/ UNDER	FINAL APPROPRIATION	ACTUAL EXPENDITURE	VARIANCE/ OVER/ UNDER
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	436 196	434 099	2 097	421 346	416 859	4 487
Property Management	1 156 842	1 155 434	1 408	908 783	908 753	30
Provision of Buildings, Structures and Equipment	468 291	468 291	–	465 581	465 581	–
Total	2 061 329	2 057 824	3 505	1 795 710	1 791 193	4 517

Expenditure versus Final Appropriation

The details of spending per programme are as follows:

- **Programme 1: Administration** shows a net under-expenditure of R2.097 million, with spending at 99.5 per cent of the Final Appropriation. This is after the department processed journals and undertook virements of R4.292 million from this programme. The under-spending was mainly due to:
 - *Goods and services* was under-spent by R1.524 million in respect of bursaries to employees where the department received fewer than expected bursary applications from employees, as well

as spending pressures in respect of an increased number of unplanned maintenance and repair costs in the region.

- **Programme 2: Property Management** under-spent marginally by R1.408 million, at 99.9 per cent of the Final Appropriation, after a post Adjustments Estimate virement of R5.409 million from this programme. This under-spending was mainly ascribed to:
 - *Goods and services* mainly due to lower than anticipated expenditure in respect of property payments for GIAMA – Izandla Ziyagezana

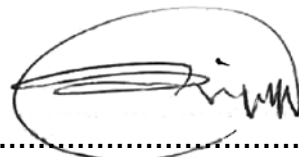
projects for security services relating to unutilised buildings. It is noted that the department utilised the funding for property valuations, clearing of vacant sites and provision of security services in respect of unutilised buildings.

- **Programme 3: Provision of Buildings, Structures and Equipment** was on track at 100 per cent of the Final Appropriation. This is after the department processed journals and undertook virements of R9.701 million from Programmes 1 and 2, as previously mentioned. In this regard, all of the economic classifications reflect a balanced budget as year-end.

EQUITABLE SHARE

As at 31 March 2022, the department spent R2,058 billion which is about 99.8 per cent of

the total budget, resulting in under-expenditure of R3.505 million. The under-expenditure relates largely unspent specifically and exclusively appropriated funding for the Fixed Asset Register, as well as GIAMA – Izandla Ziyagezana programme, as previously mentioned. It must be noted that these funds cannot be used for any other purpose except the one appropriated for.



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Mr SP MAJOLA

(Acting) **HEAD: DEPARTMENT OF PUBLIC WORKS**

PROVINCIAL GOVERNMENT OF KWAZULU-NATAL

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 of any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury, and this has been confirmed by the KwaZulu-Natal Provincial Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by National Treasury. The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal 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 Statement. 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 2022.



.....
Mr. SP Majola
Acting Head of Department
Date: 31 May 2022

6. STRATEGIC OVERVIEW

VISION

An inclusive economy through sustainable infrastructure development and property management.

MISSION

To improve the lives of the people in KwaZulu-Natal through sustainable infrastructure development and property management

CORE VALUES

The KwaZulu-Natal Department of Public Works has been guided by the following values:

Transparency

- We all share ideas and information freely and promote a culture of openness and transparency in all our work.
- We will facilitate access to information; always engage the communities and stakeholders in our decision making.
- We will respect the views of others and seek to first understand and there is a better way to be monitored.
- We will respect the views of others, seek to understand their opinion/s and open ourselves to monitoring.

Excellence

- We are dedicated to providing high quality, appropriate progression and timely responses for all our services
- We will seek and embrace effective leadership, innovative solutions, creativity and support, orientation to change and progressive thought.
- We will encourage effectiveness and reward efficiency and ingenuity.

Motivated Workforce

- We will treat all people with dignity, respect and fairness.
- Our employees are our most valuable resource and we will invest in their growth.
- Each employee's contribution is essential to our collective success.

Sustainability

- We will act with foresight to ensure the long term health and wellbeing of the community we serve.
- We will seek a balanced approach to deliver on our mandate, programmes and services in an economically sound, environmentally sustainable and socially responsible way.

Integrity

- We will seek public trust by being honest, competent and consistent in our actions.
- We will strive for the highest standards of moral and ethical conduct.

Team Work

- We will work together to achieve common goals
- We will share information freely, and collaborate with our stakeholders and actively engage them in our decision making and initiatives.

Accountability

- We commit the Department staff and service providers to be accountable to the public and other stakeholders for services rendered and commitments made

7. LEGISLATIVE MANDATES

The Constitution does not impose any specific mandate on the Department of Public Works, it is like all departments subject to the general provisions contained therein.

Schedule 4, Part A of the Constitution provides that Public Works is a functional area of concurrent national and provincial legislative competence only in respect of the needs of provincial government departments in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the constitution or any other law.

Within the broad statutory mandates of government institutions, the following mandates guide the KZN Public Works department's core functions:

- ❖ The Construction Industry Development Board Act No. 38 of 2000;
- ❖ Property Valuers Professional Act No. 47 of 2000;
- ❖ National Building Regulations and Building Standards Act No. 103 of 1977;
- ❖ Council for the Built Environment Act No. 43 of 2000;
- ❖ Engineering Profession Act No. 46 of 2000;
- ❖ Architectural Profession Act No. 44 of 2000;
- ❖ Quantity Surveying Profession Act No. 49 of 2000;
- ❖ Project and Construction Management Professions Act No. 48 of 2000;
- ❖ Occupational Health and Safety Act No. 85 of 1993;
- ❖ Occupational Injuries and Diseases Act No. 130 of 1993;
- ❖ State Land Disposal Act No. 48 of 1961;
- ❖ Deeds Registry Act No. 47 of 1937;
- ❖ Expropriation Act No. 63 of 1975;
- ❖ Prevention of Illegal Eviction from, and unlawful occupation of land Act No. 19 of 1998;
- ❖ National Environmental Management Act No. 107 of 1998;
- ❖ KwaZulu-Natal Land Administration & Immovable Asset Management Act, No. 2 of 2014
- ❖ The KwaZulu-Natal Heritage Act 10 of 1977,
- ❖ Broad Based Black Economic Empowerment Act No. 53 of 2003;
- ❖ Promotion of Administrative Justice Act No. 3 of 2000;
- ❖ Promotion of Access to Information Act No. 2 of 2000;
- ❖ Labour Relations Act No. 66 of 1995;
- ❖ Employment Equity Act No. 55 of 1998;
- ❖ South African Qualification Authority Act No. 58 of 1995;
- ❖ Skills Development Act No. 97 of 1998;
- ❖ Public Finance Management Act No. 1 of 1999;
- ❖ Preferential Procurement Policy Framework Act No. 2 of 2000
- ❖ Basic Conditions of Employment Act No. 75 of 1997; and
- ❖ Government Immovable Asset Management Act No. 19 of 2007

8. ORGANISATIONAL STRUCTURE AS AT 31 MARCH 2022

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS ORGANISATIONAL STRUCTURE



**HEAD OF DEPARTMENT
(Acting)
Mr S Majola**



**DDG: Infrastructure
Maintenance and
Technical Support
(Acting)
Ms Z Pfute**



**DDG: Immovable Asset
Management
(Acting)
Ms X Ntanzu**



**Chief Financial Officer
(Acting)
Ms Z D Dlamini**



**DDG: Corporate Services
Mr P W Duma**

11. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC in the KZN Public Works Department.



PART B:

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PRE - DETERMINED 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 no material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 90 of the 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 continued to include Gender equality in decision-making positions as it is vital to ensure that issues affecting women are considered during policy formulation, planning and project implementation. Women empowerment is a critical component of any interventions aimed at gender equality as they remain marginalized even in the post 1994 era. Ownership and control of assets should therefore remain at the forefront of socio-economic transformation. The department has therefore identified areas of intervention through procurement reforms to ensure empowerment of women, youth, military veterans and black African.

A large portion of the lease portfolio has benefitted mainly Indian and White landlords therefore specific interventions will also be introduced to increase the equity ownership of black landlords. There will also be a streamlined approach towards the development of emerging contractors through increased spend on Eyesizwe Contractor Development Programme as well as capacity building in order to improve sustainability, quality and performance of emerging contractors. The new approach will also see a greater number of contractors benefitting as the department limits the number of awards per contract.

Inroads into Radical Economic Transformation have been introduced and will be intensified in the 2020-2025 period through revised Delegations to Regions and District Offices, Promotion of African Black Entrepreneurs by the utilisation of Section 2 (1)f of the BBBEE Act on leases 900m² below, utilisation of Section 2(1)f to promote contract participation goals and locality, advertisement for a database of Professionals per Discipline to realise efficiency in procurement processes, Limitation of multiple awards - greater spread of contractors and consultants, aggregation of procurement plan to apportion pre-qualification criteria and direct and indirect sub-contracting above R30 million.

The department leads Action Work Group 3 tasked with monitoring implementation of the PGDP strategic objective 1.4 "to improve the efficiency, innovation and variety of government-led job creation programmes. The AWG monitors and evaluates the effectiveness, effect and impact of EPWP in the Province. The role strengthens the department's role of provincial coordination and ensures an integrated approach to the creation of job opportunities in the province. A challenge remains with inadequate reporting of job opportunities created at municipal level due to limited capacity and inefficiencies in data collection resulting in rejection of reported jobs on validation on data. Innovative thinking is required to implement EPWP as it offers extensive opportunities to combat unemployment.

The client satisfaction survey conducted confirms issues raised during the strategic planning exercise as matters that should be prioritised, namely delays in finalising projects, quality of workmanship by contractors appointed, exorbitant construction costs, excessive use of consultants and cumbersome internal processes affect project timelines.

The worldwide COVID-19 pandemic, the July riots/looting and the resultant National Lockdown has had a huge impact on the overall service delivery provision of the department. The multiplier effect on the departmental financial and non-financial performance is massive and is yet to be felt.

It should give comfort the fact that notwithstanding the effects of the COVID-19 pandemic our Department has been able to deliver on the most critically needed health infrastructure facilities. These range from new hospital wards, new hospital wings, hiring of facilities for health purposes to the temporary field hospital facilities, which had to be availed on time to address the worldwide Covid-19 pandemic.

2.2 Service Delivery Improvement Plan

No SDIP for this period as advised by DPSA circular 1 of 2020/21

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 19/20	Desired standard of service 20/21	Actual achievement 2020/21
No SDIP for this period as advised by DPSA				

Area of improvement in terms of applicable legal standards	Current/ actual arrangements 19/20	Desired arrangements 20/21	Actual achievements 2020/21
No SDIP for this period as advised by DPSA			

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements 19/20	Desired arrangements 20/21	Actual achievements 20/21
No SDIP for this period as advised by DPSA		

Service delivery information tool

Current/ actual information tools	Desired information tools	Actual achievements
Ineffective implementation of signage guide	Proper signage throughout the department	None
Departmental website not continuously updated	Updated website	The departmental Website is updated with activities taking place throughout the department namely Articles. Audios, organograms of Regional offices / Directorates and programmes offered by the department.

Complaints mechanism

Current / actual complaints mechanism	Desired complaints mechanism	Actual achievements
No integrated Complaints / Compliments Management System in place	Integrated Complaints Management System	Complaints procedure in place and outlined in the service charter. Departmental Hotline in place and displayed in all departmental offices. Website allows for clients to submit complaints & suggestions online.
Suggestion/Compliments and complaint boxes not in all offices	Suggestion/Compliments and complain Boxes be all offices	Suggestion box placed in visible areas at all district and regional offices.

2.3. Organisational Environment

There are key issues that considered as game changers which will be pursued through the identified outcomes and outputs are

- Make Radical Economic Transformation (RET) an operational culture
- Greater access to work opportunities
- Restructure the project cycle and reduce the use of consultants
- Improve efficiency within the administration by reorganizing operations
- Ensure employment equity with a bias to women and disabled applicants
- Improve the audit outcomes

The 2021 / 2022 financial year focused on transformation of the property sector and empowerment of beneficiaries of the Expanded Public Works Programme with developing skills that will aid their employment prospects beyond their participation in the programme.

2.4 Key Policy Developments and Legislative Changes

There were no significant revisions to the Department's legislative or other mandates during the planning and implementation periods of the 2021 / 2022 Annual Performance Plan.

3. STRATEGIC OUTCOMES

Strategic Outcomes
1. Improved leadership, governance and accountability The purpose is to deliver on the department's mandate.
2. Productive Assets (Maintenance of Facilities & Productive use of Facilities) Improved lifecycle management of assets and efficient provision of suitable accommodation for provincial departments
3. Sustainable Infrastructure Investment (Construction & Addressing Spatial imbalances) Enhance infrastructure planning and implementation and deliver sustainable infrastructure aligned with the green agenda. The focus will also be in ensuring integrated infrastructure development to facilitate economic growth. Economic transformation initiatives have specific targets set for these groupings and ultimately, it is intended that the demographics in the ownership of the leased portfolio will be realised through contracting with landlords whose ownership score represents representations of black Africans. Disposal of strategic immovable assets to targeted groups has also been given priority to change ownership patterns in the province.
4. Optimized Job Opportunities To achieve the outcome of increased access to economic opportunities in order to broaden the base of targeted groups for economic empowerment through infrastructure and property management, the department has prioritised women, youth, military veterans and people with disabilities for identified interventions.

PROPERTY MANAGEMENT

One of the Strategic Outcome relates to improved immovable asset management and custodianship of all provincial assets and facilities and the department is the custodian of immovable assets and has ensured the following key strategic achievements:

The Department had a target of 300 facilities to be assessed in terms of facility condition assessment but this target was over achieved and 303 facilities were assessed. The over achievement resulted from one land parcel having many facilities. Two companies were appointed in October 2021 and November 2021 and both successfully fulfilled their contractual obligations.

The Department ensured due payment of property rates to the value of R1,048 billion for 21/22 financial year accordance with all verified invoices received from municipalities within the year. The initial budget allocation was R696 million for the year. During midterm, the Provincial Treasury further allocated an amount of R350 million

The Department had a target of 80 properties to be endorsed and was successful in ensuring that the total of 80 properties were endorsed during the reporting period at the Deeds Office, thus confirming the ownership thereof into the name of the Provincial Government of KwaZulu- Natal

The Department had a target of 10ha to be disposed and 50 295.471ha was disposed. 4 properties were disposed to Municipalities Human Settlement purposes. 1 property was disposed for Non- Profit organization for utilization for skilling programs for people living with disabilities. The Department also finalized the disposal of 3 properties to the Department of Rural Development and Land Reform for land claim purposes.

The Department finalised the acquisition of two (2) properties, 1 for the Department of Health and 1 for the Department of education in support of their service delivery mandates.

PROVISION OF BUILDINGS, STRUCTURES AND EQUIPMENT (OPERATIONS) – PROVIDED BY IMTS & EPWP

Furthermore, In line with strategic outcome: Provision of sustainable social infrastructure Programme 3: Provision of buildings, structures and equipment (Operations) had the following key strategic achievements:

- In the 2021/2022 financial year, the overall expenditure on infrastructure delivery was R 1 662 803 780 (91%)

INFRASTRUCTURE MAINTANANCE AND TECHNICAL SUPPORT

Infrastructure maintenance and technical support have completed the following facilities during 2021/22 financial year:

Education

278 Department of Education projects were completed in 2021/22 financial year with the annual expenditure of **R824 443 949, 00**

Amongst others, the following are the completed projects

- 23 Completion of Storm damage projects
 - 101 Water and Sanitation Projects
 - 04 Electrification Projects
 - 02 Renovations, Rehabilitation or Refurbishments
 - 02 Upgrades and Additions
 - 146 Boreholes projects completed
- The Clinics refurbished – 83
 - The Hospitals refurbished - 12
 - The Buildings and facilities refurbished – 12

As part of ensuring sufficient provision of energy in response to load shedding, the department commissioned 173 out of 207 generators in various public health institutions. We also supplied the Department of Transport's Road Traffic Inspectorates.

Provincial Government Precinct

The Preliminary Design Concepts for the Legislature was presented to STACOV in February 2022 and was well received. The development of the Archives has commenced and targeted to be completed May 2022. The concept for the office blocks is targeted for July 2022. To deal with all statutory requirements the department has appointed a consultant, the process will be finalised by March 2023.

Working with Provincial Treasury, the department has engaged some financial institutions such as Infrastructure South Africa (ISA), AFREXIM Bank and National Treasury to determine the appropriate funding model.

Due to provincial fiscal position, the Department has identified the Build Operate and Transfer (BOT) as suitable funding model.

The Provincial Government has clear vision and targets set for 2025, 2030 and 2035. All of that is supported by a range of Catalytic Projects with short term deliverables.

KwaZulu Natal Strategic Infrastructure Development Agency (SIDA)

SIDA is designed to build state capacity to deliver infrastructure. Entity will assist in driving the transform of the construction sector by fast tracking to entry of emerging entrepreneurs from previously disadvantaged communities.

In preparation for the SIDA launch, the following processes are being finalized by the dedicated SIDA team under the leadership of the SIDA Driver:

- Incorporation of SIDA state owned entity as per the Company's Act;
- Registration with the National Treasury as a PFMA entity;
- Presentation of the SIDA Bill and Memorandum of Incorporation to the provincial structures for approval, and subsequently its submission to Treasury;
- Registration with the CIDB;
- Renovations of the Castle Building in Durban which will become the home of the SIDA.

Green Building Programme

In 2021 the Department of Public Works KZN signed a commitment to take part in the Integrated Renewable Energy and Resource Efficiency Programme (iREREP), headed by National Department of Public Works and Infrastructure. The Programme, which is set to be the largest national programme for procurement of renewable energy and resource efficiency for public facilities, was gazetted as a Strategic Integrated Project (SIP) in July 2020 as part of the Infrastructure Investment Plan which was approved by Cabinet in May 2020. The next phase of the programme entails the release of the Request for Proposals (RFP).

On 8 December 2020 the Minister of Mineral Resources and Energy, under section 19(1)(b) of the National Energy Act, promulgated the regulation for the mandatory disclosure and display of energy performance results of existing buildings. This legislation requires that all state-owned buildings with a net floor area greater than 1000 m² must publically display their Energy Performance Certificates (EPC) by 8th December 2022. The Department of Public Works is putting structures in place to facilitate the roll-out of Energy Performance Certification for its affected buildings. Operationalising EPC's is an important first step to ensuring that the department's buildings are energy efficient.

EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

The Department had made strides to align itself towards the achievement of Priority 1: "Job creation and transformation" the Department managed to create 996 Work Opportunities against a target of 5 000 and 470 Full Time Equivalents (FTEs) against a target of 1 628 FTEs by end of March 2022 through the EPWP Programme. In the 2021/2022 financial year, the Department implemented the EPWP Maintenance Programme across all District Municipalities including the eThekweni Metro, and the beneficiaries were recruited through the School Governing Bodies (SGB) and Operation Sukuma Sakhe (OSS) structures.

Izandla Ziyagezana Land Clearing Programme

This programme is aimed at providing work opportunities to beneficiaries thus contributing positively to the lives of the local communities.

To date, the Department through this Programme has created 456 work opportunities and the breakdown is as follows: 323 Women, 228 Youth and 8 people with disabilities (some women are also youth)

The Provincial EPWP Programme is coordinated by the Department of Public Works. A total of 154 374 Work Opportunities have been reported in the Province by Provincial Departments and Municipalities against a nationally set target of 128 699 Work Opportunities in the financial year 2021/22. A total of 66 Provincial public bodies have reported on EPWP in the Province. Four (04) interventions were implemented to support Public bodies in form of the DORA Workshop, EPWP Reporting System training, Data Quality and Records management sessions and One-on-one Session with under-performing and struggling Public Bodies.

The Youth, Women and People with Disabilities Programme is responsible for ensuring and advocating for participation of designated groups in the Departmental programme. A total of 95 projects of 100 projects that were targeted for designated groups. A budget of 23.4% was spent towards designated groups out of 30% that was planned.

4. PERFORMANCE INFORMATION BY PROGRAMME

The activities of the KZN Public Works Department are organized in the following programmes:

Programme 1: Administration

Programme 2: Property Management

Programme 3: Provision of buildings, structures & equipment (Operations)

4.1 PROGRAMME 1: ADMINISTRATION

Purpose: This programme undertakes to provide support to the Member of the Executive Council, provide strategic leadership and management, financial and corporate services, there has been no change to the Administration programme structure.

The strategic outcomes, annual targets and actual performance for 2021-2022 for the administration programme are detailed below:

Strategic Outcomes are as follows:

4.1.1. Improved leadership, governance and accountability

Annual performance plan 2021 / 2022

Programme 1: Administration – Financial Management and Corporate Services

PROGRAMME 1: ADMINISTRATION - Financial Management and CORPORATE SERVICES									
Outcome	Output	Output Indicator	Audited Performance			Actual Performance Against Target		Variance from planned target to actual achievement 2021/ 2022	Reasons for variance
			2018/ 2019	2019/ 2020	2020/ 2021	Planned Annual Target 2021/2022	Actual Achievement		
Improved leadership, governance and accountability	An unqualified audit outcome	1.1 % internal audit recommendations implemented within specified timeframe	88%	94%	89%	100%	86%	-14%	<p>The reason for the non-achievement is due to 54 of the 63 (86%) of Internal Audit Recommendations which were implemented in terms of the Audit Log.</p> <p>The following 9 issues were actioned but not finalized:-</p> <ol style="list-style-type: none"> 1) Non maintenance of state owned properties 2) Poor revenue management 3) Revised Infrastructure SOP's not approved 4) The Business continuity plan has not been tested in the period under review 5) Unreasonable amount of time to finalize requests on accommodation 6) Payments made without lease agreements extension 7) Poor management of documents 8) Requests to occupy residential property not found on file. 9) Poor administration of leases
		1.2 % external audit recommendations implemented within specified timeframe	83%	91%	90%	100%	93%	-7%	<p>The reason for the non-achievement is due to 187 of the 202 (93%) of External Audit Recommendations which were implemented in terms of the Audit Log.</p> <p>The following 15 issues were actioned but not finalized:</p> <ol style="list-style-type: none"> 1) Reported performance not verifiable 2) No change log available on Premis 3) Claims receivable 4) Limitation on Premis system reporting 5) Irregular expenditure not investigated 6) Cases currently investigation not being finalized 7) ICT Strategic Plan 8) Review of ICT Strategy 9) Archibus software licences 10) Premis system user account 11) Program change log in 12) Insufficient data validation 13) The Premis system functionality 14) Archibus software license cost 15) Inadequate segregation of duties
		1.3 Number of external students awarded bursaries for Built Environment studies	New	New	15	25	39	+14	The target was over achieved due to the additional students from the Schools Programme

PROGRAMME 1: ADMINISTRATION - Financial Management and CORPORATE SERVICES									
Outcome	Output	Output Indicator	Audited Performance			Actual Performance Against Target		Variance from planned target to actual achievement 2021/ 2022	Reasons for variance
			2018/ 2019	2019/ 2020	2020/ 2021	Planned Annual Target 2021/2022	Actual Achievement		
		1.4 % Representation of staff with disabilities	3.9%	1.8%	n/a	2%	1.9%	-0.1%	The non-achievement is due to insufficient applications received from People With Disabilities for the advertised vacant positions.
		1.5 % of Women at SMS Level	41%	42%	n/a	50%	45%	-5%	The non-achievement is due to no approved vacant SMS level positions set for filling during the Financial Year 2021/2022.
		1.6 % Representation of Youth in the staff complement	NEW	NEW	NEW	30%	18.5%	-11.5%	The non-achievement is due to limited funding provided, which resulted in only a few posts filled during the year which impacted on the Youth category.

Strategy to overcome areas of under performance

The Department will prioritize the filling of vacant funded posts for people within the specified categories, such as women at SMS level, people with disabilities and Youth.

Progress on Institutional Response to the COVID-19 Pandemic

Employee Health & Wellness

Budget Programme	Intervention	Geographic location Province	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
	Building Deep Cleaning	Head Office and Regions	1429	Male 572 Female: 986 Youth: 88	R822 000 was set aside for covid. At Head Office	R59 320.86 R200 000 R5 152.00 R122 600.00		Buildings were deep cleaned
	sanitisers	Head Office and Regions	1429	Male 572 Female: 986 Youth: 88		R75 000		Sanitisers were procured

Linking performance with budgets

Programme 1: Expenditure

Programme Name	2020/2021			2021 / 2022		
	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 1						
Administration	421 346	416 859	4 487	436 196	434 099	2 097
Total	421 346	416 859	4 487	436 196	434 099	2 097

4.2 PROGRAMME 2: PROPERTY MANAGEMENT

Purpose: To provide and facilitate the provision of accommodation and integrated property management services to clients through planned property life cycle (acquisition, management and disposal), optimal utilisation of immovable assets, land valuation, maintenance of fixed asset register, payment of property rates and integrated service delivery.

There have been no changes to the Property Management programme structure.

The strategic outcomes, annual targets and actual performance for 2021-2022 for Property Management programme are detailed below:

Strategic Objectives are as follows :

4.2.1 Productive Assets (Maintenance and Facilities)

4.2.2 Sustainable infrastructure investment (addressing spatial imbalances)

Performance Indicators

PROGRAMME 2 : PROPERTY MANAGEMENT									
Outcome	Output	Output Indicator	Audited Performance			Actual Performance Against Target		Variance from planned target to actual achievement 2021/2022	Reasons for Variance
			2018/2019	2019/2020	2020/2021	Planned Annual Target 2021 / 2022	Actual Achievement 2021 / 2022		
Productive Assets (Maintenance and Facilities)	Improved maintenance of state owned immovable assets	2.1 Number of Condition Assessments finalized on State – owned buildings	202	0	5	300	303	+3	The over-achievement is due to the additional properties assessed which were in a single clustered land parcel.
		2.2 % of Total budget spent approved property rates invoices from municipalities	100.38%	102%	n/a	100%	100.2%	+0.2%	The over-achievement is due to municipalities that submitted invoices which included previous year's unpaid rates accounts.
		2.3 Number of Properties registered into the name of KZN Provincial government	250	207	n/a	80	80	nil	Target achieved
Sustainable infrastructure investment (addressing spatial imbalances)	Disposal of redundant state properties for socio-economic purposes	2.4 Hectares of land released for socioeconomic purposes	new	new	0.1020ha	10 ha	50 295.471 ha	+40 295.471ha	The over-achievement due to additional land that was released due as per the Land Restitution Claims received by the Department of Rural Development and Land Reform.
	Increased participation of targeted groups within provincial government property portfolio	2.5 % of new leases entered into with targeted groups	New	New	2%	15%	7.5%	-7.5%	The non-achievement is due to shortage/lack of bidders with properties within the targeted groups resulting in the department receiving insufficient bids from the targeted Landlords within the Disadvantaged grouping

Strategy to overcome areas of under performance

The key challenge within the Province with respect to the leasing and ownership of properties is that the property ownership is highly skewed, which results in the skewed distribution of the economy in terms of race. In as much as the Department has set the target to enter into leases with the targeted groups, this has not been achieved.

In an attempt to re-strategize, the Department has formulated another target which seeks to enter into formal agreements with at least two financial institutions in 2022 / 2023, in order to financially assist the emerging landlords.

Linking performance with budgets

Programme 2: Expenditure

Programme Name	2020/2021			2021 / 2022		
	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 2						
Property Management	908 783	908 753	30	1 156 842	1 155 434	1 408
Total	908 783	908 753	30	1 156 842	1 155 434	1 408

4.3 PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

Purpose: Erection and/or acquisition of buildings, structures and engineering works and the maintenance of buildings to client specifications. The core services are:

Delivery of infrastructure;

Creating of jobs through the EPWP initiatives and provincial coordination of EPWP;

There have been no changes to the Provision of Buildings, Structures and Equipment programme structure.

The strategic outcomes, annual targets and actual performance for 2021-2022 for the Provision of buildings, structures & equipment (Infrastructure Maintenance and Technical Support) programme are detailed below:

Strategic Objectives are as follows:

4.3.1 Optimized job opportunities

4.3.2 Sustainable infrastructure investment

Performance Indicators

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES AND EQUIPMENT (OPERATIONS)									
Outcome	Output	Output Indicator	Audited Performance			Actual Performance Against Target		Variance from planned target to actual achievement 2020/2021	Reasons for Variance
			2018/2019	2019/2020	2020/2021	Annual Target 2021 / 2022	Actual Output 2021 / 2022		
Optimized job opportunities	KZN Public Works EPWP work opportunities created	3.1 Number of EPWP work opportunities created by the Provincial Department of Public works	6157	6322	7 107	5000	996	-4004	<p>The reason for the non-achievement is that the Department of Public Works only received a budget allocation amount of R5 465 000, 00 from the National EPWP Integrated Grant allocation thus creating 427 Work Opportunities which was in line with the approved project list.</p> <p>Under the Departmental Izandla Ziyagezana Programme with a budget of R9 139 100, 00, 440 Work Opportunities were created. The Infrastructure Projects reported the creation of 90 Work Opportunities respectively.</p> <p>The delay on allocation of additional funds for the programmes caused the interruption in the commencement of programmes, hence the underachievement of work opportunities.</p>
	Empowerment Interventions	3.2 Number of Beneficiary Empowerment Interventions	3	3	3	4	4	nil	Target achieved
	KZN Public Works EPWP work opportunities created	3.3 Number of public bodies reporting on EPWP targets within the Province	75	66	66	66	66	nil	Target achieved
		3.4 Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the province	4	4	4	4	4	nil	Target achieved

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES AND EQUIPMENT (OPERATIONS)									
Outcome	Output	Output Indicator	Audited Performance			Actual Performance Against Target		Variance from planned target to actual achievement 2020/2021	Reasons for Variance
			2018/2019	2019/2020	2020/2021	Annual Target 2021 / 2022	Actual Output 2021 / 2022		
	Projects awarded to designated groups	3.5 No. of Projects Awarded to Designated Groups	New	New	New	100 Target for Women: 30 Target for Youth: 50 Target for People with Disabilities: 10 Target for Military Veterans: 10	95 Target for Women: = 39 •Target for Youth = 53 •Target for People with Disabilities S = 2 •Target for Military Veterans = 1	-5%	The Department has awarded a total of 95 projects out of 100 for designated groups. The target was not achieved as there are projects that were targeted but later withdrawn due to budget constraints
			New	New	New	30%	23.4%	-6.6%	The under-achievement by 7% on expenditure for the targeted designated groups under Eyesizwe Contractor Development Programme, is due to project delays experienced as a result of the July 2021 social unrests, Covid 19 implications, and the non-availability of resource materials by contractors.
			348	130	214	300	352	+52	The over achievement of 52 contractors trained is due to partnership the Department has with NHBC, CIDB, IThala Bank, SIDA and other departments such as Department of Labor where contractors were trained on different topics including; 1. SCM- Filling of tender documents, 2. DoL- Compliance on Site, 3. OHS – Health and Safety Compliance, 4. CIDB – Registration and Compliance, 5. DPW – Eyesizwe Contractor Development programme

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES AND EQUIPMENT (OPERATIONS)									
Outcome	Output	Output Indicator	Audited Performance			Actual Performance Against Target		Variance from planned target to actual achievement 2020/2021	Reasons for Variance
			2018/2019	2019/2020	2020/2021	Annual Target 2021 / 2022	Actual Output 2021 / 2022		
	Schools refurbished	3.8 No. of schools refurbished	new	new	212	144	278	+134	The over-achievement is due to the Borehole & the Water and Sanitation Projects where Department of Education requested to be prioritised, as part of their Covid 19 intervention to curb the potential high rate of transmission at schools.
	Clinics refurbished	3.9 No. of clinics refurbished	new	new	126	25	78	+53	The over-achievement is due to various Department of Health projects which were completed ahead of schedule due to materials and the equipment which was delivered ahead of the set project timelines
	Hospitals refurbished	3.10 No. of hospitals refurbished	new	new	18	16	11	-5	The non-achievement is due to the following; 1. Delays in delivery of material on site and inclement weather. 2. Delays at SCM level due to appeals by bidders lodged via the KZN Treasury Bid Appeals Tribunal
	New buildings /facilities completed	3.11 No. of new buildings/facilities completed	new	new	1	1	0	-1	The non-achievement is due to delays at the procurement process stage.
	Buildings / facilities refurbished	3.12 No. of buildings/ facilities refurbished	new	new	20	22	12	-10	The non-achievement is due to delays from the non-availability of sufficient budget for the overall completion of projects, unrest, Covid 19 implications, non-availability of resource materials, delays in approvals from Treasury.

Strategy to overcome areas of under performance

The Department rely solely on the budget of infrastructure, in 2021 / 2022 unfortunately the provincial treasurer cut the budget and as EPWP we suffered the consequences. EPWP is engaging with infrastructure directorate to further identify additional funding for 2022 / 2023.

The EPWP Branch through the Directorate Youth, Women and People with Disabilities is currently in engagement with Infrastructure and SCM to finalise projects and budget to prioritise designated groups. The strategy in 2022/23 will be to target projects that are targeted to go onsite within this financial year to avoid projects withdrawal in the last minute.

Linking performance with budgets

Programme 3: Expenditure

Programme Name	2020/2021			2021 / 2022		
	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 3						
PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT	465 581	465 581	0	468 291	468 291	0
Total	465 581	465 581	0	468 291	468 291	0

Linking performance with budgets

The table below illustrates actual expenditure for Vote 14 for 2021 / 2022 per programme. Also given in the tables are the Adjusted Appropriation, any virements made after the tabled Adjustments Estimate, and the Final Appropriation.

Summary of expenditure by programme - Vote 14 – 2021 / 2022						
R thousand		Adjusted	Virement Post Adj. Est.	Final	Under/	% spent
	Actual	Appropriation		Appropriation	(Over)	
1. Administration	434 099	440 488	(4 292)	436 196	2 097	99.5
2. Property Management	1 155 434	1 162 251	(5 409)	1 156 842	1 408	99.9
3. Provision of Buildings, Structures & Equip.	468 291	458 590	9701	468 291	0	100
Total	2 057 824	2 061 329	0	2 061 329	3 505	99.8

As is reflected in the above table, the Department of Public Works spent R2, 061,329 billion of the 2021/22 Final Appropriation, with spending at 99.8 per cent at the end of the financial year.

- **Programme 1: Administration** was under-spent by R2, 097 million of the allocated budget.
- **Programme 2: Property Management** was under-spent by R1, 408 million.
- **Programme 3: Provision of Buildings, Structures and Equipment** was fully spent

5. TRANSFER PAYMENTS

Transfer payments as reflected in the Annual Financial Statement are in respect of payment of property rates to municipalities, transfer to households in respect of severance packages and departmental agencies and accounts in respect of skills development levy and workman's compensation.

CONDITIONAL GRANTS AND EARMARKED FUNDS

The table below shows the actual expenditure incurred in 2021/22 on national conditional grants by the department, against the 2021/22 Final Appropriation.

Summary of conditions grants - Vote 14 - 2021/22

R thousands	Actual	Final Appropriation	Adjustments	Final Appropriation	Under (Over)	% Spent
	(1)	(2)	(3)	(4) = (2) + (3)	(3) = (2) - (1)	(1) / (2)
EPWP Integrated Grant for Province	5,465	5,465	0	5,465	0	100
Total	5,465	5,465	0	5,465	0	100

The department spent R5, 465 million on its 2021/22 budget of the EPWP Integrated Grant for Provinces. This grant is utilised for projects such as the EPWP Maintenance programme that mainly deals with basic infrastructure activities and generic Office buildings.



PART C:

GOVERNANCE

1. INTRODUCTION

The Departmental leadership recognises the need to conduct the Department of Public Works affairs with upmost integrity and maintaining the highest standards of governance in accordance with generally accepted good corporate practises. To this end, the Department has a number of governance structures and process in place to ensure effective, efficient and economical utilisation of state resources.

2. RISK MANAGEMENT

The Department's Risk Management Committee provides strategic direction, oversight and leadership in monitoring and reporting on risk management and Fraud Prevention. The Committee meets quarterly and ensures the implementation of the department's risk management policy and that appropriate procedures are in place to identify, assess, and manage strategic and operational risks of the department.

The Department reported quarterly to the Cluster Audit and Risk Committee who is responsible for the oversight and evaluation of the Department's performance. The Department has implemented the Risk Management Policy. The Departmental Risk Management process includes conducting a Strategic Risk Assessment and Operational Risk Assessments for Business Units, Regional Offices and District Offices. During the Risk Assessments, emerging risks are recorded, controls identified and risk mitigation plans developed. The Department continued to monitor and manage the impact of identified risks and to ensure timeous corrective action to mitigate the impact of these risks.

3. FRAUD AND CORRUPTION

The Department considers fraud prevention as an integral part of its overall Departmental Risk Management Strategy. The Department has implemented the Fraud Prevention Policy to ensure a zero-tolerance to fraud in the Department. The Policy contains clear response mechanisms to report, investigate and resolve incidents of fraud and corruption that affect service delivery in the Department.

The Department specifically focuses on fraud prevention through the conducting of awareness workshops. The Department successfully hosted four anti-fraud awareness workshops on 17 and 19 November 2021 during the International Fraud Awareness Week. During this week, daily notices were circulated with audio-visual clips informing employees about the nature and impact of fraud as well as the channels that can be used to report such incidents in anonymity. The workshops highlighted the prevention and detection of fraud, the importance of maintaining effective control and in ensuring that continuous monitoring and oversight are performed. Four other anti-fraud workshops were held at District Offices.

To promote a culture of zero tolerance towards corruption, all new officials are trained on Ethical Conduct, Fraud and Corruption and are informed of the various channels available for reporting. The Department has an Anti-Fraud and Anti-Corruption Whistle Blowers email (ReportFraud@kznworks.gov.za) and Hotline (082 804 3293) that staff and members of the public can use to report any alleged acts of unethical conduct.

The Fraud and Ethics Risk Register was developed together with a Covid-19 Fraud and Ethics Risk Register with risk mitigation action plans in an attempt to totally eradicate fraud.

4. MINIMISING CONFLICT OF INTEREST

The Department's Integrity Management Committee provides strategic direction, oversight and leadership on Integrity Management. The Committee meets quarterly and is responsible for the monitoring and reporting on Integrity Management and Anti-Corruption initiatives to ensure good governance through development of an ethical culture within the Department.

The Department has implemented the Other Remunerative Work Policy, the Gifts and Hospitality Policy, the Conflict of Interest Policy, the Whistle Blowers Policy and the Ethics Policy.

The Department strives for full compliance to all the requirements of DPSA to ensure that employees accurately declare financial interests on an annual basis. The Department achieved a 100% electronic financial disclosure submission rate for all Senior Managers, Deputy Managers, Supply Chain Personnel and Finance Personnel. The Department is one of the three Departments in the province that successfully implemented Lifestyle Reviews in January 2022. No adverse findings were identified hence no Lifestyle Audits or Investigations were necessary.

The Department has initiated a Fraud and Ethics Survey for all staff. All employees were encouraged to participate. The results will inform the Fraud and Ethics Risk Assessments as well as direct the Anti-Fraud and Ethics Strategy's, and their respective implementation plans.

The Department has adopted the Office of the Premier's slogan of ***"I do right"*** and is branding all awareness workshops with this slogan. The Department has embarked on awareness campaigns with the use of posters, which were placed close to and inside elevators, and at reception areas at Head Office, Regional and District Offices. These posters highlighted the topics of Ethics and Fraud Survey, Medical Aid Fraud, Misuse of Departmental Resources, Nepotism, Fraud relating to the Backdating of Documents, *"I Know, I Act, I Stop"* and *"School Feeding Scheme Fraud Leaves Deserving Children Hungry"*.

Numerous notices were circulated to all employees encouraging them to register and complete the National School of Government free Ethics Online Course with the view to inspiring an ethical culture within the Department.

The Department is also implementing mandatory requirements for appointment of new officials. Appointment letters will include the requirements for financial disclosures, the acceptance of gifts, Other Remunerative Work outside the Public Service and the responsibility of reporting fraud and corruption. All new officials must complete a financial disclosure form on appointment. These financial disclosures will be verified against the relevant government databases as required by DPSA.

The Department is also utilising multi-media material to promote ethical conduct, for uploading onto the Departments website. The first production was on whistle-blowing mechanisms published.

5. CODE OF CONDUCT

The Department continued to hold workshops to implement the Public Service Code of Conduct as developed by DPSA. This is aimed at upholding high standards and ensuring ethical behaviour by employees. The Department also has the following prescripts in place to assist Managers/ Supervisors with systematic processes in implementing the following prescripts: Guide on Formal and Informal Discipline, Abscondment Procedure & Grievance Handling Timeframes.

Employee Relations had targeted Eight (08) Workshops on Labour Relations Policies and Procedures.

- The Sub-directorate conducted twelve (12) workshops. The target was over achieved due to new appointments.

This was supplemented by the Public Service Coordinating Bargaining Council (PSCBC) resolutions such as Disciplinary Procedure (Resolution 1 of 2003) and Grievance Procedures (Resolution 14 of 2002) in the public service to deal with disciplinary matters as well as formal complaints from employees.

- There were four (04) misconduct cases handled, three (03) cases were finalised within prescribed time and one (01) case pending, which marks a 75% achievement.
- There were three (3) grievances lodged and all grievances were finalised within prescribed timeframe. That marks 100% percent achievement.
- There were eleven (11) dispute cases lodged. Ten (10) cases were finalised. Nine (09) cases were finalised in favour of the Employer and one in favour of the applicant. One (01) dispute case is pending. That marks 97% percent achievement.

In order to prevent, minimise or resolve complaints and grievances with a view of enhancing service delivery at all levels the Department had established and implemented the Labour Relations Consultative Fora.

- As per our Operational Plan, we had to conduct twenty (20) WLRSC meetings and the PWLRSC to be conducted when necessary. Each Region / Head Office had to conduct four (4) WLRSC meetings.
- Head Office two (02), EThekweni Region one (01), Midlands Region (0), North Coast Region (0) and Southern Region (0).

The under achievement was caused by unavailability of laptops/computers for the Organised Labour to have virtual meetings during the pandemic, unavailability of members and or non-submission of agenda items.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act, 1993 (Act 85 of 1993) imposes a responsibility on the Department to ensure the physical safeguarding of its infrastructure sites, as well as ensuring the physical health and safety of the contractor and his/her employees. To this end, the minimum requirements relating to how this risk should be managed on infrastructure sites has been standardised and built into the Construction Tender Document suites prescribed by the CIDB.

WORKPLACE SAFETY (EHW)

The Department prioritizes issues of Health, Safety and the Environment and has a fully functional OHS committee, which convenes on regular basis to review health, safety and environmental matters.

The Department prioritizes issues of Health, Safety and the Environment and has a fully functional OHS committee, which convenes on regular basis to review health, safety and environmental matters.

In support of effective Occupational Health and Safety, the department has trained 29 employees on First Aid Level one, Basic Fire Fighting and Legal Liability, Safety Health Representatives training. The evacuation procedure was approved by Head of Department. 2 Evacuation exercises were conducted. 8 SHERQ awareness sessions. Occupational Health and Safety awareness sessions

were conducted for staff. Legal appointments were done in line with Occupational Health & Safety Act. In March 2022, no emergency evacuation drills were conducted due to COVID-19. However newsletters of safety issues were circulated departmentally. Floor plans were designed and displayed in all strategic positions to show the exit points in case of emergency.

OHS compliance inspections are conducted in all offices on quarterly basis. The approved Guideline in mitigating transmission of COVID-19 in the workplace is in place. COVID-19 Steering Committee established at Head Office and Regions and are functional. Approved Terms of Reference (TOR) are in place and functional.

The Accounting Officer formally appointed the Compliance Officers at Head Office and Regional Offices and Districts. All Departmental buildings were deep cleansed. All departmental offices are deep cleansed at regular intervals and when a COVID-19 case has been reported.

Security Officers were trained on the use of thermostats for temperature testing as well as sanitizing of employees entering the buildings. 66 thermometers procured and issued to all offices. SHERQ inspections have been conducted in all offices. Checklist is in place (using SHERQ and incorporating COVID Regulation Requirements. Fifty thousands (50 000) disposable masks have been procured and distributed to all employees. The department has further procured 6000 cloth masks, which have been distributed to all employees. Sanitisers are being provided to employees. Psychosocial support and mental wellbeing programmes are provided to employees who are affected and infected by the pandemic. The Department holds Covid 19 steering committee quarterly meetings in monitoring departmental implementation of Covid 19.

Newsletters with Covid 19 awareness are circulated on monthly basis.

Covid 19 screening is done on daily basis at departmental main Entrance

Sanitizers are placed in strategic points departmentally.

Social distance markers are placed in strategic points.

Employees are encouraged to vaccine through circulated newsletters.

Inspections are done quarterly in ensuring the compliance of OHS ACT.

Fire extinguishers are serviced through out the Department.

7. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Has the Department applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	
Developing and implementing a preferential procurement policy?	YES	The Supply Chain Management Policy for Infrastructure Procurement and Delivery Management as well as the Supply Chain Management Policy for Goods and Services has been aligned to target designated groups.
Determining qualification criteria for the sale of state-owned enterprises?	NO	Immovable Property is sold at market related prices.
Developing criteria for entering into partnerships with the private sector?		
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N / A	

8. PORTFOLIO COMMITTEES

The Department has regular engagements with the Public Works Portfolio Committee. Most matters and concerns raised by the Portfolio Committee have been addressed by the Department during the year under review.

The table below reflect matters that have been addressed.

DATE	KEY MATTERS & REPORTS PRESENTED
22 June 2021	<ul style="list-style-type: none"> 2020/21 4th Quarter Report Adoption of reports: <ul style="list-style-type: none"> Oversight visit: St Francis Hospital 12.05.21 Oversight visit: Catherine Booth Hospital 12.05.21 Oversight visit: Tongaat Special School 13.05.21 Oversight visit: GJ Crookes Hospital 01.06.21 Oversight visit at DARD and DSD Office Accommodation
09 July 2021	<ul style="list-style-type: none"> Risk Management Remedial Plan Update report on the fraud and corruption case Plan in response to issues raised by the AG Progress on Strategic Infrastructure Development Agency (SIDA) Adoption of Committee Reports <ul style="list-style-type: none"> Oversight visit: Phongola Municipality 22.06.21 Report of Committee Workshop: 04.02.21
07 September 2021	<ul style="list-style-type: none"> 2021/22 1st Quarter Performance (Finance and Non-financial) Department's Responses to Resolutions of Sectoral Parliaments <ul style="list-style-type: none"> 2020 Senior Citizen's Parliament 2020 Disability Parliament Oversight visit at Madadeni Hospital and Dundee JS School projects
12 November 2021	<ul style="list-style-type: none"> Committee Oversight visits: <ul style="list-style-type: none"> Panorama Combined School Rehabilitation and Refurbished Project Osizweni Service Office (DSD) Upgrades & Additions Project Newcastle Hospital Projects: Installation of Packaged HVAC Units Newcastle Hospital Projects: Roof, Fencing, Waste
17 December 2021	<ul style="list-style-type: none"> Portfolio Committee Stakeholder interactive session <ul style="list-style-type: none"> Overview of the 2019/20 Annual Report Draft 2022/23 Annual Performance Plan Draft 2022/23 Budget
03 February 2022	<ul style="list-style-type: none"> 2021/2022 2nd Quarter report (Financial and non-financial) Oversight visit at Mdladla High School project
07 March 2022	<ul style="list-style-type: none"> Draft 2022/23 APP and Budget reports Oversight visit at JG Zuma High School project
15 March 2022	<ul style="list-style-type: none"> 3rd Quarter Financial and non-financial Performance 2022/23 APP and Budget Oversight visits at Xoloxolo Primary School

9. SCOPA RESOLUTIONS

The table below are resolutions that emanated from the hearings that pertain specifically to the Department.

SCOPA RESOLUTION	SUBJECT	PROGRESS
Resolution 279/2021	Material Impairments: Inter-Departmental Accounts: R211.20 million	<p>The total amount due from client departments amount to R661.3 million as at 28 February 2022.</p> <p>In terms of the Provincial Treasury Instruction Note No.1, disputes must be submitted in writing to the department which has submitted a claim. DPW is not aware of any disputes from client departments except those raised by the Department of Education. DPW and DoE continue to engage on these matters for a speedy resolution.</p> <p>DPW continues to engage client departments through client liaison meetings, and the Provincial Treasury task team. Account statements are also sent to clients on a monthly basis to facilitate the reconciliation process.</p>
Resolution 280/2021	Expenditure Management and Consequence Management: Irregular expenditure of R378.73 million in 2020/21 (Prior years' balance not yet condoned: R52.214 million)	<p>Irregular expenditure on leases: (R355.8m)</p> <p>In instances where the lease is due to expiry and the long term plan or process is not finalised by the Department, due to various reasons, the Department of Public Works would prepare requests to the Provincial Treasury for deviation as a short-term measure. This is done in terms of the National Treasury Instruction Note 03 of 2016/2017.</p> <p>In the process there would instances where the approval is not yet obtained, due to various reasons and the client would still be in occupation, it therefore becomes impossible for the Department not to process the payments, none of the payment would result in serious challenges like lock-outs and or legal action taken by landlords. Further to that on 08 February 2018, the Provincial Treasury advised the Department of Public Works that where contracts have already expired payments to all landlords need to be honoured.</p> <p>The following are the strategies that are being put in place to prevent the irregular expenditure in respect of leases:</p> <ul style="list-style-type: none"> ▪ Decentralisation of evaluation of bids to an amount of R10 million to the regional offices, with stringent controls. ▪ Submission of requests for deviations sent to the Provincial Treasury at least two months before the expiry of the running lease. ▪ All payments to be accompanied by a signed lease agreement or an approval from the Accounting Officer or from Provincial Treasury in line with the National Treasury Instruction Note 03 of 2016/2017. In case where there is no approval or signed lease agreement, a detailed explanatory note of the status of the lease and admission of accountability for consequence management is required. <p>Irregular Expenditure: Employee vetting not established prior to appointment: (R22.4m)</p> <p>A service provider has been appointed to undertake vetting on all new recommended candidates prior to the appointment being approved, the contract is for 36 months and it is envisaged that this intervention will prevent a recurrence of irregular expenditure iro vetting.</p> <p>Irregular Expenditure: eThekweni Region – Declaration of Interest (SBD 4) and Bidder's Past Supply Chain Management Practices (SBD 8) not signed by bidder (435.645)</p> <p>To hold all staff involved in the process regardless of levels accountable by signing the checklist, as opposed to focus on supervisors. This action will ensure that each individual exercise due-diligence in the process. We are of the view that this action will improve focus and attention of staff and subsequently eliminate future findings.</p>

SCOPA RESOLUTION	SUBJECT	PROGRESS									
		<p>Details of the findings and recommendations of the six cases already investigated, the outcomes of the disciplinary matters and the sanctions imposed, as well as steps taken to recover losses, where applicable.</p> <p>Progress made in the determination testing and submission of the 2020/21 irregular expenditure (R378.73 million) and the balance of the prior years' irregular expenditure (R52.214 million) to Provincial Treasury for condonation.</p>									
Resolution 281/2021	Forensic Investigations	<p>The Department Response (From ERIM)</p> <p>[1] Twelve cases are in progress</p> <p>[2] Four cases were finalised and the progress with the implementation of recommendations is as follows:</p> <table> <tr> <th>Case/Investigation</th><th>Status</th><th>Summary of Implementation of Recommendations</th></tr> <tr> <td>i. 1 FR19/2011 - Alleged fraud, corruption other irregularities, Real Estate Property Management, Lease Rental</td><td>Completed</td><td> <p>(a) All recommendations for disciplinary action were implemented. (One official was issued a final written Warning and transferred to another component)</p> <p>(b) The Department is in the process of disposing the property at a market related rate and is attending to the eviction and recovery. Legal proceedings have been instituted for the eviction of the illegal occupant, which he has opposed. Awaiting hearing date from the State Attorney.</p> </td></tr> <tr> <td>ii. 2 FR15/2015 - Investigation of possible fraudulent activities on WIMS (Sihlose Okuhle Trading 28cc)</td><td>Completed R620 000</td><td> <p>(a) All recommendations for disciplinary action were implemented. (One official was dismissed, two officials received three months suspension without pay with a final written warning, one official was suspended for one month without pay with a final written warning and three officials received final written warnings)</p> <p>(b) A criminal case were opened at Ladysmith SAPS. [SAPS - CAS Ladysmith (586/10/15)]</p> <p>(c) One official pleaded guilty and was sentenced to five years with conditions.</p> <p>(d) Summons were served on the Service Provider for the recovery of R 620, 000. A payment of R30, 000 has been received to date. With the last payment being in June 2020. As no further payments were received, the State Attorney was instructed to proceed with a warrant of execution to attach the debtor's movable assets.</p> </td></tr> </table>	Case/Investigation	Status	Summary of Implementation of Recommendations	i. 1 FR19/2011 - Alleged fraud, corruption other irregularities, Real Estate Property Management, Lease Rental	Completed	<p>(a) All recommendations for disciplinary action were implemented. (One official was issued a final written Warning and transferred to another component)</p> <p>(b) The Department is in the process of disposing the property at a market related rate and is attending to the eviction and recovery. Legal proceedings have been instituted for the eviction of the illegal occupant, which he has opposed. Awaiting hearing date from the State Attorney.</p>	ii. 2 FR15/2015 - Investigation of possible fraudulent activities on WIMS (Sihlose Okuhle Trading 28cc)	Completed R620 000	<p>(a) All recommendations for disciplinary action were implemented. (One official was dismissed, two officials received three months suspension without pay with a final written warning, one official was suspended for one month without pay with a final written warning and three officials received final written warnings)</p> <p>(b) A criminal case were opened at Ladysmith SAPS. [SAPS - CAS Ladysmith (586/10/15)]</p> <p>(c) One official pleaded guilty and was sentenced to five years with conditions.</p> <p>(d) Summons were served on the Service Provider for the recovery of R 620, 000. A payment of R30, 000 has been received to date. With the last payment being in June 2020. As no further payments were received, the State Attorney was instructed to proceed with a warrant of execution to attach the debtor's movable assets.</p>
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SCOPA RESOLUTION	SUBJECT	PROGRESS		
		Case/Investigation	Status	Summary of Implementation of Recommendations
				(e) The criminal trial did not take place due to the Service Provider's representative allegedly being sick. The trial was postponed to 2 February 2022, however, this did not proceed due to the Service Provider changing legal representation and the matter being transferred to the PMB Commercial Crimes Court. The matter has been adjourned to the 7 April 2022 for dates to be agreed upon for trial.
		iii. 3	FR02/2018 - Allegations of fraud and collusion against the project leader for school of industries project: repair of roof: ZNB 17/255/2/3-S	Completed R97 587 (a) All recommendations for disciplinary action were implemented. (Four officials received verbal warnings and one official's file was transferred to the Department of Agriculture and Rural Development as the official was no longer worked at the Department of Public Works) (b) In terms of action against the Service provider Legal Services has suggested that the Department either lodge a complaint with the Competition Commission or refer a written request for the investigation to the Commission in terms of National Treasury Practice Note on Prohibition of Restrictive Practices. The Commission will investigate and refer to the competition tribunal and possible sanctions include penalties, order to cease engaging in prohibited practices, possible restriction. The Department is considering the legal opinion and is preparing a complaint to the competition commission. (c) The Department has also requested that PIAS assist in registering a criminal case on the Department's behalf. The initial investigator has left OTP and the Deputy Director has been assigned this matter to draft the affidavit. An A1 Statement has been drafted and a criminal case is in the process of being registered. Feedback from OTP Forensics Unit is that SAPS PMB has referred the case to SAPS Newcastle (Amajuba) because the amount is below R60 000. OTP Forensics will be going to Newcastle on 23 March 2022 with the exhibit file.

SCOPA RESOLUTION	SUBJECT	PROGRESS													
		<table><tr><th colspan="2">Case/Investigation</th><th>Status</th><th colspan="2">Summary of Implementation of Recommendations</th></tr><tr><td>iv. +4</td><td>FR 26/2018 - Investigation into Nzinto Supply and Security Services</td><td>Completed</td><td colspan="2">(a) The Department has requested the Service Provider to make representations regarding the submission of fraudulent documents before making a decision to restrict the supplier. (b) The Service Provider has made representations opposing the restrictions. The department is considering the representation. (c) Submission being prepared to the AHOD regarding the representations made.</td></tr></table>				Case/Investigation		Status	Summary of Implementation of Recommendations		iv. +4	FR 26/2018 - Investigation into Nzinto Supply and Security Services	Completed	(a) The Department has requested the Service Provider to make representations regarding the submission of fraudulent documents before making a decision to restrict the supplier. (b) The Service Provider has made representations opposing the restrictions. The department is considering the representation. (c) Submission being prepared to the AHOD regarding the representations made.	
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Resolution 290/2021	Filling of critical posts (relating to Transversal Resolution)	<p>a) The Department remains committed to filling critical vacant posts. As at 23 March 2022, the department has filled twenty four (24) posts of which fourteen (14) posts were in the professional disciplines. On 15 September 2021, the Premier granted approval for one (01) SMS post and forty nine (49) vacant critical posts to be filled which arose due to natural attrition, comprising eight (08) x Middle Management, nine (09) x Junior Management, ten (10) x Professionals, eight (08) x Technical and fourteen (14) Administrative posts.</p> <p>b) As at 18 March 2022, a total of 52 posts are at various stages of filling as detailed below;</p> <p>1 x awaiting re-advertising, due to no suitable candidates 2 x awaiting approval to review panel 1 x awaiting shortlisting 18 x awaiting interviews 20 x awaiting vetting and approval to appoint 10 x awaiting assumption of duty</p>													
Resolution 291/2021	Transversal Resolution: Compliance with HRM matters	<p>(a) All (100%) SMS members have submitted their 2021/2022 performance agreements. Circulars are issued to inform members about the submission dates and reminders also sent close to the closing date. (No change)</p> <p>(b) All SMS members have been vetted. (No change)</p> <p>(c) All (100%) of SMS members submitted their eDisclosures (Financial Disclosures).</p> <p>The qualification for all SMS members have been verified. A service provider has also been appointed to ensure that the department complies with the verification of qualifications.</p>													

SCOPA RESOLUTION	SUBJECT	PROGRESS
Resolution 292/2021	Officials doing business with the State	<p>[1] The following steps were taken to monitor compliance with the legal prescripts relating to the prohibition of officials doing business with the state:</p> <ul style="list-style-type: none"> (a) SCM Audits are periodically performed on bids to identify if bidders are employed by the state (b) SCM performs a CSD (Central Supplier Database) check on all prospective bidders. This check includes a section that indicates whether Directors/ Members are employed by the State. This checklist is monitored by the Bid Evaluation Committee and the Bid Adjudication Committee. (c) SCM performs a Public servant verification using the DPSA online Public servant verification system. This checklist is monitored by the Bid Evaluation Committee and the Bid Adjudication Committee. (d) CIPC verification checks are performed on submitted Financial Disclosures. These verifications are monitored by the Ethics Officers. (e) Lifestyle Audits have been implemented which includes a CSD check on selected internal officials. These verifications are monitored by the Ethics Officers. (f) The Auditor General, Provincial Internal Audit Services and DPSA periodically provide CAATs (Computer Aided Auditing Techniques) reports which are reports that analyses data at a National level from the Human Resources System - PERSAL, the accounting system – BAS, Central Supplier Database and CIPC to identify officials whom are directors of companies that are registered on CSD and have traded with Departments. The Department investigates all cases when CAATs reports are received from these institutions. <p>[2] The Department checks the Central Supplier Database for all bids to verify that bidders (members or directors) are not employed by the state and not awarded tenders or contracts. Public Servants checks are also performed using the <i>DPSA Public Servant Verification System</i>. These checks are printed and filed in the tender file for review/ monitoring against the SCM Checklist.</p> <p>[3] The Department only received a report from DPSA via OTP indicating five department officials that were <u>allegedly</u> conducting business with the state for further investigation. All data contained in the DPSA report (CAATs report) was investigated. It was determined that the DPSA report contained historical data. The data did not accurately relate to the officials current activities as all transactions relating to current officials had occurred <u>before</u> they had been appointed by the state. Hence, all five officials were found <u>not to have conducted business with the state while being employed by the state</u>.</p> <p>[4] No officials conducted business with the State hence no disciplinary action was required.</p>

10. PRIOR MODIFICATIONS

The Department received an unqualified audit opinion for 2020 / 2021 financial year.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter*
Unqualified Audit Opinion	2020 / 2021	Audit Action Plan

11. INTERNAL CONTROL UNIT

N/A

12. INTERNAL AUDIT AND AUDIT COMMITTEE

Internal Audit implements a Risk-based Internal Audit plan annually. It performs a support role to management by ensuring periodic audits and reports are produced based on evaluation of the Department's system of internal controls and risk management processes. Internal Audit also assesses the Department's ability to comply with legislative requirements as well as performance of its function in accordance with the mandate and commitment made in the strategic plan.

The Audit Committee has been appointed in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999) ("PFMA") as amended and members discharge their functions in accordance with the PFMA, Treasury regulations and Audit Committee Charter. Members have at each Audit Committee meeting engaged management on, among others, matters relating to performance and financial management weakness identified by internal and external auditors during the financial year.

13. REPORT OF THE AUDIT & RISK COMMITTEE ON VOTE 14 – PUBLIC WORKS

The Audit Committee herewith presents its report for the financial year ended 31 March 2022, as required by Treasury Regulation 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit & Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The KZN Department of Public Works is served by the Economic Sector and Infrastructure Development (ESID) Cluster Audit & Risk Committee.

The Audit Committee reports that it has adopted formal terms of reference contained in its Audit and Risk Committee Charter. The Committee complied with its responsibilities arising from the Public Finance Management Act and Treasury Regulations; except that the Committee was not fully constituted for the full financial year.

1. Audit Committee Members and Attendance

The PARC and ESID CARC consisted of the members listed hereunder who have met as reflected below.

#	Name of Member	PARC Meetings Attended	ESID CARC Meetings Attended
1.	Mr S Simelane (Acting Chairman of PARC and ESID CARC)	2 of 2	1 of 1
2.	Mr V Ramphal	2 of 2	1 of 1
3.	Mr P Christianson	2 of 2	N/A*
4.	Ms T Njozela	2 of 2	N/A*
5.	Mr D O'Connor	2 of 2	N/A*
6.	Mr M Tarr	2 of 2	1 of 1

*refers to PARC members who did not serve on the ESID CARC

The contracts of five members ended on 31 October 2021 following a two-term of 3 years each. On 18 May 2022, new Provincial Audit and Risk Committee members were appointed by the MEC for Finance for a period of 3 years. The new Provincial Audit and Risk Committee met on 28 & 29 May 2022 to review the Annual Financial Statements for the 2021/22 financial year; and held a special PARC meeting in June 2022 to deal with outstanding internal audit reports relating to the 2022 financial year. The table below provides details of the newly constituted PARC and attendance of meetings held subsequent to the financial year-end:

#	NAME & SURNAME	MEETING	
		AFS Review	Special PARC
1.	Mr Z Zulu – PARC Chairperson	√	√
2.	Mr M Tarr	√	√
3.	Ms S Makhathini	√	√
4.	Mr S Mthethwa	√	√
5.	Ms R Ramphal	√	√
6.	Mr S Maharaj	√	√

2. The Effectiveness of Internal Control

The Committee has reviewed the reports of the Provincial Internal Audit Service (PIAS), the Audit Report on the Annual Financial Statements and Management Report of the Auditor General of South Africa (AGSA) and has noted with concern the weaknesses in controls in IT Continuity Management and inadequate controls being implemented to prevent the occurrence of irregular expenditure and other procurement related non-compliance from taking place.

The Committee noted with concern the control deficiencies identified by the auditors, both internal and external. Although management interventions on certain control weaknesses were considered by the Committee, the Accounting Officer is urged to urgently implement strategies that will prevent any further regression on audit outcomes.

3. Effectiveness of Internal Audit

PIAS activities were reviewed by the Committee during the special PARC and CARC monitoring processes. The Committee evaluated PIAS' reports detailing the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with the operational and strategic activities of the department.

The PIAS planned to conduct fourteen (14) audit assignments for the period under review, of which thirteen (13) were finalised and one (1) was carried over with the approval of the Audit Committee.

The Committee is satisfied that PIAS performed effectively during the period under review. During the 2022/23 financial year, the Committee will continue to monitor the progress made by the PIAS against its operational plans in order to ensure that it continues to fulfil its mandate and add value to the Department.

4. Risk Management

The responsibilities of the Committee with respect to risk management are formally defined in its Charter. For the period under review, the Committee's responsibilities have been focused, amongst other things, on the quarterly review of the Department's risk register and monitoring progress against the risk management operational plan.

As at the end of the 2021/22 financial year, the Department's risk register status was as follows:

Focus areas	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
Number of Identified Risks	0	12	13	01	0	26
Number of Identified Action Plans	0	22	36	01	0	59
Number of Completed Action Plans	0	11	21	01	0	33
No. of Completed Action Plans as a Percentage (%)	N/A	50%	58%	100%	N/A	56%

The Committee notes the progress made by the Department in implementing 56% of its risk mitigation plans. The Department is advised to: 1) implement the remaining risk mitigation plans, particularly for risks classified as major and moderate and re-rate all risks that have completed action plans; 2) adequately capacitate the risk management function; and 3) implement the approved Provincial Risk Management and Combined Assurance Frameworks.

5. Quality of in year management and monthly/quarterly reports

Due to the Committee not being constituted for the full financial year, the Committee did not review all reports in respect to in year management and quarterly performance prepared and issued by the

Accounting Officer during the year under review in terms of the PFMA and the Division of Revenue Act. The newly appointed Committee will in the 2022/23 financial year ensure that all its responsibilities are met.

Based on the reports of the Auditor General, the Committee notes the concerns raised by the Auditor General with respect to material impairment of R 138,39 million (2020-21: R211, 20 million) which was incurred as a result of non-payment by other department.

6. Evaluation of Financial Statements

The Committee has:

- Reviewed and discussed the Annual Financial Statements, including the audit report, with the Accounting Officer, Auditor General and PIAS;
- Reviewed the Auditor General's Management Report;
- Reviewed the Department's processes for compliance with legal and regulatory provisions, where concerns have been noted with respect to strategic planning and performance management, consequence management, procurement and contract management and the failure to prevent irregular expenditure of R287, 541 million as a result of non-compliance with supply chain management prescripts; and
- Reviewed the conclusion on the reliability of performance information resulting from the audit of the Department. The Committee notes with concern the material misstatements in the performance information on programme 3, that the Department subsequently corrected.

7. Forensic Investigations

The Committee draws attention to paragraphs 37-38 in the audit report relating to investigations. The department and Forensic Investigation Services at the Office of the Premier are urged to promptly finalise the outstanding investigations and implement recommendations in the finalised investigations.

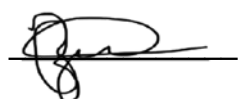
8. Auditor-General's Report

The Committee has met with the Auditor General of South Africa to discuss and evaluate the issues that emanated from the current regulatory audit. The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee concurs with and accepts the conclusion of the Auditor General's opinion on the Annual Financial Statements of an unqualified audit opinion and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

9. Appreciation

The Committee wishes to express its appreciation to the Management of the Department, the Auditor General of South Africa, and the Provincial Internal Audit Services for the co-operation and support they have provided to enable us to compile this report.



Mr Z Zulu

Chairperson: Provincial Audit and Risk Committee

15 August 2022



PART D:

HUMAN RESOURCE
MANAGEMENT

HUMAN RESOURCE MANAGEMENT – 2021/22

The statistics and information published in the Human Resources Management part of the annual report are required in terms of Regulation 31 of the Public Service Regulations, 2016 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service.

The tables were obtained from Department of Public Service and Administration (DPSA). Any input or clarification required should be directed to:-

Henk Serfontein
Department of Public Service and Administration
Henk_S@dpsa.gov.za

For a detailed description and explanation of the terminology used in this section of the report, please consult the publication from the DPSA entitled 'A guide to understanding the oversight report of departmental annual reports'. A copy of the guide is available from all departments or can be accessed from the DPSA website (www.dpsa.gov.za).

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

1. Service delivery

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

Table 1.1 – Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
1. Recruitment and selection of prospective employees.	General public, other state employees, Departmental employees.	Same	As per approved HRM SOPS	The recruitment process is currently taking approximately eight months to finalise, considering the advertising process and the implementation of vetting and qualification verification.
2. Management of employment changes within the Department (staff mobility)	Departmental employees and other Government employees.	Same	As per approved HRM SOPS	<ul style="list-style-type: none"> - Service terminations finalized within the officials last month of service. - Finalisation of transfers within one month of request.
3. Human Resource Development	Departmental employees; Prospective employees; Accredited Training service providers	Same	As per approved HRM SOPS	Development and implementation of WSP.
4. Development and implementation of Employee Health and Wellness (EHW)	<ul style="list-style-type: none"> - Departmental employees. - Immediate family members 	Contractors and consultants employed by the Department.	As per approved HRM SOPS	Approved and implemented Policies for EHW

5. Mainstreaming equity (gender, disability) throughout the Department's policies, programmes and practices.	<ul style="list-style-type: none"> - Departmental employees - Office of the Premier - Department of Labour - Prospective employees - Department of Public Service & Administration 	Contractors and consultants employed by the Department.	Compliance with National targets in terms of 50:50 gender representation and 2% disability and Race as per Economically Active Population in KZN	<p>All 5 Offices with the Department have their equity plans which serve as input to Departmental Employment Equity Plan. Annual Employment Equity report was submitted to Department of Labour .</p> <p>Employment Equity Committee meetings convene to monitor compliance. Public Works Offices are also accessible to people with disabilities throughout the province.</p> <p>Audit conducted within the Departmental staff to identify needs and provide assistive devices. 36% women at SMS senior management level against the National target of 50%.</p>
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Table 1.2 – Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
1. Consultative forums; Roadshows/ workshops internal circulars; newsletters/ Departmental Website.	Departmental employees	Same	<ul style="list-style-type: none"> - Elimination of communication barriers - Awareness of Department Policies and Procedures amongst staff

Table 1.3 – Service delivery access strategy

Access Strategy	Actual achievements
* Establishment of Help desk for EHW Services	Trained EHW focal persons
* Help desk services for SMME's	Accurately completed tender documentation. Awareness and training for SMME's
* Conversion of state building for easy access to people with disabilities.	Buildings converted by the Department as well as for client departments.
* Strategy for Reasonable Access also developed.	Upon approval of the strategy, it will be implemented in the Department.

Table 1.4 – Service information tool

Types of information tool	Actual achievements
Departmental website, newsletters, advertisements, circulars and standing radio slots	Posting of tender documents, vacancy advertisement, SOP's Policies, Translation of policies into Isizulu

Table 1.5 – Complaints mechanism

Complaints Mechanism	Actual achievements
<ul style="list-style-type: none"> • Fault logging office per region • Whistle blowing toll free lines • Suggestion boxes • Approved Grievance Procedure 	Facilities exist for complaints to be received and resolved. Service commitment charter is in place and implemented.

2. Expenditure – (01/04/2021 – 31/03/2022)

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

TABLE 2.1 – Personnel costs by programme, 2021/22

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)	Employment
Prog 1: Administration	434 051	311,851	2,375	1,805	61%	304	770
Prog 2: Real Estate	1155 349	56,594	0	4,080	4%	413	113
Prog 3: Prov of buildings	468,146	314,414	587	51,925	26%	352	480
Total	2 057,546	682,859	2,962	57,800	38%	332	1362

TABLE 2.2 – Personnel costs by salary bands, 2021/22

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average Cost per Employee(R)	Total Personnel Cost	Number of employees
Lower skilled (Levels 1-2)	3,741	0.50	233,813	701,515	16.00
Skilled (Levels 3-5)	163,771	23.30	278,997	701,515	587.00
Highly skilled production (Levels 6-8)	214,612	30.60	466,548	701,515	460.00
Highly skilled supervision (Levels 9-12)	210,392	30.00	756,806	701,515	278.00
Senior management (Levels 13-16)	38,697	5.50	1 334 379	701,515	29.00
Contract (1-2)	181	0.00	181000	701,515	1.00
Contract (3-5)	765	0.10	255000	701,515	3.00
Contract (6-8)	7918	1.10	465,765	701,515	17.00
Contract (9-12)	29,945	4.30	696,395	701,515	43.00
Contract (13-16)	4 536	0.60	1512 000	701,515	3.00
Contract Other	14,704	0.40	36,892	701,515	74.00
Periodical Remuneration	14 704	2.10	15 511	701,515	948.00
Total	682,847	98.60	281,412	701,515	1362.00

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2021/22

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
1 Administration	250,449	78.00%	244.00	0.10%	12,022	3.70%	23,633	7.40%
2 Real Estate	46,510	80.00%	7.00	0%	1,936	3.30%	3,233	5.60%
3 Provide building Structure & Equipment	265,904	82.50%	30	0%	8,727	2.70%	14,185	4.40%
Total	562,863	80.20%	281.00	0.10%	22,685	3.20%	41,051	5.90%

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2021/22

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total Cost Per Salary Band
	Amount (R'000)	Salaries as a % of personnel Cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost	
Lower skilled (Levels 1-2)	2,530.00	67.60	119.00	3.20	329	8.80	422	11.30	3,744
Skilled (Levels 3-5)	118,219	72.10	87.00	0.10	10,483	6.40	18,198	11.10	163,937
Highly skilled production (Levels 6-8)	167,712	77.80	35.00	0	8,043	3.70	15,733	7.30	215,571
Highly skilled supervision (Levels 9-12)	180,257	83.30	0	0	3,408	1.60	6,184	2.90	216,603
management (Levels 13-16)	34,515	85.60	0	0	371	9.90	466	1.20	14,298
Contract (1-2)	147	81.20	0		0	0		0	181
Contract (3-5)	697	90.40	40	5.20	18	0	0	0	771
Contract (6-8)	7,807	98.30	0	0	0	0	0	0	7,944
Contract (9-12)	29,470	96.20	0	0	34	0.10	48	0.20	30,622
Contract (13-16)	4,100	87.20	0		0	0	0	0	4,703
Contract Other	2,707	98.90	7	0	0	0	0	0	2,738
Periodical Remuneration	14,704	100.00	0		0	0	0	0	14,704
Total	562 863	80.20	281.00	0%	22,685	3.20	41,051	5.90	701,515

3. *Employment and Vacancies*

The following tables summarize the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: - programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by programme, @ 31 March 2022

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
1 Administration	770	754	0	45
2 Real Estate	113	105	1.70	2
3 Provide building Structure & Equipment	480	652	5.7%	90
Total	1362	1,511	2.7%	137

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2022

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	23	16	0	0
Skilled (Level 3-5)	625	587	0.60%	4
Highly skilled production (Levels 6-8)	498	460	2.40%	0
Highly skilled supervision (Level 9-12)	317	278	3.40%	2
Senior management (Levels 13-16)	28	29	15.4%	0
Contract (Levels 1-2)	1	1	0	74
Contract (Levels 3-5)	4	3	0	0
Contract (Levels 6-8)	24	17	0	2
Contract (Levels 9-12)	40	43	0	15
Periodic remuneration	55	3	0	40
Total	1,362	1,511	2.7%	137

TABLE 3.3 – Employment and vacancies by critical occupation, @ 31 March 2022

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Engineer	20	14	30	0
Architect	15	11	26	0
Quantity Survey	21	18	14.2	0
Construction Project Manager	37	28	24.3	0
Total	93	71	28.6	0

3.4 FILLING OF SMS POSTS**TABLE 3.4.1 SMS POST INFORMATION AS AT 31 MARCH 2022**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	1	100	0	0
Salary level 16	0	0	0	0	0
Salary Level 15	3	2	66.7%	1	33.3%
Salary Level 14	3	2	66.7%	1	33.3%
Salary Level 13	27	26	96.3%	1	3.7%
Total	34	31	91.2%	3	8.8%

TABLE 3.4.2 SMS INFORMATION AS AT 01 APRIL 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	1	100%	0	0
Salary level 16	0	0	0	0	0
Salary Level 15	3	2	66.7%	1	33.3%
Salary Level 14	3	2	66.7%	1	33.3%
Salary Level 13	27	26	92.6%	2	7.4%
Total	34	31	82.2%	4	11.8%

TABLE 3.4.3 ADVERTISING AND FILLING OF SMS POSTS FOR THE PERIOD 1 APRIL 2020 TO 31 MARCH 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	1	100%	0	0
Salary level 16	0	0	0	0	0
Salary Level 15	3	2	66.7%	2	33.3%
Salary Level 14	3	2	66.7%	2	33.3%
Salary Level 13	27	25	92.3%	1	3.7%
Total	34	30	91.2%	3	8.8%

TABLE 3.4.4 Reasons for not having complied with the filling of funded vacant SMS – Advertised within 6 months and filled within 12 months after becoming vacant in the period 1 April 2021 to 31 March 2022.

Reasons for vacancies not advertised within six months

Posts has to be subjected to the job evaluation process

Reasons for vacancies not filled within six months

Posts has to be subjected to the job evaluation process

TABLE 3.4.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months after becoming vacant in the period 1 April 2021 to 31 March 2022.

Reasons for vacancies not advertised within six months

None

Reasons for vacancies not filled within six months

None

None

4. Job Evaluation

The Public Service Regulations, 2016 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organization, except for jobs evaluated and graded by the Minister in terms of sub regulation (2)(d) or jobs determined in terms of an Occupation specific dispensations (OSD). In the case of a new job, evaluate the job in terms of the job evaluation and job grading system referred to in regulation 41(1), except in the case of job determined in terms of OSD, or jobs graded by the Minister in terms of regulation 41(2)(d). In the case of a vacant post not determined in terms of an OSD or graded by the Minister in terms of regulation 41(2)(d), before filling the job, evaluate the job unless the specific job has been evaluated in the last 60 calendar month.

TABLE 4.1 – Job Evaluation, 1 April 2021 to 31 March 2022

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

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	19	0	0	0	0	0	0
Contract (1-2)	1	0	0	0	0	0	0
Contract (3-5)	4	0	0	0	0	0	0
Contract (6-8)	24	0	0	0	0	0	0
Contract (9-12)	40	0	0	0	0	0	0
Contract (Other)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	634	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	515	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	365	0	0	0	0	0	0
Senior Management Service (level 13 -16)	28	0	0	0	0	0	0
Periodic Remuneration	55	0	0	0	0	0	0
Total	1362	0	0	0	0	0	0

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2021 to 31 March 2022

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

TABLE 4.3 – Employees whose salary level exceeds the graded determined by job evaluation, 1 April 2021 to 31 March 2022 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Xxx				
Xxx		NONE		
Xxx				
Xxx				
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2010/11				
Percentage of total employment				

Table 4.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

TABLE 4.4 – Profile of employees whose salary level exceed the grade Determined by job evaluation, 1 April 2021 to 31 March 2022 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability	0				

[If there were no cases where the remuneration bands exceeded the grade determined by job evaluation, use the following table as TABLE 4.3]

Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2021/22	0
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5. *Employment Changes*

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2). (These “critical occupations” should be the same as those listed in Table 3.3).

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2021 to 31 March 2022

Salary Band	Number of employees per band as on 1 April 2021	Appointments	Service Terminations	Turnover rate
Lower skilled (Levels 1-2)	19	0	1	0
Skilled (Levels 3-5)	627	0	42	7.3.
Highly skilled production (Levels 6-8)	486	1	25	6.3
Highly skilled supervision (Levels 9-12)	285	16	17	6.2
Senior Management Service (Level 13 – 16)	30	0	1	3
Contract (1-2) Permanent	1	0	0	0
Contract (3-5) Permanent	4	1	3	0
Contract (6-8) Permanent	11	2	8	36.8
Contract (9-12) Permanent	0	2	19	33
Contract (13-16) Permanent	2	2		
Contract (Other)	0	0	11	60
Periodical Remuneration	0	0	0	
Total	1465	24	127	10.4

Turnover rate: No of employees + Appointments = X = No of terminations / x

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2021 to 31 March 2022

Occupation:	Number of employees per occupation as on 1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Engineer	63	0	11	
Architect	23	0	7	
Quantity Surveyor	25	0	4	
Construction Project Manager	16	0	6	
Total	127	0	28	

Table 5.3 identifies the major reasons why staff left the department.

Table 5.3 – Reasons why staff are leaving the department

Termination Type	Number	% of total Terminations	% of Total Employment	Total	Total Employment
Death	15	11.8	0.96	127	1465
Resignation	24	11.9	1.54	127	1465
Expiry of Contract	38	29.90	2.44	127	1465
Discharged due to ill-health	1	0.80	0.10	127	1465
Dismissal – misconduct	1	37.80	0.10	127	1465
Retirement	48	0.80	3.08	177	1465
Total	127	100%	8.22%	127	1465
Total number of employees who left as a % of the total employment		8.22%	8.15		

Table 5.4 – Granting of Employee Initiated Severance Packages

Category					
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled(Levels 3-5)	0	0	0	0	0
Highly skilled product (Levels 6-8)	0	0	0	0	0
Highly skilled supervision (Levels9-12)	0	0	0	0	0
Total	0	0	0	0	0

Table 5.5 – Promotions by critical occupation

Occupation	Employees as at 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Engineer	63	2	3.2%	0	0
Architect	23	3	13.04%	0	0
Quantity Surveyor	25	1	4.0		
Construction Project Manager	16	0	0	0	0
Total	127	6	4.7%	21	23

Table 5.6 – Promotions by salary band

Salary Band	Employees 1 April 2020	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	19	0	0	8	57
Skilled(Levels 3-5)	627	1	0.2		
Highly skilled product (Levels 6-8)	486	0	0		0
Highly skilled supervision (Levels 9-12)	285	1	0.40		69.4
Snr management (Levels13-16)	30	0	0	0	0
Contract (Levels 1-2)	1	0	0	0	0
Contract (Levels 3-5)	4	0	0	0	0
Contract (Levels 6-8)	24	0	0	0	0
Contract (Levels 9-12)	41	4	9.8		
Contract (Other)	41	0	0	0	3.3
Periodic Remuneration	48	0	0	0	0
Total	1558	6	0.40	0	

6. Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

6.1 – Total number of employees (including employees with disabilities) in each of the following Occupational categories as at 31 March 2022

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	18	1	4	1	14	0	2	1	41
Professionals	61	4	17	8	60	1	12	4	167
Technicians and assoc	111	1	5	4	149	5	18	13	306
Clerks	140	1	14	1	301	8	20	16	501
Service and sales workers	58	0	1	1	12	0	0	0	72
Craft and related trades workers	119	1	6	7	50	0	0	0	183
Plant and machine operators and assemblers	38	0	1	0	1	0	0	0	40
Elementary occupations	235	0	5	0	86	0	0	0	326
Other Perm	0	0	0	0	0	0	0	0	0
Total	780	8	53	22	673	14	52	34	1362
Employees with disabilities	21	0	0	3	7	0	1	1	33

6.2 – Total number of employees (including employees with disabilities) in each of the following bands Occupational as on 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	3	0	0	1	1	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	1	1	0	1	1	6
Semi-skilled and discretionary decision making	14	0	0	0	7	0	1	0	21
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract	0	0	0	0	0	0	0	0	
Total	19	0	0	2	9	0	2	1	33

6.3 – Recruitment for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	1	0	0	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management	10	1	1	0	3	0	1	1	17
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	0	0	0	2	0	0	0	5
Total	14	1	1	0	6	0	1	1	24
Employees with disabilities	0	0	0	0	0	0	0	0	0

6.4 – Promotions for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	4	1	1	0	0	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	1	0	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified) Permanent	0	0	0	0	0	0	0	0	0
Contract (Semi-skilled) Permanent	0	0	0	0	0	0	0	0	0
Total	4	1	1	0	1	0	0	0	7
Employees with disabilities	0	0	0	0	0	0	0	0	0

6.5 – Terminations for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	1	0	0	0	1	0	2
Professionally qualified and experienced specialists and mid-management	10	0	0	0	6	0	0	1	17
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	7	2	0	0	15	0	0	1	25
Semi-skilled and discretionary decision making	27	0	2	0	13	0	0	0	42
Unskilled and defined decision making	4	0	0	0	7	0	0	0	11
Contract (Prof qualified) Permanent	7	1	1	1	9	0	0	0	19
Contract (Skilled technician) Permanent	5	0	0	0	2	0	1	0	8
Contract (Unskilled permanent)	2	0	0	0	1	0	0	0	3
Total	62	1	4	3	53	0	2	2	127
Employees with disabilities	3	0	0	1	1	0	0	0	5

6.6 – Disciplinary action for the period 1 April 2021 to 31 March 2022

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Final written warning	0	0	0	0	0	0	1	0	0
Written Warning	0	0	0	0	0	0	0	0	0
Correctional Counseling	0	0	0	0	0	0	0	0	0
Verbal Warning	0	0	0	0	0	0	0	0	0
Suspended Without pay	1	0	0	0	1	0	0	0	2
Fine)	0	0	0	0	0	0	0	0	0
Demotion	0	0	0	0	0	0	0	0	0
Dismissal	0	0	2	0	0	0	0	0	0
Not guilty	0	0	0	0	1	0	0	0	1
Case withdrawn	1	0	0	0	0	0	0	0	1
Official resigned	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	2	0	1	0	4

6.7 – Skills development for the period 1 April 2021 to 31 March 2022

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	35	0	2	0	62	0	0	0	99
Professionals	46	2	7	3	29	0	1	0	88
Technicians and associate professionals	20	0	0	0	5	0	0	0	25
Clerks	112	0	0	0	116	1	15	0	244
Service & sales workers	0	0	0	0	0	0	0	0	0
Skilled agricult & fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	213	2	9	3	212	1	16	0	456

6.8 Signing of Performance Agreements by SMS Members**Table 6.8.1 Signing of Performance Agreements by SMS members as at 31 March 2022**

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of performance agreements signed	Signed performance agreements as a % of total number of SMS members
Head of Department	1	1	0	0
Salary level 16	0	0	0	0
Salary Level 15	3	2	2	100%
Salary Level 14	3	2	2	100%
Salary Level 13	25	24	22	97%
Total	32	29	26	98.9%

Table 6.8.2 Reasons for not having concluded Performance agreements for all SMS members on 31 March 2021

Reasons
Not applicable

Table 6.8.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2021

Reasons
Not applicable

7. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (table 6.2) and critical occupations (Table 6.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 01/04/2021 – 31/03/2022

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost R,000 (Actual)	Average cost per employee (R,000)
African Female	157	345	46	0	0
African Male	166	415	40	0	0
Asian Female	22	32	69	0	0
Asian Male	15	25	60	0	0
Coloured Female	5	8	63	0	0
Coloured Male	1	2	50	0	0
White Female	10	13	77	0	0
White Male	2	4	50	0	0
Employees with a disability	6	31	19	0	0
Permanent (Other)					
Total	384	875	45.00	0	0

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee R,000	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	2	10	20%	0	0	0
Skilled (Levels 3-5)	137	403	34%	0	0	0
Highly skilled production (Levels 6-8)	164	288	57%	0	0	0
Highly skilled supervision (Levels 9-12)	75	143	52%	0	0	0
Contract (Level 1-2)	0	0	0	0	0	0
Contract (Level 3-5)	0	0	0	0	0	0
Contract (Level 6-8)	0	0	0	0	0	0
Contract (Level 9-12)	0	0	0	0	0	0
Contract (Other)	0	0	0	0	0	0
Periodical Remuneration	0	0	0	0	0	0
Total	378	875	45%			0

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior**Management Service, 1 April 2020 to 31 March 2021****TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2020 to 31 March 2021**

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees as at 1 April 2019	% of total within occupation	Total Cost (R'000)	Average cost per employee
Engineer	3	5	60%	0	0
Architect	2	23	9%	0	0
Quant Surveyor	2	25	8%	0	0
Construction Project Manager	3	16	19%	0	0
Total	10	69	14%	0	0

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile						
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	% of SMS Wage Bill	Total cost as a % of the total personnel expenditure	Personnel cost SMS(R'000)
Band A	0	28	0	0	0	0	0
Band B	0	0	0	0	0	0	0
Total	0	28	0	0	0	0	0

8. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 – Foreign Workers, 1 April 2021 to 31 March 2022, by salary band

Salary Band	1 April 2020		31 March 2021		Change		Total Employment @ Beginning of Period	Total Employment at End of period	Total Change in Employment
	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)	1	0.1	1	0.1	0	0	1	1	0
Highly skilled supervision (Levels 9-12)	4	0.3	4	0.3	-1	100	5	4	-1
Senior management (Levels 13-16)	1	0	0	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0	0	0	0
Contract (Levels 9-12)	0	0.1	1	0.1	0	0	1	1	0
Total	6	0.3	6	0.3	-1	100	6	6	-1

TABLE 8.2 – Foreign Worker, 1 April 2021 to 31 March 2022, by major occupation

Major Occupation	1 April 2020		31 March 2021		Change		Total	Total	Total
	Number	% of total	Number	% of total	Number	% change			
Professionals and managers	6	0.3	6	0.3	-1	14.7	6	7	-1
Technicians and associated professionals									
Total	6	0.3	6	0.3	16.7	6	6	-1	

9. Leave utilization for the period 1 January 2021 to 31 December 2021

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 – Sick leave, 1 January 2021 to 31 December 2021

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)	Total number of employees using sick leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	55	96	9	1.50	6	33	591	53
Skilled (Levels 3-5)	1739	89.80	239	40.40	7	1,506	591	1561
Highly Skilled production (levels 6-8)	1341	87.40	191	32.30	7	2115	591	1172
Highly Skilled Production (levels 9-12)	818	90.80	115	19.50	7	2186	591	743
Senior management (levels 13-16)	59	86.40	7	1.20	8.00	262	591	743
Contract (Levels 1-2)	1	100	1	0.20	6	4	591	6
Contract (Levels 3-5)	1	0	0.20	1	1	4	591	0
Contract (Levels 6-8)	24	83.30	6	1	4	38	591	20
Contract (Levels 9-12)	55	87.30	12	2	5	123	591	48
Contract (Levels 13-16)	43	79.10	10	1.70	4	16	591	34
Total	4141	89.10	591	100%	7	6286	591	3688

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2021 to 31 December 2021

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)	Total Days taken	Total employee using disability leave
Lower skilled (Levels 1-2)	0	0	0	0	0	0	0	0
Skilled (Levels 3-5)	284	100	10	35	28	242	284	28
Highly skilled production (Levels 6-8)	x258	100	13	46.40	20	417	256	28

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)	Total Days taken	Total employee using disability leave
Highly skilled supervision (Levels 9-12)	222	100	4	14.30	56	1040	222	28
Snr management (Levels 13-16)	0	0	0	0	0	0	0	28
Contract (Levels 9-12)	7	100	1	3.60	7	17	7	
Contract (Level 13-16)	0	0	0	0	0	0	0	0
Total	771	100%	28	100	28	1725	771	28

Table 9.3 summarizes the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

TABLE 9.3 – Annual Leave, 1 January 2021 to 31 December 2021

Salary Bands	Total days taken	Average days per employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	377	22	17
Skilled Levels 3-5)	16105.25	27	590
Highly skilled production (Levels 6-8)	11376.92	25	463
Highly skilled supervision(Levels 9-12)	5 959	22	273
Senior management (Levels 13-16)	466	17	27
Contract (Levels 1-2)	21	21	1
Contract (Levels 3-5)	23	23	1
Contract (Levels 6-8)	21	11	2
Contract (Levels 9-12)	596	14	42
Contract (Level 13-16)	2	2	1
Contract (Other)	378	10	38
Total	35,629.17	24	1482

TABLE 9.4 – Capped leave, 1 January 2021 to 31 December 2021

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31/12/2021	Number of employees who took Capped leave	Total number of capped leave available as at 31/12/2020	Number of employees as at 31/12/2020
Lower skilled (Levels 1-2)	0	0	9	0	9,15	1
Skilled Levels 3-5)	0	16	78	2	21 941,12	290
Highly skilled production (Levels 6-8)	0	0	81	0	12,626.24	155
Highly skilled supervision(Levels 9-12)	0	0	0	0	0	0
Senior Management (Level 13-16)	0	0	126	0	883.84	7
Total	0	0	77	0	37 631.78	488

TABLE 9.5 – Leave payouts for the period 1 April 2021 to 31 March 2022

The following table summarizes payments made to employees as a result of leave that was not taken.

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2021/22 due to non-utilization of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2021/22	5,076	61	83 213.00
Current leave payout on termination of service for 2021/22	3,063	85	113 476.00
Total	8,251	140	196 689.00

10. HIV/AIDS & Health Promotion Programmes

TABLE 10.1 – Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Staff between salary levels 1-7 involved in the line function i.e workshop staff, grass cutters, cleaners, due to accidents, which may occur on site. All professional and technical staff that interacts with this vulnerable group is at risk for exposure to TB and to other occupational hazards.	Safety training has been conducted for staff. Ensuring that Regions have dedicated Safety Officers to ensure safe work practices and procedures. Provision of protective clothing first aid kits. Provision of Safety Equipment to all professional staff and undertake safety training for professionals, which has commenced and will continue.

TABLE 10.2 – Details of Health Promotion and HIV/AIDS Programmes*(tick the applicable boxes and provide)*

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to Implement the provisions of the Public Service Regulations, 2016? If so, provide her/his name and position.	√		The EHW component falls under Human Resource Management (HRM). Mr TP Duma: Director
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.	√		8 dedicated staff members within the EHW component at both regions and Head Office: Deputy Director: Ms ZL Mtolo, Assistant Director: Ms NP Mlotshwa, Admini:Ms N Ttsangana, and Mr MO Xulu Southern Region: Assistant Director: Ms NO Goba, Mrs Zama Ndebele Practitioner, North Coast Region: Ms T Ndlovu, Mr Tarzan Ntsele, EThekweni Region: Assistant Director Ms N Nkabinde and Midlands Region: Ms Dolly Hlongwane, Ms N Mabizela: Assistant Director. Financial restrictions, no dedicated budget allocated for EHW
3. Has the department introduced an Employee Health and Wellness or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	√		Employee Wellness Management (iro all chronic illnesses) HIV/AIDS and TB Management Health & Productivity Management iro bereavement, personal problems, stress, rehabilitation, financial wellness, etc. SHERQ, e.g medical surveillance
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		√	Reporting on the broad aspects of Employee Health and Wellness, including HIV/ AIDS is done through the Labour Relations/ Employment Equity Consultative (LAREE) Forum.
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.	√		EHWP, HIV and AIDS Workplace Policy, Recruitment Policy.
6. Has the department introduced measures to protect HIV- positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	√		Use of reference numbers for each employee instead of the name. Use of these numbers on all documentation and even on itineraries for use of vehicles to take employees to Doctors. Awareness training for all staff members to break the stigma and consequent discrimination.

11. Labour Relations

The following collective agreements were entered into with trade unions within the department.

TABLE 11.1 – Collective agreements, 1 April 2021 to 31 March 2022

Subject Matter	Date
Dispute Resolution Proceeding	0
Roles of Conduct of Proceeding before PSCBC	0
Long Service Reward	0
Establishment of Provincial Chambers of PSCBC	0
Agency Shop Agreement	0
Appointment for a period of arbitrators and conciliators	0
Organizational rights	0
	0

If there were no agreements, then use the following table

Total collective agreements	Nil
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

TABLE 11.2 – Misconduct and disciplinary hearings finalised, 1 April 2021 to 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Final written warning	0	0
Official Resigned	0	0
Not Guilty	1	25%
Suspended without pay	2	50%
Written warning	0	0
Verbal warning	0	0
Correctional counseling	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Case withdrawn	1	25%
Pending	0	0
Total	4	100%

If there were no disciplinary hearings, then use the following table

Disciplinary hearings – 2021/22	N/a
---------------------------------	-----

TABLE 11.3 – Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Negligence	2	50%
Intimidating Threats	0	0
Unsatisfactory work performance	2	40%
Coming to work under influence of alcohol	0	0
Use of abusive language	0	0
Abuse of State equipment viz. Telephone	0	0
Failure to adhere to official hours	0	0
Failure to comply with leave procedure	0	0
Failure to comply with given instructions	0	0
Assault	0	0
Failure to attend a counseling session	0	0
Unauthorized absence	0	0
Theft	0	0
Social grant	0	0
Other	2	40%
Total	4	100%

TABLE 11.4 – Grievances lodged for the period 1 April 2021 to 31 March 2022

	Number	% of Total
Number of grievances resolved	3	100%
Number of grievances not resolved	0	0%
Total	3	100%

TABLE 11.5 – Disputes lodged with Councils for the period 1 April 2021 to 31 March 2022

	Number	% of Total
Number of disputes upheld	1	0
Number of disputes dismissed	7	70%
Disputes pending	2	20%
Total	10	100%

TABLE 11.6 – Strike actions for the period 1 April 2021 to 31 March 2022

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 11.7 – Precautionary suspensions – 01/04/ 2021 to 31/03/2022

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	492
Cost (R'000) of suspensions	2 053 291.24

12. Skills development:

This section highlights the efforts of the department with regard to skills development.

12.1 – Training needs identified 1 April 2021 to 31 March 2022

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legisl, snr offs and managers	Female	126	0	130	20	150
	Male	115	0	115	15	130
Professionals	Female	26	0	112	45	157
	Male	53	0	79	40	119
Technicians & assoc prof.	Female	8	0	65	0	65
	Male	14	0	123	0	123
Clerks	Female	495	0	390	4	394
	Male	236	0	255	4	259
Service & sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agric & fish workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and Related Trade Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant & mach oper & assem	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	187	0	6	19	25
	Male	305	0	46	41	87
Sub Total	Female	842	0	703	88	791
	Male	723	0	618	100	718
Total		1565	0	1321	188	1509

12.2 – Training provided 1 April 2021 to 31 March 2022

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	126	0	18	44	62
	Male	115	0	19	18	37
Professionals	Female	26	0	30	0	30
	Male	53	0	58	0	58
Technicians and associate professionals	Female	8	0	5	0	5
	Male	14	0	20	0	20
Clerks	Female	495	0	116	16	132
	Male	236	0	101	11	112
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Community and personal service workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	187	0	0	0	0
	Male	305	0	0	0	0
Sub Total	Female	842	0	169	60	229
	Male	723	0	198	29	227
Total		1565	0	367	89	456

13. Injury on duty

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2021 to 31 March 2022

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0%
Total	0	0%

14. Utilization of Consultants 1 April 2021 to 31 March 2022**Table 14.1 – Report on consultant appointments using appropriated funds**

No	WIMS no	Contract Description	Facility Description	Discipline Description	Beneficiary	Appoint date
1	076201	CONSTRUCT NEW EMERGENCY SERVICE COLLEGE	KING DINIZULU HOSPITAL COMPLEX	ARCHITECTS	EVOLUTION ARCHITECTS CC(T/A ARCHANGELS ARCHITECTS)	2021/04/01
2	076201	CONSTRUCT NEW EMERGENCY SERVICE COLLEGE	KING DINIZULU HOSPITAL COMPLEX	QUANTITY SURVEYORS	MAKHABA VOLBRECHT ASS (DBN)	2021/04/01
3	076201	CONSTRUCT NEW EMERGENCY SERVICE COLLEGE	KING DINIZULU HOSPITAL COMPLEX	CIVIL ENGINEERS	MADAN SINGH & ASS CC (DURBAN)	2021/04/01
4	076201	CONSTRUCT NEW EMERGENCY SERVICE COLLEGE	KING DINIZULU HOSPITAL COMPLEX	STRUCTURAL ENGINEERS	ECONOCOM 356 CC	2021/04/01
5	076201	CONSTRUCT NEW EMERGENCY SERVICE COLLEGE	KING DINIZULU HOSPITAL COMPLEX	ELECTRICAL ENGINEERS	IBUYA CONSULTING ENGINEERS	2021/04/01
6	076201	CONSTRUCT NEW EMERGENCY SERVICE COLLEGE	KING DINIZULU HOSPITAL COMPLEX	MECHANICAL ENGINEERS	MAHESH KHOOSAL & ASSOCIATES CC	2021/04/01
7	074566	CONSTRUCTION OF A NEW ACCOMODATION FOR INTERN DOCT	STANGER HOSPITAL	LAND SURVEYORS	BIYELA MM GEOMATICS (PTY) LTD	2021/05/13
8	073335	UPGRADE AND REPLACEMENT OF THE MV SWITCH GEARS	STANGER HOSPITAL	ELECTRICAL ENGINEERS	SMEC SOUTH AFRICA (PTY) LIMITED	2021/06/22
9	074098	UNTUNJAMBILI HOSPITAL; CONSTRUCTION OF NEW STAFF A	UNTUNJAMBILI HOSPITAL : NEW HOSPITAL	ELECTRICAL ENGINEERS	B V I CONSULTING ENG (WESTVILLE)	2021/06/23
10	074098	UNTUNJAMBILI HOSPITAL; CONSTRUCTION OF NEW STAFF A	UNTUNJAMBILI HOSPITAL : NEW HOSPITAL	MECHANICAL ENGINEERS	B V I CONSULTING ENG (WESTVILLE)	2021/06/23
11	074098	UNTUNJAMBILI HOSPITAL; CONSTRUCTION OF NEW STAFF A	UNTUNJAMBILI HOSPITAL : NEW HOSPITAL	MECHANICAL ENGINEERS	BVI CONSULTING ENGINEERS (PTY) LTD	2021/06/23
12	073204	URGENT SECURITY UPGRADES AT PARKSIDE OFFICIAL RESI	HOUSE - OTP - PARKSIDE - PREMIER'S RESIDENCE	ARCHITECTS	GRICE BELLARS ARCHITECTS	2021/06/28
13	060988	REFURBISHMENTS TO THEMBALETHU BUILDING.	OFFICES - TRANSPORT - 206 BURGER STREET PMBURG	CONSTRUCTION HEALTH AND SAFETY AGENTS	KDS HEALTH & SAFETY CONSULTANTS	2021/07/05
14	073204	URGENT SECURITY UPGRADES AT PARKSIDE OFFICIAL RESI	HOUSE - OTP - PARKSIDE - PREMIER'S RESIDENCE	STRUCTURAL ENGINEERS	GAVIN BROWN & ASSOCIATES CC	2021/07/21
15	073204	URGENT SECURITY UPGRADES AT PARKSIDE OFFICIAL RESI	HOUSE - OTP - PARKSIDE - PREMIER'S RESIDENCE	ELECTRICAL ENGINEERS	S S A CONSULTING ENGINEERS (PTY) LTD	2021/07/28

Table 14.2 – Analysis of consultant appointments using appropriated funds, in terms of PREFERENTIAL PROCUREMENT REGULATIONS 2017

No	WIMS no	Contract Description	Facility Description	Discipline Description	Beneficiary	Appoint date
16	057510	CONVERSION OF HOUSE NO 40 INTO STORAGE AND ARCHIVE	OFFICES - AGRICULTURE AND ENVIRONMENTAL AFFAIRS H	LAND SURVEYORS	TWM SURVEYS	2021/09/21
17	051363	RECONFIGURE EXISTING BUILDING TO PROVIDE FOR NEONA	ST APOLLINARIS HOSPITAL	CONSTRUCTION HEALTH AND SAFETY AGENTS	BUILT ENVIRONMENT EXPERTS SA	2021/09/25
18	076034	ASBESTOS ERADICATION AND ASSOCIATED ROOFING WORK	NORTHDALE HOSPITAL	STRUCTURAL ENGINEERS	MADAN SINGH & ASS CC (DURBAN)	2021/10/07
19	074365	UPGRADE WATER RETIGULATION.	BENEDICTINE HOSPITAL	CIVIL ENGINEERS	DELTA BUILT ENVIRONMENT CONSULTANTS (PTY)	2021/10/20
20	076033	ASSBESTOS ERADICATION AND ASSOCIATED ROOFING WORK	RICHMOND CHEST HOSPITAL	ARCHITECTS	UKUZA CONSULTING (PTY) LTD	2021/10/21
21	076033	ASSBESTOS ERADICATION AND ASSOCIATED ROOFING WORK	RICHMOND CHEST HOSPITAL	QUANTITY SURVEYORS	L D M CONSULTING (PTY) LTD	2021/10/21
22	076034	ASBESTOS ERADICATION AND ASSOCIATED ROOFING WORK	NORTHDALE HOSPITAL	QUANTITY SURVEYORS	L D M CONSULTING (PTY) LTD	2021/10/21
23	076032	ASBESTOS ERADICATION AND ASSOCIATED ROOFING WORK	RICHMOND CLINIC	ARCHITECTS	SAKHISIZWE ARCHITECTS CC	2021/10/27
24	076033	ASSBESTOS ERADICATION AND ASSOCIATED ROOFING WORK	RICHMOND CHEST HOSPITAL	STRUCTURAL ENGINEERS	MADAN SINGH & ASS CC (DURBAN)	2021/10/28
25	074442	CONTRUCTION OF NEW STAFF ACCOMMODATION FOR COMMUNI	EAST GRIQUALAND USHER MEMORIAL HOSPITAL	ARCHITECTS	SAKHISIZWE ARCHITECTS CC	2021/11/17
26	072621	REPLACEMENT OF EXISTING FENCE / BOUNDARY WALL	ADDINGTON HOSPITAL	LAND SURVEYORS	GEOAFRIKA SURVEYS INCORPORATED	2022/01/19
27	072621	REPLACEMENT OF EXISTING FENCE / BOUNDARY WALL	ADDINGTON HOSPITAL	ARCHITECTS	ARCHITRONICS ARCHITECTS	2022/01/28
28	072621	REPLACEMENT OF EXISTING FENCE / BOUNDARY WALL	ADDINGTON HOSPITAL	ARCHITECTS	ARTEK 4 ARCHITECTS KZN CC (DURBAN)	2022/03/31

PROFESSIONAL SERVICE PROVIDER AWARDS MADE IN THE 2021/2022 Financial Year
(1 April 2021 to 31 March 2022) INFRASTRUCTURE

Award Category	Value of Awards	Percentage of Awards
TOTAL PSP AWARDS	R 29 172 263,00	
AWARDS TO WOMAN OWNED ENTERPRISES	R10 250 128,00	35%
AWARDS TO MALE OWNED ENTERPRISES	R 18 922 135,00	65%
AWARDS TO YOUTH OWNED ENTERPRISES	R 164 720,00	1%
AWARDS TO DISABLED OWNED ENTERPRISES	R 20 920,00	0%

Table 14.3 – Report on consultant appointments using Donor funds

Project Title	Total Number of consultants that worked on the project	Duration: In Months	Donor and Contract value in Rand

NONE

Table 14.4 – Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project

NONE



PART E: FINANCIAL INFORMATION

Report of the auditor-general to KwaZulu-Natal Provincial Legislature on vote no. 14: KZN Department of Public Works

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the KwaZulu-Natal (KZN) Department of Public Works set out on pages 90 to 205, which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as 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 KZN Department of Public Works as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2021 (Act No. 9 of 2021) (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 my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other 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 matter

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

Impairment of receivables

7. As disclosed in note 15.7 to the financial statements, material impairments of R138,39 million (2020-21: R211,20 million) was incurred as a result of non-payment by other provincial departments.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 90 to 205 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 thereon.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS 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.
11. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

12. 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.
13. 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

14. 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 on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery.

My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or 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.

16. 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 programme 3 – provision of buildings, structures and equipment (operations) presented on pages 31 to 35 in the department's annual performance report for the year ended 31 March 2022.
17. 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.
18. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected programme.

Other matters

19. I draw attention to the matters below.

Achievement of planned targets

20. Refer to the annual performance report on pages 26 to 35 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Adjustment of material misstatements

21. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 3 – provision of buildings, structures and equipment (operations). As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

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

Annual financial statements

24. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1) (a) and (b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected and/or the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Consequence management

25. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1) (h)(iii) of the PFMA. This was because some investigations into irregular expenditure were not performed.

Expenditure management

26. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R287, 541 million, as disclosed in note 31 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by the extension of leases without the necessary approval and the non-vetting of new appointees.

Procurement and contract management

27. Some of the contracts were extended or modified without the approval of a properly delegated official as required by section 44 of the PFMA and treasury regulation 8.2.1 and 8.2.2. Similar non-compliance was also reported in the prior financial year.
28. A construction contract was awarded to a contractor that did not qualify for the contract in accordance with section 18(1) of the Construction Industry Development Board (CIBD) Act and CIBD regulations 17.

Strategic planning and performance management

29. I was unable to obtain sufficient appropriate audit evidence that quarterly reports were submitted to the executive authority, as required by treasury regulation 5.3.1.

Other information

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

32. 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.
33. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract the auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

34. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in findings on compliance with legislation included in this report.
35. Senior management did not effectively review and monitor compliance procedures. This was due to inadequate controls being implemented to prevent the occurrence of irregular expenditure and other procurement related non-compliance from taking place.

Other reports

36. I draw attention to the following engagements conducted by various parties which 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 compliance with legislation.
37. The shared internal audit unit for departments in the province performed 24 investigations relating to the department, which covered the period 2015 to 2022. The investigations were initiated based on allegations of possible irregularities with tender processes within the department, various allegations of fraud and corruption related to the hiring of office accommodation, illegal sale of provincial state land, appointment of officials, misconduct of officials and possible fraudulent activities on the Works Information Management System (WIMS). Of the 24 investigations, 20 cases are currently in progress and 4 were finalised and implementation of recommendations for all of the finalised cases is in progress.
38. There is an ongoing investigation by the Office of the Premier on the KZN Department of Public Works Head of Department. The details of the investigation and the reports were not available at the date of this auditor's report as the investigation is still in progress.

Auditor-General
 Pietermaritzburg
 29 July 2022



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 accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the KZN Department of Public Works 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 my 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 operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine 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 provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



KWAZULU-NATAL PROVINCE

PUBLIC WORKS
REPUBLIC OF SOUTH AFRICA

ANNUAL FINANCIAL STATEMENTS FOR KZN DEPARTMENT OF PUBLIC WORKS

For the year ended
31 March 2022

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Appropriation Statement for the year ended 31 March 2022

Appropriation per programme									
Programme	2021/22						2020/21		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. ADMINISTRATION	440 488		(4 292)	436 196	434 099	2 097	99.5%	421 346	411 247
2. PROPERTY MANAGEMENT	1 162 251		(5 409)	1 156 842	1 155 434	1 408	99.9%	908 783	908 753
3. PROVISION OF BUILDINGS, STRUCTURES AND EQUIPMENT	458 590		9 701	468 291	468 291	-	100.0%	465 581	465 581
.....									
Subtotal	2 061 329	-	-	2 061 329	2 057 824	3 505	99.8%	1 795 710	1 785 581
Statutory Appropriation	-	-	-	-	-	-	-	-	-
President and Deputy President salary	-	-	-	-	-	-	-	-	-
Members' remuneration	-	-	-	-	-	-	-	-	-
Debt service costs	-	-	-	-	-	-	-	-	-
Provincial equitable share	-	-	-	-	-	-	-	-	-
General fuel levy sharing with metropolitan municipalities	-	-	-	-	-	-	-	-	-
National Revenue Fund payments	-	-	-	-	-	-	-	-	-
Skills levy and sector education and training authorities	-	-	-	-	-	-	-	-	-
Judges' and magistrates' salaries	-	-	-	-	-	-	-	-	-
TOTAL	2 061 329	-	-	2 061 329	2 057 824	3 505	99.8%	1 795 710	1 785 581

	2021/22		2020/21	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	8 787		8 607	
NRF Receipts				
Aid assistance				
Actual amounts per statement of financial performance (total revenue)	2 070 116		1 804 317	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		2 057 824		1 785 581

Appropriation Statement for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	971 434	6 352	(170)	977 616	972 401	5 215	99.5%	911 164	912 674
Compensation of employees	717 785	6 352	(34 925)	682 860	682 860	-	100.0%	692 525	699 336
Goods and services	253 649	-	34 755	294 756	289 541	5 215	98.2%	218 639	213 327
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 059 767	-	34	1 059 801	1 061 511	(1 710)	100.2%	841 756	841 756
Provinces and municipalities	1 046 618	-	(16)	1 046 602	1 048 885	(2 283)	100.2%	829 068	829 146
Departmental agencies and accounts	634	-	-	634	-	634	-	638	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	12 515	-	50	12 565	12 626	(61)	100.5%	12 050	12 610
Payments for capital assets	30 128	(6 352)	136	23 912	23 912	-	100.0%	42 790	31 136
Buildings and other fixed structures	18 706	-	(288)	18 418	18 418	-	100.0%	33 528	27 105
Machinery and equipment	5 070	-	424	5 494	5 494	-	100.0%	8 874	4 031
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	6 352	(6 352)	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	15
Total	2 061 329	-	-	2 061 329	2 057 824	3 505	99.8%	1 795 710	1 785 581

Statutory Appropriation per economic classification									
Economic classification	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

Appropriation Statement for the year ended 31 March 2022

Programme 1: ADMINISTRATION									
	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. MINISTER SUPPORT	13 208	-	123	13 331	11 807	1 524	88.6%	11 961	11 961
2. MANAGEMENT	427 280	-	(4 415)	422 865	422 292	573	99.9%	409 385	399 286
Total for sub programmes	440 488	-	(4 292)	436 196	434 099	2 097	99.5%	421 346	411 247
Economic classification									
Current payments	418 813	6 352	(2 887)	422 278	420 754	1 524	99.6%	405 242	399 692
Compensation of employees	332 450	-	(20 599)	311 851	311 851	-	100.0%	316 467	313 666
Goods and services	86 363	6 352	17 712	110 427	108 903	1 524	98.6%	88 775	86 015
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	10 515	-	(396)	9 619	9 046	573	94.0%	8 609	8 214
Provinces and municipalities	310	-	(16)	294	294	-	100.0%	151	229
Departmental agencies and accounts	573	-	-	573	-	573	-	575	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	9 632	-	(880)	8 752	8 752	-	100.0%	7 883	7 985
Payments for capital assets	11 160	(6 352)	(509)	4 299	4 299	-	100.0%	7 495	3 326
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 808	-	(509)	4 299	4 299	-	100.0%	7 107	3 326
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	6 352	(6 352)	-	-	-	-	-	388	-
Payments for financial assets	-	-	-	-	-	-	-	-	15
Total	440 488	-	(4 292)	436 196	434 099	2 097	99.5%	421 346	411 247

Programme 2: PROPERTY MANAGEMENT									
	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. PERSONNEL AND ADMIN RELATED	1 161 604	-	(5 151)	1 156 453	1 155 045	1 408	99.9%	908 769	908 739
2. ACQUISITION OF LAND, CONTROL AND DISPOSAL	86	-	14	100	100	-	100.0%	-	-
3. HIRING	561	-	(272)	289	289	-	100.0%	14	14
Total for sub programmes	1 162 251	-	(5 409)	1 156 842	1 155 434	1 408	99.9%	908 783	908 753
Economic classification									
Current payments	115 545	-	(5 713)	109 832	106 141	3 691	96.6%	79 351	79 351
Compensation of employees	61 548	-	(4 954)	56 594	56 594	-	100.0%	56 915	56 915
Goods and services	53 997	-	(759)	53 238	49 547	3 691	93.1%	22 436	22 436
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 046 706	-	304	1 047 010	1 049 293	(2 283)	100.2%	829 332	829 332
Provinces and municipalities	1 046 308	-	-	1 046 308	1 048 591	(2 283)	100.2%	828 917	828 917
Departmental agencies and accounts	-	-	-	-	-	-	-	5	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	398	-	304	702	702	-	100.0%	410	415
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	100	70
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	100	70
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 162 251	-	(5 409)	1 156 842	1 155 434	1 408	99.9%	908 783	908 753

Appropriation Statement for the year ended 31 March 2022

Programme 3: PROVISION OF BUILDINGS STRUCTURES AND EQUIPMENT									
	2021/22					2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. PERSONNEL AND ADMIN RELATED	421 856	-	(839)	421 017	421 017	-	100.0%	415 7	418 8
2. BUILDINGS AND STRUCTURES	36 734	-	10 540	47 274	47 274	-	100.0%	50 564	47 283
Total for sub programmes	458 590	-	9 701	468 291	468 291	-	100.0%	465 581	465 581
Economic classification									
Current payments	437 076	-	8 430	445 506	445 506	-	100.0%	426 571	433 631
Compensation of employees	323 787	-	(9 372)	314 415	314 415	-	100.0%	319 143	328 755
Goods and services	113 289	-	17 802	131 091	131 091	-	100.0%	107 428	104 876
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 546	-	626	3 172	3 172	-	100.0%	3 815	4 210
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	61	-	-	61	-	61	-	58	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 485	-	626	3 111	3 172	(61)	102.0%	3 757	4 210
Payments for capital assets	18 968	-	645	19 613	19 613	-	100.0%	35 195	27 740
Buildings and other fixed structures	18 706	-	(288)	18 418	18 418	-	100.0%	33 528	27 105
Machinery and equipment	262	-	933	1 195	1 195	-	100.0%	1 667	635
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	458 590	-	9 701	468 291	468 291	-	100.0%	465 581	465 581

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Programme 1: ADMINISTRATION	436 196	434 099	2 097	0.48%
	Programme 2: PROPERTY MANAGEMENT	1 156 842	1 155 434	1 408	0.12%
	Programme 3: PROVISION OF BUILDINGS, STRUCTURES AND EQUIPMENT	468 291	468 291	-	-

Programme 1

Under-expenditure largely relates to delays in the receipt of invoices for services rendered in respect of OSS (Operation Sukuma Sakhe) under Goods and services as well as from SETA (Sector Education and Training Authority) in respect of skills Development levies under Transfers and subsidies.

Programme 2.

Under-expenditure is mainly ascribed to delays in the award of service provider pertaining to safety and security costs which depends on the number of vacant buildings that need to be protected in respect of property payments for Giama Izandla Ziyagezana as well as late commencement of the fixed asset register under goods and services

4.2	Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
	Current payments				
	Compensation of employees	682 860	682 860	-	0.00%
	Goods and services	294 756	289 541	5 215	1.77%
	Interest and rent on land	-	-	-	0
	Transfers and subsidies				
	Provinces and municipalities	1 046 602	1 048 885	-2 283	-0.22%
	Departmental agencies and accounts	634	-	634	100.00%
	Higher education institutions	-	-	-	-
	Public corporations and private enterprises	-	-	-	-
	Foreign governments and international organisations	-	-	-	-
	Non-profit institutions	-	-	-	-
	Households	12 565	12 626	-61	-0.49%

Notes to the Appropriation Statement for the year ended 31 March 2022

4.2	Per economic classification continued	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
	Payments for capital assets				
	Buildings and other fixed structures	18 418	18 418	-	-
	Machinery and equipment	5 494	5 494	-	-
	Heritage assets	-	-	-	-
	Specialised military assets	-	-	-	-
	Biological assets	-	-	-	-
	Land and subsoil assets	-	-	-	-
	Intangible assets	-	-	-	-
	Payments for financial assets				
4.3	Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
		5 465	5 465	-	0.00%

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000
REVENUE			
Annual appropriation	<u>1</u>	2 061 329	1 795 710
Statutory appropriation	<u>2</u>	-	-
Departmental revenue	<u>3</u>	8 787	8 607
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		2 070 116	1 804 317
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>5</u>	682 860	699 336
Goods and services	<u>6</u>	289 541	213 327
Interest and rent on land	<u>7</u>	-	11
Aid assistance	<u>4</u>	-	-
Total current expenditure		972 401	912 674
Transfers and subsidies			
Transfers and subsidies	<u>9</u>	1 061 511	841 756
Aid assistance	<u>4</u>	-	-
Total transfers and subsidies		1 061 511	841 756
Expenditure for capital assets			
Tangible assets	<u>10</u>	23 912	31 136
Intangible assets	<u>10</u>	-	-
Total expenditure for capital assets		23 912	31 136
Unauthorised expenditure approved without funding	<u>11</u>	-	-
Payments for financial assets	<u>8</u>	-	15
TOTAL EXPENDITURE		2 057 824	1 785 581
SURPLUS/(DEFICIT) FOR THE YEAR		12 292	18 736

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2022**Reconciliation of Net Surplus/(Deficit) for the year**

Voted funds		3 505	10 129
Annual appropriation		3 505	4 517
Statutory appropriation		-	-
Conditional grants		-	-
Departmental revenue and NRF Receipts	<u>19</u>	8 787	8 607
Aid assistance	<u>4</u>		
SURPLUS/(DEFICIT) FOR THE YEAR		12 292	18 736

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000
ASSETS			
Current assets		606 328	789 823
Unauthorised expenditure	<u>11</u>	-	-
Cash and cash equivalents	<u>12</u>	41	41
Other financial assets	<u>13</u>	-	-
Prepayments and advances	<u>14</u>	-	-
Receivables	<u>15</u>	606 287	789 782
Loans	<u>17</u>	-	-
Aid assistance prepayments	<u>4</u>	-	-
Aid assistance receivable	<u>4</u>	-	-
Non-current assets		8 462	8 204
Investments	<u>16</u>	-	-
Receivables	<u>15</u>	8 462	8 204
Loans	<u>17</u>	-	-
Other financial assets	<u>13</u>	-	-
TOTAL ASSETS		614 790	798 027
LIABILITIES			
Current liabilities		605 306	789 320
Voted funds to be surrendered to the Revenue Fund	<u>18</u>	3 505	4 517
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>19</u>	1 709	1 406
Bank overdraft	<u>20</u>	587 715	770 185
Payables	<u>21</u>	12 377	13 212
Aid assistance repayable	<u>4</u>	-	-
Aid assistance unutilised	<u>4</u>	-	-
Non-current liabilities			
Payables	<u>22</u>	-	-
TOTAL LIABILITIES		605 306	789 320
NET ASSETS		9 484	8 707

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		9 484	8 707
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		9 484	8 707

STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000
Capitalisation Reserves		-	-
Opening balance		-	-
Transfers:			
Movement in Equity		-	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		8 707	8 363
Transfers:		777	344
Irrecoverable amounts written off	<u>8.3</u>	-	-
Debts revised		32	418
Debts recovered (included in departmental receipts)		-778	-473
Debts raised		1 523	399
Closing balance		9 484	8 707
Retained funds			
Opening balance		-	-
Transfer from voted funds to be surrendered (Parliament/ Legislatures ONLY)		-	-
Utilised during the year		-	-
Other transfers		-	-
Closing balance		-	-
Revaluation Reserve			
Opening balance		-	-
Revaluation adjustment (Housing departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		-	-
TOTAL		9 484	8 707

CASH FLOW STATEMENT for the year ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		2 070 116	1 803 813
Annual appropriated funds received	<u>1.1</u>	2 061 329	1 795 710
Statutory appropriated funds received	<u>2</u>	-	-
Departmental revenue received	<u>3</u>	8 773	8 064
Interest received	<u>3.3</u>	14	39
NRF Receipts		-	-
Aid assistance received	<u>4</u>	-	-
Net (increase)/decrease in working capital		182 660	-362 793
Surrendered to Revenue Fund		-13 001	-42 335
Surrendered to RDP Fund/Donor		-	-
Current payments		-972 401	-912 663
Interest paid	<u>7</u>	-	-11
Payments for financial assets		-	-15
Transfers and subsidies paid		-1 061 511	-841 756
Net cash flow available from operating activities	<u>23</u>	<u>205 863</u>	<u>-355 760</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	<u>10</u>	-23 912	-36 748
Proceeds from sale of capital assets	<u>3.4</u>	-	504
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	<u>15</u>	-258	-371
Net cash flows from investing activities		<u>-24 170</u>	<u>-36 615</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		777	344
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		<u>777</u>	<u>344</u>
Net increase/(decrease) in cash and cash equivalents		182 470	-392 031
Cash and cash equivalents at beginning of period		-770 144	-377 968
Unrealised gains and losses within cash and cash equivalents			-145
Cash and cash equivalents at end of period	<u>24</u>	<u>-587 674</u>	<u>-770 144</u>

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). 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. 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.
7.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
8.4	Leases
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>

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

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

18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. 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 reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p>Departures from the MCS requirements</p> <p><i>[Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]</i></p>
25	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>

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

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1 Annual Appropriation

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

	2021/22			2020/21		
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	436 196	436 196	-	421 346	421 346	-
Property Management	1 156 842	1 156 842	-	908 783	908 783	-
Provision of Buildings, structures and Equipment	468 291	468 291	-	465 581	465 581	-
Total	2 061 329	2 061 329	-	1 795 710	1 795 710	-

Provincial Treasury transferred Equitable Share funds in line with spending to 31 December 2021

1.2 Conditional grants

	Note	2021/22 R'000	2020/21 R'000
Total grants received	47	5 465	4 243
		-	-
Provincial grants included in Total Grants received			

2. Statutory Appropriation

President and Deputy President salaries	-	-
Members' remuneration	-	-
Debt-service costs	-	-
Provincial equitable share	-	-
General fuel levy sharing with metropolitan municipalities	-	-
National Revenue Fund payments	-	-
Skills levy and sector education and training authorities	-	-
Magistrates salaries	-	-
Judges salaries	-	-
Total	-	-

Actual Statutory Appropriation received

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
3. Departmental revenue			
Tax revenue		-	-
Sales of goods and services other than capital assets	3.1	6 137	6 987
Fines, penalties and forfeits	3.2	-	-
Interest, dividends and rent on land	3.3	276	283
Sales of capital assets	3.4	-	504
Transactions in financial assets and liabilities	3.5	2 374	833
Transfer received	3.6	-	-
Total revenue collected		8 787	8 607
Less: Own revenue included in appropriation	19	-	-
Departmental revenue collected		8 787	8 607
3.1 Sales of goods and services other than capital assets			
	3		
Sales of goods and services produced by the department		6 131	6 983
Sales by market establishment		4 550	4 045
Administrative fees		-	-
Other sales		1 581	2 938
Sales of scrap, waste and other used current goods		6	4
Total		6 137	6 987
3.2 Fines, penalties and forfeits			
	3		
Fines		-	-
Penalties		-	-
Forfeits		-	-
Total		-	-
3.3 Interest, dividends and rent on land			
	3		
Interest		14	39
Dividends		-	-
Rent on land		262	244
Total		276	283

	Note	2021/22 R'000	2020/21 R'000
3.4 Sale of capital assets			
	3		
Tangible assets		-	504
Buildings and other fixed structures	41	-	-
Machinery and equipment	39	-	504
Heritage assets	39,41	-	-
Specialised military assets	39	-	-
Land and subsoil assets	41	-	-
Biological assets	39	-	-
		-	-
Intangible assets		-	-
Software	40	-	-
Mastheads and publishing titles	40	-	-
Patents, licences, copyright, brand names, trademarks	40	-	-
Recipes, formulae, prototypes, designs, models	40	-	-
Services and operating rights	40	-	-
		-	-
Total		-	504
3.5 Transactions in financial assets and liabilities			
	3		
Loans and advances		-	-
Receivables		222	463
Forex gain		-	-
Stale cheques written back		-	-
Other Receipts including Recoverable Revenue		2 152	370
Gains on GFECRA		-	-
Total		2 374	833
3.6 Transfers received			
	3		
Other governmental units		-	-
Higher education institutions		-	-
Foreign governments		-	-
International organisations		-	-
Public corporations and private enterprises		-	-
Households and non-profit institutions		-	-
Total		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
3.6.1 Donations received in-kind (not included in the main note or sub note)			
<i>List in-kind transfers received</i>		-	-
		-	-
		-	-
Total		-	-

3.7 Cash received not recognised (not included in the main note)

Name of entity	Amount received R'000	2021/22	Balance R'000
		Amount paid to the revenue fund R'000	
<i>Please specify</i>	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total	-	-	-

Name of entity	Amount received R'000	2020/21	Balance R'000
		Amount paid to the revenue fund R'000	
<i>Please specify</i>	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total	-	-	-

	Note	2021/22 R'000	2020/21 R'000
4. Aid assistance			
Opening Balance		-	-
Prior period error		-	-
As restated		-	-
Transferred from statement of financial performance		-	-
Transfers to or from retained funds		-	-
Paid during the year		-	-
Closing Balance		-	-

	Note	2021/22 R'000	2020/21 R'000
4.1 Analysis of balance by source			
Aid assistance from RDP		-	-
Aid assistance from other sources		-	-
CARA		-	-
Closing balance	4	-	-

4.2 Analysis of balance			
Aid assistance receivable		-	-
Aid assistance prepayments (not expensed)		-	-
Aid assistance unutilised		-	-
Aid assistance repayable		-	-
Closing balance	4	-	-
Aid assistance not requested/not received		-	-

i. Aid assistance prepayments (expensed)

Note	Amount as at 1 April 2021 R'000	Less: Received in the current year R'000	Add or Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2022 R'000
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

Note	Amount as at 1 April 2020 R'000	Less: Received in the current year R'000	Add or Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2021 R'000
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
4.3 Prior period error			
Nature of prior period error			
Relating to 2019/20 [affecting the opening balance]			-
			-
Relating to 2020/21			-
			-
Total prior period errors			-
4.4 Aid assistance expenditure per economic classification			
Current		-	-
Capital	10	-	-
Transfers and subsidies		-	-
Total aid assistance expenditure		-	-
4.5 Donations received in-kind (not included in the main note)			
<i>List in-kind donations received</i>		-	-
		-	-
		-	-
Total		-	-
5. Compensation of employees			
5.1 Salaries and Wages			
Basic salary		451 394	461 077
Performance award		270	5 505
Service Based		1 039	879
Compensative/circumstantial		2 023	2 676
Periodic payments		14 857	40 909
Other non-pensionable allowances		115 513	90 907
Total		585 096	601 953
5.2 Social contributions			
Employer contributions			
Pension		55 135	56 187
Medical		41 430	40 407
UIF		265	372
Bargaining council		158	163
Official unions and associations		-	-
Insurance		776	254
Total		97 764	97 383
Total compensation of employees		682 860	699 336
Average number of employees		1 520	1 606

Include discussion here where deemed relevant

	Note	2021/22 R'000	2020/21 R'000
6. Goods and services			
Administrative fees		328	509
Advertising		4 569	4 749
Minor assets	6.1	338	590
Bursaries (employees)		11	1 542
Catering		324	127
Communication		18 566	17 490
Computer services	6.2	35 546	26 433
Consultants: Business and advisory services	6.9	56 406	8 500
Infrastructure and planning services		-	-
Laboratory services		-	-
Scientific and technological services		-	-
Legal services		2 375	2 905
Contractors		650	488
Agency and support / outsourced services		9 298	7 858
Entertainment		3	8
Audit cost – external	6.3	10 170	8 803
Fleet services		13 020	8 551
Inventory	6.4	-	-
Consumables	6.5	7 165	8 971
Housing		-	-
Operating leases		3 127	2 992
Property payments	6.6	106 586	98 738
Rental and hiring		1	-
Transport provided as part of the departmental activities		-	-
Travel and subsistence	6.7	16 273	9 850
Venues and facilities		-	-
Training and development		2 375	2 125
Other operating expenditure	6.8	2 410	2 098
Total		289 541	213 327
1.1 Minor assets			
	6		
Tangible assets		338	590
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		338	590
Transport assets		-	-
Specialised military assets		-	-
Intangible assets			
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total		338	590

Include discussion here where deemed relevant

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
6.2 Computer services			
	6		
SITA computer services		21 301	18 693
External computer service providers		14 245	7 740
Total		35 546	26 433

6.3 Audit cost – External

	6		
Regularity audits		10 170	8 803
Performance audits		-	-
Investigations		-	-
Environmental audits		-	-
Computer audits		-	-
Total		10 170	8 803

Include discussion here where deemed relevant

6.4 Inventory

	6		
Clothing material and accessories		-	-
Farming supplies		-	-
Food and food supplies		-	-
Fuel, oil and gas		-	-
Learning, teaching and support material		-	-
Materials and supplies		-	-
Medical supplies		-	-
Medicine		-	-
Medsas inventory interface		-	-
Other supplies	6.4.1	-	-
Total		-	-

Include discussion here where deemed relevant

	Note	2021/22 R'000	2020/21 R'000
6.4.1 Other supplies			
	6.4		
Ammunition and security supplies		-	-
Assets for distribution		-	-
Machinery and equipment		-	-
School furniture		-	-
Sports and recreation		-	-
Library material		-	-
Human settlements property		-	-
Other assets for distribution		-	-
Other		-	-
Total		-	-
6.5 Consumables			
	6		
Consumable supplies		5 085	6 328
Uniform and clothing		2 505	2 867
Household supplies		1 011	2 549
Building material and supplies		-	-
Communication accessories		-	-
IT consumables		99	94
Other consumables		1 470	818
Stationery, printing and office supplies		2 080	2 643
Total		7 165	8 971
6.6 Property payments			
	6		
Municipal services		28 267	24 593
Property management fees		-	-
Property maintenance and repairs		28 849	19 869
Other		49 470	54 276
Total		106 586	98 738
6.7 Travel and subsistence			
	Note	2021/22	2020/21
	6	R'000	R'000
Local		16 273	9 850
Foreign		-	-
Total		16 273	9 850

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
6.8 Other operating expenditure			
	6		
Professional bodies, membership and subscription fees		14	17
Resettlement costs		455	410
Other		1 941	1 671
Total		2 410	2 098
6.9 Remuneration of members of a commission or committee (Included in Consultants: Business and advisory services)			
	6		
Name of Commission / Committee	No. of members	-	-
		-	-
		-	-
		-	-
		-	-
Total		-	-
7. Interest and rent on land			
Interest paid		-	11
Rent on land		-	-
Total		-	11
8. Payments for financial assets			
Material losses through criminal conduct		-	-
Theft	8.4	-	-
Other material losses	8.1	-	-
Purchase of equity		-	-
Extension of loans for policy purposes		-	-
Other material losses written off	8.2	-	-
Debts written off	8.3	-	15
Forex losses	8.5	-	-
Debt take overs		-	-
Losses on GFECRA		-	-
Total		-	15

	Note	2021/22 R'000	2020/21 R'000
8.1 Other material losses			
	8		
Nature of other material losses		-	-
(Group major categories, but list material items)		-	-
Incident Disciplinary Steps taken/ Criminal proceedings			
Total		-	-
8.2 Other material losses written off			
	8		
Nature of losses			
(Group major categories, but list material items)		-	-
Total		-	-
Include discussion here where deemed relevant			
8.3 Debts written off			
	8		
Nature of debts written off		-	-
(Group major categories, but list material items: debts written off relating to irregular expenditure, recoverable expenditure and other debts must be listed here)		-	-
Irregular expenditure written off		-	-
		-	-
		-	-
		-	-
		-	-
		-	-
Total		-	-
Recoverable revenue written off		-	-
		-	-
		-	-
		-	-
Total		-	-
Other debt written off		-	15
		-	-
		-	-
		-	-
Total		-	15
Total debt written off		-	15
Include discussion here where deemed relevant			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
8.4 Details of theft			
	8		
Nature of theft		-	-
(Group major categories, but list material items)		-	-
Total		-	-
8.5 Forex losses			
	8		
Nature of losses		-	-
(Group major categories, but list material items)		-	-
Total		-	-
9. Transfers and subsidies			
Provinces and municipalities	48, 49	1 048 885	829 146
Departmental agencies and accounts	Annexure 1B	-	-
Higher education institutions	Annexure 1C	-	-
Foreign governments and international organisations	Annexure 1E	-	-
Public corporations and private enterprises	Annexure 1D	-	-
Non-profit institutions	Annexure 1F	-	-
Households	Annexure 1G	12 626	12 610
Total		1 061 511	841 756
10. Expenditure for capital assets			
Tangible assets		23 912	31 136
Buildings and other fixed structures	40	18 418	27 104
Heritage assets	39, 41	-	-
Machinery and equipment	39	5 494	4 032
Specialised military assets	39	-	-
Land and subsoil assets	41	-	-
Biological assets	39	-	-
Intangible assets		-	-
Software	40	-	-
Mastheads and publishing titles	40	-	-
Patents, licences, copyright, brand names, trademarks	40	-	-
Recipes, formulae, prototypes, designs, models	40	-	-
Services and operating rights	40	-	-
Total		23 912	31 136
The following amounts have been included as project costs in Expenditure for capital assets			
Compensation of employees		-	-
Goods and services		-	-
Total		-	-

10.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	23 912	-	23 912
Buildings and other fixed structures	18 418	-	18 418
Heritage assets	-	-	-
Machinery and equipment	5 494	-	5 494
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-
Intangible assets	-	-	-
Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
Total	23 912	-	23 912

10.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	31 136	-	31 136
Buildings and other fixed structures	27 104	-	27 104
Heritage assets	-	-	-
Machinery and equipment	4 032	-	4 032
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-
Intangible assets	-	-	-
Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
Total	31 136	-	31 136

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
10.3 Finance lease expenditure included in Expenditure for capital assets			
Tangible assets		-	-
Buildings and other fixed structures		-	-
Heritage assets		-	-
Machinery and equipment		-	-
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Total		-	-

Include discussion here where deemed relevant

11. Unauthorised expenditure

11.1 Reconciliation of unauthorised expenditure

Opening balance		-	-
Prior period error		-	-
As restated		-	-
Unauthorised expenditure – discovered in current year (as restated)		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Capital		-	-
Current		-	-
Transfers and subsidies		-	-
Less: Amounts recoverable	15	-	-
Less: Amounts written off		-	-
Closing balance		-	-
Analysis of closing balance		-	-
Unauthorised expenditure awaiting authorisation		-	-
Unauthorised expenditure approved without funding and not derecognised		-	-
Total		-	-

Include discussion here where deemed relevant

	Note	2021/22 R'000	2020/21 R'000
11.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification			
Capital		-	-
Current		-	-
Transfers and subsidies		-	-
Total		-	-

Include discussion here where deemed relevant

11.3 Analysis of unauthorised expenditure awaiting authorisation per type

Unauthorised expenditure relating to overspending of the vote or a main division within a vote	-	-
Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division	-	-
Total	-	-

Include discussion here where deemed relevant

11.4 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
		-
		-
		-
Total		-

11.5 Prior period error

Nature of prior period error

Relating to 2019/20 [affecting the opening balance]

Relating to 2020/21

Total

-
-
-
-
-
-

Include discussion here where deemed relevant

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
12. Cash and cash equivalents			
Consolidated Paymaster General Account		-	-
Cash receipts		-	-
Disbursements		-	-
Cash on hand		41	41
Investments (Domestic)		-	-
Investments (Foreign)		-	-
Total		41	41
13. Other financial assets			
Current			
Local			
(Group major categories, but list material items)		-	-
Total		-	-
Foreign			
(Group major categories, but list material items)		-	-
Total		-	-
Total Current other financial assets		-	-
Non-current			
Local			
(Group major categories, but list material items)		-	-
Total		-	-
Foreign			
(Group major categories, but list material items)		-	-
Total		-	-
Total Non-current other financial assets		-	-
14. Prepayments and advances			
Staff advances			
Travel and subsistence		-	-
Prepayments (Not expensed)	14.2	-	-
Advances paid (Not expensed)	14.1	-	-
SOCPEN advances		-	-
Total		-	-

Include discussion here where deemed relevant

14.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2022
	14	R'000	R'000	R'000	R'000	R'000
National departments		-	-	-	-	-
Provincial departments		-	-	-	-	-
Public entities		-	-	-	-	-
Other entities		-	-	-	-	-
Total		-	-	-	-	-

Include discussion here where deemed relevant

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2021
	14	R'000	R'000	R'000	R'000	R'000
National departments		-	-	-	-	-
Provincial departments		-	-	-	-	-
Public entities		-	-	-	-	-
Other entities		-	-	-	-	-
Total		-	-	-	-	-

Include discussion here where deemed relevant

14.2 Prepayments (Not expensed)

	Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2022
	14	R'000	R'000	R'000	R'000	R'000
Goods and services		-	-	-	-	-
Interest and rent on land		-	-	-	-	-
Transfers and subsidies		-	-	-	-	-
Capital assets		-	-	-	-	-
Other		-	-	-	-	-
Total		-	-	-	-	-

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2021
	14	R'000	R'000	R'000	R'000	R'000
Goods and services		-	-	-	-	-
Interest and rent on land		-	-	-	-	-
Transfers and subsidies		-	-	-	-	-
Capital assets		-	-	-	-	-
Other		-	-	-	-	-
Total		-	-	-	-	-

Include discussion here where deemed relevant

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022**14.3 Prepayments (Expensed)**

Note	Amount as at 1 April 2021	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

Include discussion here where deemed relevant

Note	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2021
	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

14.4 Advances paid (Expensed)

Note	Amount as at 1 April 2021	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
National departments	-	-	-	-	-
Provincial departments	-	-	-	-	-
Public entities	-	-	-	-	-
Other entities	-	-	-	-	-
Total	-	-	-	-	-

Include discussion here where deemed relevant

Note	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2021
	R'000	R'000	R'000	R'000	R'000
National departments	-	-	-	-	-
Provincial departments	-	-	-	-	-
Public entities	-	-	-	-	-
Other entities	-	-	-	-	-
Total	-	-	-	-	-

Include discussion here where deemed relevant

15. Receivables

	Note	2021/22			2020/21		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	15.1	604 541	-	604 541	788 381	-	788 381
Trade receivables	15.2	-	-	-	-	-	-
Recoverable expenditure	15.3	-	-	-	-	-	-
Staff debt	15.4	1 746	8 462	10 208	1 401	8 204	9 605
Fruitless and wasteful expenditure	15.6	-	-	-	-	-	-
Other receivables	15.5	-	-	-	-	-	-
Total		606 287	8 462	614 749	789 782	8 204	797 986

Note	2021/22 R'000	2020/21 R'000
------	------------------	------------------

15.1 Claims recoverable

15

National departments	95	67
Provincial departments	591 608	775 463
Foreign governments	-	-
Public entities	12 838	12 851
Private enterprises	-	-
Higher education institutions	-	-
Households and non-profit institutions	-	-
Local governments	-	-
Total	604 541	788 381

15.2 Trade receivables

15

(Group major categories, but list material items)	-	-
Total	-	-

Include discussion here where deemed relevant

15.3 Recoverable expenditure (disallowance accounts)

15

	-	-
Total	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
15.4 Staff debt			
	15		
Breach of contract		8 682	8 140
Employee		451	440
Ex - employee		666	625
Other		409	400
Total		10 208	9 605
15.5 Other receivables			
	15		
		-	-
		-	-
Total		-	-
15.6 Fruitless and wasteful expenditure			
	15		
Opening balance			
Less amounts recovered		-	-
Less amounts written off		-	-
Transfers from note 32 Fruitless and Wasteful Expenditure		-	-
Interest		-	-
Total		-	-
15.7 Impairment of receivables			
Estimate of impairment of receivables		138 388	211 204
Total		138 388	211 204
16. Investments			
Non-Current		-	-
Shares and other equity		-	-
(List investments at cost)		-	-
Total		-	-
Securities other than shares	Annex 2A	-	-
(List investments at cost)		-	-
Total		-	-
Total non-current		-	-
Analysis of non-current investments			
Opening balance		-	-
Additions in cash		-	-
Disposals for cash		-	-
Non-cash movements		-	-
Closing balance		-	-

	Note	2021/22 R'000	2020/21 R'000
16.1 Impairment of investments			
Estimate of impairment of impairment		-	-
Total		-	-
17. Loans			
Public corporations			
Higher education institutions		-	-
Foreign governments		-	-
Private enterprises		-	-
Non-profit institutions		-	-
Staff loans		-	-
Total		-	-
Analysis of Balance		-	-
Opening balance		-	-
New Issues		-	-
Repayments		-	-
Write-offs		-	-
Closing balance		-	-
17.1 Impairment of loans			
Estimate of impairment of loans		-	-
Total		-	-
18. Voted funds to be surrendered to the Revenue Fund			
Opening balance		4 517	34 299
Prior period error	18.2	-	-
As restated		4 517	34 299
Transfer from statement of financial performance (as restated)		3 505	4 517
Add: Unauthorised expenditure for current year	11	-	-
Voted funds not requested/not received	1.1	-	-
Transferred to retained revenue to defray excess expenditure (PARLIAMENT/LEGISLATURES ONLY)	18.1	-	-
Paid during the year		-4 517	-34 299
Closing balance		3 505	4 517

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
18.1 Voted funds / (Excess expenditure) transferred to the retained funds (Parliament / Legislatures ONLY)			
	18		
Opening balance			
Transfer from statement of financial performance		-	-
Transfer from Departmental Revenue to defray excess expenditure	19	-	-
Closing balance		-	-
18.2 Prior period error			
Nature of prior period error			
Relating to 2019/20 <i>[affecting the opening balance]</i>			-
			-
Relating to 2020/21			-
			-
Total			-
19. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		1 406	835
Prior period error	19.1	-	-
As restated		1 406	835
Transfer from Statement of Financial Performance (as restated)		8 787	8 607
Own revenue included in appropriation		-	-
Transfer from aid assistance	4	-	-
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	18.1	-	-
Paid during the year		-8 484	-8 036
Closing balance		1 709	1 406
19.1 Prior period error			
Nature of prior period error			
Relating to 2019/20 <i>[affecting the opening balance]</i>			-
			-
Relating to 2020/21			-
			-
Total			-

	Note	2021/22 R'000	2020/21 R'000
20. Bank Overdraft			
Consolidated Paymaster General Account		587 715	770 185
Fund requisition account		-	-
Overdraft with commercial banks (Local)		-	-
Overdraft with commercial banks (Foreign)		-	-
Total		587 715	770 185
21. Payables – current			
Amounts owing to other entities		-	-
Advances received	21.1	10 309	10 309
Clearing accounts	21.2	827	119
Other payables	21.3	1 241	2 784
Total		12 377	13 212
21.1 Advances received			
	21		
National departments		-	-
Provincial departments		10 309	10 309
Public entities		-	-
Other institutions		-	-
Total		10 309	10 309
21.2 Clearing accounts			
	21		
Sal: Income tax		39	116
Sal: Pension fund		-	2
Sal: Tax debt		-	1
Online Travel Control		788	-
Total		827	119
21.3 Other payables			
	21		
Tender deposit		1 241	1 787
IDA Overpayment		-	997
Total		1 241	2 784

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

22. Payables – non-current

	Note	2021/22			2020/21
		One to two years	Two to three years	More than three years	Total
		R'000	R'000	R'000	R'000
Amounts owing to other entities		-	-	-	-
Advances received	22.1	-	-	-	-
Other payables	22.2	-	-	-	-
Total		-	-	-	-

Include discussion here where deemed relevant

Note	2021/22	2020/21
	R'000	R'000

22.1 Advances received

22

National departments		
Provincial departments	-	-
Public entities	-	-
Other institutions	-	-
Total	-	-

22.2 Other payables

	-	-
Total	-	-

23. Net cash flow available from operating activities

Net surplus/(deficit) as per Statement of Financial Performance	12 292	18 736
Add back non cash/cash movements not deemed operating activities	193 571	-374 496
(Increase)/decrease in receivables	183 495	-354 742
(Increase)/decrease in prepayments and advances	-	-
(Increase)/decrease in other current assets	-	-
Increase/(decrease) in payables – current	-835	-8 051
Proceeds from sale of capital assets	-	-504
Proceeds from sale of investments	-	-
(Increase)/decrease in other financial assets	-	-
Expenditure on capital assets	23 912	31 136
Surrenders to Revenue Fund	-13 001	-42 335
Surrenders to RDP Fund/Donor	-	-
Voted funds not requested/not received	-	-
Own revenue included in appropriation	-	-
Other non-cash items	-	-
Net cash flow generated by operating activities	205 863	-355 760

Include discussion here where deemed relevant

	Note	2021/22 R'000	2020/21 R'000
24. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		-587 715	-770 185
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		-	-
Cash on hand		41	41
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		-587 674	-770 144
25. Contingent liabilities and contingent assets			
25.1 Contingent liabilities			
Liable to	Nature		
Motor vehicle guarantees	Employees	Annex 3A	-
Housing loan guarantees	Employees	Annex 3A	-
Other guarantees		Annex 3A	-
Claims against the department		Annex 3B	56 761
Intergovernmental payables (unconfirmed balances)		Annex 5	721
Environmental rehabilitation liability		Annex 3B	-
Other		Annex 3B	-
Total		57 482	19 722
25.2 Contingent assets			
Nature of contingent asset			
Claim for damages on vehicles		246	246
Recovery on Guarantee		6 305	6 305
Salary Overpayment & Unjust enrichment		261	261
Recoveries for cancellation of contract		13 203	13 203
Breach of contract		28 405	28 405
Recoveries of bursary debt		1 456	1 456
Recoveries on fraudulent payment		620	620
Rental		1 692	1 692
Claim for profession negligence		15 801	15 801
Damage to security wall		5	5
Penalties		870	870
Recovery of damages for defective design		43 269	-
Total		112 133	68 864

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
26. Capital commitments			
Buildings and other fixed structures		66 290	32 151
Heritage assets		-	-
Machinery and equipment		3 993	1 206
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Intangible assets		-	-
Total		70 283	33 357

27. Accruals and payables not recognised**27.1 Accruals**

Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	10 411	739	11 150	6 825
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	10 230	10 230	2 529
Capital assets	129	-	129	1 112
Other	-	-	-	-
Total	10 540	10 969	21 509	10 466

Listed by programme level

Programme 1 – Administration	6 033	4 828
Programme 2 - Property Management	10 794	2 726
Programme 3 - Provision of Buildings, Structures and Equipment	4 682	2 912
Total	21 509	10 466

27.2 Payables not recognised

Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	921	79	1 000	5 946
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	2 362	2 362	76 733
Capital assets	1 236	-	1 236	-
Other	-	-	-	-
Total	2 157	2 441	4 598	82 679

	Note	2021/22 R'000	2020/21 R'000
Listed by programme level			
Programme 1 - Administration		1 626	1 325
Programme 2 - Property Management		2 479	80 301
Programme 3 - Provision of Buildings, Structures and Equipment		493	1 053
Total		4 598	82 679

Included in the above totals are the following:

Confirmed balances with other departments	Annex 5	116	3 484
Confirmed balances with other government entities	Annex 5	-	-
Total		116	3 484

28. Employee benefits

Leave entitlement		43 565	56 327
Service bonus		17 177	17 543
Performance awards		3 440	7
Capped leave		33 002	37 561
Other		1 444	2 005
Total		98 629	113 443

At this stage the department is not able to reliably measure the long term portion of the long service awards.

29. Lease commitments

29.1 Operating leases

2021/22	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2 648	2 648
Later than 1 year and not later than 5 years	-	-	-	1 541	1 541
Later than five years	-	-	-	-	-
Total lease commitments				4 189	4 189

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2 816	2 816
Later than 1 year and not later than 5 years	-	-	-	3 062	3 062
Later than five years	-	-	-	-	-
Total lease commitments				5 878	5 878

Provide a general description of the material leasing arrangements

Provide a general discussion on any assets that are sub-leased (if any), indicating the nature of the asset and the lessee (occupant/user of the asset).

Rental earned on sub-leased assets	3	-	-
Total		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

29.2 Finance leases **

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	-	-

2020/21	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	-	-

**This note excludes leases relating to public private partnership as they are separately disclosed in note no. 35.

	Note	2021/22 R'000	2020/21 R'000
Rental earned on sub-leased assets	3	-	-
Total		-	-

29.3 Operating lease future revenue**

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total operating lease revenue receivable	-	-	-	-	-

2020/21	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total operating lease revenue receivable	-	-	-	-	-

30. Accrued departmental revenue

	Note	2021/22	2020/21
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets		1 817	1 926
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land		-	-
Sales of capital assets		-	-
Transactions in financial assets and liabilities		-	-
Transfers received		-	-
Other		-	-
Total		1 817	1 926

30.1 Analysis of accrued departmental revenue

Opening balance	1 926	1 630
Less: amounts received	154	72
Less: services received in lieu of cash	-	-
Add: amounts recorded	210	371
Less: amounts written-off/reversed as irrecoverable	165	3
Less: amounts transferred to receivables for recovery	-	-
Other (<i>Specify</i>)	-	-
Closing balance	1 817	1 926

30.2 Accrued department revenue written off

Nature of losses

	-	-
	-	-
Total	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
30.3 Impairment of accrued departmental revenue			
Estimate of impairment of accrued departmental revenue		-	-
Total		-	-
31. Irregular expenditure			
31.1 Reconciliation of irregular expenditure			
Opening balance		430 944	52 214
Prior period error		-	-
As restated		430 944	52 214
Add: Irregular expenditure – relating to prior year		13 304	257 531
Add: Irregular expenditure – relating to current year		274 237	121 199
Less: Prior year amounts condoned		-23 761	-
Less: Current year amounts condoned		-	-
Less: Prior year amounts not condoned and removed		-	-
Less: Current year amounts not condoned and removed		-	-
Less: Amounts recoverable (current and prior year)	15	-	-
Less: Amounts written off		-	-
Closing balance		694 724	430 944
Analysis of closing balance			
Current year		287 541	378 730
Prior years		407 183	52 214
Total		694 724	430 944
31.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)			
Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000	
Current year extension of leases after expiry date.		146 396	
Current year appointments of employees not vetted.		50 639	
Pre-approval not obtained for deviations regarding extension of leases for isolation and quarantine facilities.		51 151	
Winning bidder does not meet minimum requirements and contract above CIDB grade.		26 051	
Previous year expenditure of employees not vetted.		13 304	
Total		287 541	

31.3 Details of irregular expenditure condoned

Incident	Condoned by (relevant authority)	2021/22 R'000
SLA not fully implemented	Provincial Treasury Condonation Working Committee	23 761
Total		23 761

31.4 Details of irregular expenditure recoverable (not condoned)

Incident	2021/22 R'000
	-
Total	-

31.5 Details of irregular expenditure removed - (not condoned)

Incident	Not condoned by (relevant authority)	2021/22 R'000
		-
Total		-

31.6 Details of irregular expenditures written off (irrecoverable)

Incident	2021/22 R'000
	-
Total	-

31.7 Details of irregular expenditures under assessment (not included in the main note)

Incident	2021/22 R'000
	-
Total	-

31.8 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 20WW/XX <i>[affecting the opening balance]</i>		-
		-
		-
Relating to 20XX/YY		-
		-
Total		-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

31.9 Details of the non-compliance where an institution is involved in an inter-institutional arrangement

Incident	2021/22 R'000
	-
Total	-

32. Fruitless and wasteful expenditure**32.1 Reconciliation of fruitless and wasteful expenditure**

	Note	2021/22 R'000	2020/21 R'000
Opening balance		-	-
Prior period error		-	-
As restated		-	-
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		-	-
Less: Amounts recoverable	15.6	-	-
Less: Amounts written off		-	-
Closing balance		-	-

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

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
		-
Total		-

32.3 Details of fruitless and wasteful expenditure recoverable

Incident	2021/22 R'000
	-
Total	-

32.4 Details of fruitless and wasteful expenditure written off

Incident	2021/22 R'000
	-
Total	-

32.5 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 20WW/XX <i>[affecting the opening balance]</i>		-
		-
		-
Relating to 20XX/YY		-
		-
Total		-

32.6 Details of fruitless and wasteful expenditures under assessment (not included in the main note)

Incident	2021/22 R'000
	-
Total	-

33. Related party transactions

Revenue received	Note	2021/22 R'000	2020/21 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets		-	-
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land		-	-
Sales of capital assets		-	-
Transactions in financial assets and liabilities		-	-
Transfers received		-	-
Total		-	-

Payments made	Note	2021/22 R'000	2020/21 R'000
Compensation of employees		-	-
Goods and services		-	-
Interest and rent on land		-	-
Expenditure for capital assets		-	-
Payments for financial assets		-	-
Transfers and subsidies		-	-
Total		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Year end balances arising from revenue/payments			
Receivables from related parties		-	-
Payables to related parties		-	-
Total		-	-
Loans to /from related parties			
Non-interest bearing loans to/(from)		-	-
Interest bearing loans to/(from)		-	-
Total		-	-
Other			
Guarantees issued/received		-	-
<i>List other contingent liabilities between department and related party</i>		-	-
Total		-	-
In kind goods and services provided/received			
<i>List in kind goods and services between the department and the related party</i>		-	-
Total		-	-

The Department shared the same MEC - MEC NM Sibiya with the KZN Department of Human Settlements. The Department is related to KZN Provincial Departments. The following Departments Occupies Public Works offices rent- free: Agriculture, arts and Culture, Community Safety, COGTA, Economic Development, Education, Health, Human Settlements, Legislature, Premier, Social Development, Sports and Transport.

34. Key management personnel

	No. of Individuals	2021/22	2020/21
		R'000	R'000
Political office bearers (provide detail below)	1	1 978	1 978
Officials:			
Level 15 to 16	7	6 282	6 557
Level 14	2	2 788	2 747
Family members of key management personnel	1	775	755
Total		11 823	12 037

Key management personnel (Parliament/Legislatures)

	No. of Individuals	2021/22 R'000	2020/21 R'000
Speaker to Parliament / the Legislature		-	-
Deputy Speaker		-	-
Secretary to Parliament / the Legislature		-	-
Deputy Secretary		-	-
Chief Financial Officer		-	-
Legal Advisor		-	-
Other		-	-
Total		-	-

Include discussion here where deemed relevant

35. Public Private Partnership

	Note	2021/22 R'000	2020/21 R'000
Concession fee received		-	-
Base fee received		-	-
Variable fee received		-	-
Other fees received (Specify)		-	-
Unitary fee paid		-	-
Fixed component		-	-
Indexed component		-	-
Analysis of indexed component		-	-
Compensation of employees		-	-
Goods and services (excluding lease payments)		-	-
Operating leases		-	-
Interest		-	-
Capital / (Liabilities)		-	-
Tangible rights		-	-
Intangible rights		-	-
Property		-	-
Plant and equipment		-	-
Loans		-	-
Other		-	-
Prepayments and advances		-	-
Pre-production obligations		-	-
Other obligations		-	-

Any guarantees issued by the department are disclosed in Note 25.1

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
36. Impairment (other than receivables, accrued departmental revenue, loans and investments)			
Please specify		-	-
		-	-
Total		-	-

Include discussion here where deemed relevant

37. Provisions

Retention	20	513
Total	20	513

Include discussion here where deemed relevant

37.1 Reconciliation of movement in provisions – 2021/22

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	-	513	-	513
Increase in provision	-	-	-	-
Settlement of provision	-	-493	-	-493
Unused amount reversed	-	-	-	-
Reimbursement expected from third party	-	-	-	-
Change in provision due to change in estimation of inputs	-	-	-	-
Closing balance		20		20

Include discussion here where deemed relevant

Reconciliation of movement in provisions – 2020/21

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	-	558	-	558
Increase in provision	-	-	-	-
Settlement of provision	-	-45	-	-45
Unused amount reversed	-	-	-	-
Reimbursement expected from third party	-	-	-	-
Change in provision due to change in estimation of inputs	-	-	-	-
Closing balance		513		513

Include discussion here where deemed relevant

38. Non-adjusting events after reporting date

Nature of event

Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.

2021/22

R'000

-

-

Total

-

Include discussion here where deemed relevant

39. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS	-		-	-	-
Heritage assets	-		-	-	-
MACHINERY AND EQUIPMENT	184 107		5 517	871	188 753
Transport assets	73 006		573	111	73 468
Computer equipment	63 943		4 597	568	67 972
Furniture and office equipment	13 271		242	148	13 365
Other machinery and equipment	33 886		105	44	33 947
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	184 107	-	5 517	871	188 753

Include discussion here where deemed relevant

Movable Tangible Capital Assets under investigation

Number

Value

R'000

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:

Heritage assets	-	-
Machinery and equipment	-	-
Specialised military assets	-	-
Biological assets	-	-

Provide reasons why assets are under investigation and actions being taken to resolve matters

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

39.1 Movement for 2020/21

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	183 610	-	4 078	3 581	184 107
Transport assets	74 256	-	2 225	3 475	73 006
Computer equipment	63 286	-	702	45	63 943
Furniture and office equipment	12 706	-	594	29	13 271
Other machinery and equipment	33 361	-	557	32	33 886
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	183 610	-	4 078	3 581	184 107

39.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		-
		-
		-
Relating to 2020/22		-
		-
		-
Total prior period errors		-

Include discussion here where deemed relevant

39.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	13 087	-	13 087
Value adjustments	-	-	-		-	
Additions	-	-	-	339	-	339
Disposals	-	-	-	475	-	475
TOTAL MINOR ASSETS	-	-	-	12 951	-	12 951

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	12 211	-	12 211
Number of minor assets at cost	-	-	-	8 183	-	8 183
TOTAL NUMBER OF MINOR ASSETS	-	-	-	20 394	-	20 394

Include discussion here where deemed relevant

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:

Specialised military assets	-	-
Intangible assets	-	-
Heritage assets	-	-
Machinery and equipment	-	-
Biological assets	-	-

Provide reasons why assets are under investigation and actions being taken to resolve matters

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	12 588	-	12 588
Prior period error	-	-	-	-	-	-
Additions	-	-	-	591	-	591
Disposals	-	-	-	92	-	92
TOTAL MINOR ASSETS	-	-	-	13 087	-	13 087

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	12 351	-	12 351
Number of minor assets at cost	-	-	-	7 942	-	7 942
TOTAL NUMBER OF MINOR ASSETS	-	-	-	20 293	-	20 293

Include discussion here where deemed relevant

39.2.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		-
		-
		-
Relating to 2020/21		-
		-
		-
Total		-

Include discussion here where deemed relevant

39.3 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	682	-	682
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	682	-	682

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	930	-	930
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	930	-	930

Include discussion here where deemed relevant

40. Intangible Capital Assets

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	8 833	-	-	8 833
MASTHEADS AND PUBLISHING TITLES	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	8 833	-	-	8 833

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

Intangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the intangible capital assets per the asset register are assets that are under investigation:		
Software		
Mastheads and publishing titles	-	-
Patents, licences, copyright, brand names, trademarks	-	-
Recipes, formulae, prototypes, designs, models	-	-
Services and operating rights	-	-

40.1 Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	46 778	-37 945	-	-	8 833
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	46 778	-37 945	-	-	8 833

Include discussion here where deemed relevant

40.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to prior years [affecting the opening balance]		-37 945
		-37 945
		-
Relating to 2020/21		-
		-
		-
Total		-37 945

Prior year software expenditure decapitalised and moved to Goods and services computer services.

41. Immovable Tangible Capital Assets

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	19 355 943	161 555	10 785	19 506 712
Dwellings	655 639	9 802	4 460	660 981
Non-residential buildings	18 700 304	151 753	6 325	18 845 731
Other fixed structures	-	-	-	-
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
LAND AND SUBSOIL ASSETS	1 027 054	4 219	2 498	1 028 775
Land	1 027 054	4 219	2 498	1 028 775
Mineral and similar non-regenerative resources	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	20 382 996	165 774	13 283	20 535 487

Included in immovable assets totalling R20 535 486 000 (2021: R20 389 104 000) is an amount of R128 528 000 (2021: R 970 261 000) which relates to properties where majority of the land parcels upon which facilities exist are registered in erstwhile Government (RSA, Administrator Natal, etc.) other than the Provincial Government of Kwa-Zulu Natal. There are 10 properties included in immovable assets which is disclosed at nominal value, in line with the Immovable Asset Guide. These have been identified from the Deeds/Vesting data as at 31 March and there are no municipal or market values available. The valuation process is yet to be finalised. The plan is to have this commissioned for valuation in the 2022/2023 financial year. There are assets included above that are currently under investigation for use amounting to R736,251 million.

Immovable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation:		
Buildings and other fixed structures	-	-
Heritage assets	-	-
Land and subsoil assets	-	-

There are no assets under investigation for physical verification.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

41.1 Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	19 089 973	-151	276 344	10 224	19 355 943
Dwellings	645 956	-151	14 584	4 750	655 639
Non-residential buildings	18 444 017	-	261 760	5 474	18 700 304
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	1 044 234	317	4 575	22 072	1 027 054
Land	1 044 234	317	4 575	22 072	1 027 054
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	20 134 207	166	280 919	32 296	20 382 996

Include discussion here where deemed relevant

41.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		166
Prior period errors are as a result of vesting errors and correction of ownership.		166
Relating to 2020/21		-6 275
Prior period errors are as a result of vesting errors and correction of ownership.		-6 275
Total		-6 109

Include discussion here where deemed relevant

41.2 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	Note	Opening balance 1 April 2021	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2022
	Annexure 7	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-
Buildings and other fixed structures		48 390	18 418	31 886	34 922
Machinery and equipment		-	-	-	-
Specialised military assets		-	-	-	-
Intangible assets		33 420	1 192	-	34 612
TOTAL		81 810	19 610	31 886	69 534

Include discussion here where deemed relevant

Payables not recognised relating to Capital WIP

Note	2021/22	2020/21
	R'000	R'000

[Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress]

68

1 035

Total

68

1 035

Include discussion here where deemed relevant

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Note	Opening balance 1 April 2020	Prior period error	Current Year WIP	Ready for use (Assets to the AR)) / Contracts terminated	Closing balance 31 March 2021
	Annexure 7	R'000	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-	-
Buildings and other fixed structures		39 047	-	27 105	17 762	48 390
Machinery and equipment		-	-	-	-	-
Specialised military assets		-	-	-	-	-
Intangible assets		33 420	-	-	-	33 420
TOTAL		72 467	-	27 105	17 762	81 810

Include discussion here where deemed relevant

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

41.3 Immovable assets written off

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Total
	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-
TOTAL IMMOVABLE ASSETS WRITTEN OFF	-	-	-	-

Include discussion here where deemed relevant

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 20YY

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Total
	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-
TOTAL IMMOVABLE ASSETS WRITTEN OFF	-	-	-	-

Include discussion here where deemed relevant

41.4 Immovable assets (additional information)

			2021/22	2020/21
		Note		
a) Unsurveyed land	Estimated completion date	Annexure 9	Area KZN	Area -
There are parcels of land around the country that have not been surveyed				
b) Properties deemed vested		Annexure 9	Number	Number
Land parcels			355	326
Facilities				
Schools			210	138
Clinics			28	17
Hospitals			4	1
Office buildings			28	28
Dwellings			58	51
Storage facilities			-	-
Other			97	95
c) Facilities on unsurveyed land	Duration of use	Annexure 9	Number	Number
Schools			234	216
Clinics			37	37
Hospitals			-	1

Office buildings	20	23
Dwellings	40	41
Storage facilities	-	-
Other	24	21

d) Facilities on right to use land	Duration of use	Annexure 9	Number	Number
Schools			4 419	4 579
Clinics			421	428
Hospitals			28	34
Office buildings			174	196
Dwellings			214	249
Storage facilities			1	1
Other			363	346
e) Agreement of custodianship		Annexure 9	Number	Number
Land parcels				
Facilities			-	-
Schools			-	-
Clinics			-	-
Hospitals			-	-
Office buildings			-	-
Dwellings			-	-
Storage facilities			-	-
Other			-	-

Include discussion here where deemed relevant

42. Principal-agent arrangements

42.1 Department acting as the principal

Include a list of the entities acting as agents for the department, the fee paid as compensation to the agent and any other transactions undertaken

2021/22	2020/21
R'000	R'000
-	-
-	-
Total	-

42.2 Department acting as the agent

42.2.1 Revenue received for agency activities

Include a list of the entities for which the department acts as an agent and the amounts received for these agency duties

2021/22	2020/21
R'000	R'000
-	-
-	-
Total	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

42.2.2 Reconciliation of funds and disbursements – 2021/22

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
	-	-
Total	-	-

Reconciliation of funds and disbursements – 2020/21

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
	-	-
Total	-	-

42.2.3 Reconciliation of carrying amount of receivables and payables – 2021/22

Receivables

Name of principal entity	Opening balance 1 Apr 2021 R'000	Revenue principal is entitled to R'000	Less: Write-offs/ settlements/ waivers R'000	Cash received on behalf of principal R'000	Closing Balance 31 Mar 2022 R'000
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total	-	-	-	-	-

Payables

Name of principal entity	Opening balance 1 Apr 2021 R'000	Expenses incurred on behalf of the principal R'000	Cash paid on behalf of the principal R'000	Closing Balance 31 Mar 2022 R'000
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
Total	-	-	-	-

Reconciliation of carrying amount of receivables and payables – 2020/21

Receivables

Name of principal entity	Opening balance 1 Apr 2020	Revenue principal is entitled to	Less: Write-offs/ settlements/ waivers	Cash received on behalf of principal	Closing Balance 31 Mar 2021
	R'000	R'000	R'000	R'000	R'000
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total					

Payables

Name of principal entity	Opening balance 1 Apr 2020	Expenses incurred on behalf of the principal	Cash paid on behalf of the principal	Closing Balance 31 mar 2021
	R'000	R'000	R'000	R'000
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
Total	-	-	-	-

43. Changes in accounting estimates

During the year the following changes were made to the estimations employed in the accounting for transactions, assets, liabilities, events and circumstances

	Value derived using the original estimate R'000	Value derived using amended estimate R'000	R-value impact of change in estimate R'000
<i>Accounting estimate change 1: Provide a description of the change in estimate</i>	-	-	-
Line item 1 affected by the change	-	-	-
Line item 2 affected by the change	-	-	-
Line item 3 affected by the change	-	-	-
Line item 4 affected by the change	-	-	-
Line item 5 affected by the change	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

	Value derived using the original estimate	Value derived using amended estimate	R-value impact of change in estimate
	R'000	R'000	R'000
<i>Accounting estimate change 2: Provide a description of the change in estimate</i>	-	-	-
Line item 1 affected by the change	-	-	-
Line item 2 affected by the change	-	-	-
Line item 3 affected by the change	-	-	-
Line item 4 affected by the change	-	-	-
Line item 5 affected by the change	-	-	-

Include discussion here where deemed relevant

	Value derived using the original estimate	Value derived using amended estimate	R-value impact of change in estimate
	R'000	R'000	R'000
<i>Accounting estimate change 3: Provide a description of the change in estimate</i>	-	-	-
Line item 1 affected by the change	-	-	-
Line item 2 affected by the change	-	-	-
Line item 3 affected by the change	-	-	-
Line item 4 affected by the change	-	-	-
Line item 5 affected by the change	-	-	-

44. Prior period errors

44.1 Correction of prior period errors

	Note	Amount bef error correction	Prior period error	Restated Amount
		2020/21	2020/21	2020/21
		R'000	R'000	R'000
Revenue: (E.g. Annual appropriation, Departmental revenue, Aid assistance, etc.)				
Line item 1 affected by the change		-	-	-
Line item 2 affected by the change		-	-	-
Line item 3 affected by the change		-	-	-
Net effect		-	-	-

	Note	Amount bef error	Prior period error	Restated
		correction		Amount
		2020/21	2020/21	2020/21
		R'000	R'000	R'000
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)		-	-	-
		-	-	-
		-	-	-
		-	-	-
Net effect		-	-	-

	Note	Amount bef error	Prior period error	Restated
		correction		Amount
		2020/21	2020/21	2020/21
		R'000	R'000	R'000
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Line item 1 affected by the change		-	-	-
Line item 2 affected by the change		-	-	-
Line item 3 affected by the change		-	-	-
Net effect		-	-	-

	Note	Amount bef error	Prior period error	Restated
		correction		Amount
		2020/21	2020/21	2020/21
		R'000	R'000	R'000
Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Line item 1 affected by the change		-	-	-
Line item 2 affected by the change		-	-	-
Line item 3 affected by the change		-	-	-
Net effect		-	-	-

	Note	Amount bef error	Prior period error	Restated
		correction		Amount
		2020/21	2020/21	2020/21
		R'000	R'000	R'000
Other: (E.g. Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
Line item 1 affected by the change		-	-	-
Line item 2 affected by the change		-	-	-
Line item 3 affected by the change		-	-	-
Net effect		-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

45. Inventories

Inventories for the year ended 31 March 2022	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance					
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	-	-	-	-
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Include discussion here where deemed relevant

Inventories for the year ended 31 March 2021	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance					
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	-	-	-	-
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Include discussion here where deemed relevant

45.1 Land parcels held for human settlement

	Note	2021/22 R'000	2020/21 R'000
Opening balance			
Add/(Less): Adjustments to prior year balances		-	-
Add: Additions/Purchases – Cash		-	-
Add: Additions - Non-cash		-	-
(Less): Disposals		-	-
(Less): Issues		-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)		-	-
Add/(Less): Adjustments		-	-
Closing balance	<i>Anx 6</i>	-	-

45.2 Work in progress

Work in progress for the year ended 31 March 2022	Opening balance R'000	Additions during year R'000	(Ready for use/ suspended) R'000	Closing balance R'000
Clearing				
Infrastructure	-	-	-	-
Structure of houses	-	-	-	-
Adjustments	-	-	-	-
Total	-	-	-	-

Accruals/Payables not recognised	2021/22 R'000	2020/21 R'000
Certificates/Invoices received not paid:		
Clearing	-	-
Infrastructure	-	-
Structure of houses	-	-
Total	-	-

45.3 Houses ready for use

Houses ready for use	Quantity	2021/22 R'000	Quantity	2020/21 R'000
Opening balance	-	-	-	-
Add/(Less): Adjustment to prior year balances	-	-	-	-
Add: Ready for use in current year	-	-	-	-
Less: Issued to beneficiaries	-	-	-	-
Add/(Less): Adjustments	-	-	-	-
Closing balance	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

46. Transfer of functions and mergers

46.1 Transfer of functions

46.1.1 Statement of Financial Position

Note	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
	R'000	Dept name (Specify) R'000	Dept name (Specify) R'000	Dept name (Specify) R'000	R'000
ASSETS	-	-	-	-	-
Current Assets	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-
Other financial assets	-	-	-	-	-
Prepayments and advances	-	-	-	-	-
Receivables	-	-	-	-	-
Loans	-	-	-	-	-
Aid assistance prepayments	-	-	-	-	-
Aid assistance receivable	-	-	-	-	-
Non-Current Assets	-	-	-	-	-
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Loans	-	-	-	-	-
Other financial assets	-	-	-	-	-
TOTAL ASSETS	-	-	-	-	-
LIABILITIES					
Current Liabilities	-	-	-	-	-
Voted funds to be surrendered to the Revenue Fund	-	-	-	-	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	-	-	-	-	-
Bank Overdraft	-	-	-	-	-
Payables	-	-	-	-	-
Aid assistance repayable	-	-	-	-	-
Aid assistance unutilised	-	-	-	-	-
Non-Current Liabilities	-	-	-	-	-
Payables	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-
NET ASSETS	-	-	-	-	-

46.1.2 Notes

	Note	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
		R'000	Dept name (Specify)	Dept name (Specify)	Dept name (Specify)	R'000
Contingent liabilities		-	-	-	-	-
Contingent assets		-	-	-	-	-
Capital commitments		-	-	-	-	-
Accruals		-	-	-	-	-
Payables not recognised		-	-	-	-	-
Employee benefits		-	-	-	-	-
Lease commitments – Operating lease		-	-	-	-	-
Lease commitments – Finance lease		-	-	-	-	-
Lease commitments – Operating lease revenue		-	-	-	-	-
Accrued departmental revenue		-	-	-	-	-
Irregular expenditure		-	-	-	-	-
Fruitless and wasteful expenditure		-	-	-	-	-
Impairment		-	-	-	-	-
Provisions		-	-	-	-	-
Movable tangible capital assets		-	-	-	-	-
Immovable tangible capital assets		-	-	-	-	-
Intangible capital assets		-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

46.2 Mergers

46.2.1 Statement of Financial Position

	Note	Balance bef merger date	Balance bef merger date	Balance bef merger date	Balance after merger date
		Combining Dept (Specify)	Combining Dept (Specify)	Combining Dept (Specify)	Combined Dept (Specify)
		R'000	R'000	R'000	R'000
ASSETS		-	-	-	-
Current Assets		-	-	-	-
Unauthorised expenditure		-	-	-	-
Cash and cash equivalents		-	-	-	-
Other financial assets		-	-	-	-
Prepayments and advances		-	-	-	-
Receivables		-	-	-	-
Loans		-	-	-	-
Aid assistance prepayments		-	-	-	-
Aid assistance receivable		-	-	-	-
Non-Current Assets		-	-	-	-
Investments		-	-	-	-
Receivables		-	-	-	-
Loans		-	-	-	-
Other financial assets		-	-	-	-
TOTAL ASSETS		-	-	-	-
LIABILITIES					
Current Liabilities		-	-	-	-
Voted funds to be surrendered to the Revenue Fund		-	-	-	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund		-	-	-	-
Bank Overdraft		-	-	-	-
Payables		-	-	-	-
Aid assistance repayable		-	-	-	-
Aid assistance unutilised		-	-	-	-
Non-Current Liabilities		-	-	-	-
Payables		-	-	-	-
TOTAL LIABILITIES		-	-	-	-
NET ASSETS		-	-	-	-

46.2.2 Notes

	Note	Balance bef	Balance bef	Balance bef	Balance after
		merger date	merger date	merger date	merger date
		Combining Dept (Specify)	Combining Dept (Specify)	Combining Dept (Specify)	Combined Dept (Specify)
		R'000	R'000	R'000	R'000
Contingent liabilities		-	-	-	-
Contingent assets		-	-	-	-
Capital commitments		-	-	-	-
Accruals		-	-	-	-
Payables not recognised		-	-	-	-
Employee benefits		-	-	-	-
Lease commitments – Operating lease		-	-	-	-
Lease commitments – Finance lease		-	-	-	-
Lease commitments – Operating lease revenue		-	-	-	-
Accrued departmental revenue		-	-	-	-
Irregular expenditure		-	-	-	-
Fruitless and wasteful expenditure		-	-	-	-
Impairment		-	-	-	-
Provisions		-	-	-	-
Movable tangible capital assets		-	-	-	-
Immovable tangible capital assets		-	-	-	-
Intangible capital assets		-	-	-	-

47. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				20XX/YY	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Integrated Grant for Provinces	5 465	-	-	-	5 465	5 465	5 465	-	100%	4 243	4 243
TOTAL	5 465	-	-	-	5 465	5 465	5 465	-		4 243	4 243

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

48. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT				20XX/YY	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Summary by province													
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
North West	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-
Summary by grant	-	-	-	-	-	-	-	-	-	-	-	-	-
1.													
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT				20XX/YY	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
North West	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
2. [Grant name]													
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
North West	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

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

NAME OF MUNICIPALITY	2021/22					2020/21		
	GRANT ALLOCATION			TRANSFER		Division of Revenue Act	R'000	Actual transfer R'000
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	
Ethekezi Metro	386 522	-	-	386 522	346 719	-	-	289 928
Ugu Municipalities	26 094	-	-	26 094	52 799	-	-	17 920
Umgugundlovu Municipalities	142 284	-	-	142 284	149 716	-	-	116 982
Uthukela Municipalities	66 540	-	-	66 540	65 575	-	-	58 718
Umkhanyakude Municipalities	57 415	-	-	57 415	64 288	-	-	48 801
Amajuba Municipalities	32 521	-	-	32 521	28 763	-	-	20 660
Zululand Municipalities	94 160	-	-	94 160	94 611	-	-	88 474
*Zululand Municipalities	-	-	-	-	-	-	-	-
Umkhanyakude Municipalities	42 479	-	-	42 479	48 267	-	-	36 560
King Cetshwayo municipalities	118 043	-	-	118 043	112 583	-	-	87 029
Ilembe Municipalities	49 430	-	-	49 430	52 881	-	-	41 376
Harry Gwala municipalities	30 820	-	-	30 820	32 389	-	-	22 469
Non Pay: No Reginal Identifier	-	-	-	-	-	-	-	-
Lejweleputswa Municipalities	-	-	-	-	-	-	-	-
Eku Ekurhuleni Municipalities	-	-	-	-	-	-	-	-
Emfuleni Municipalities	-	-	-	-	-	-	-	-
Emahlaleni Municipalities	-	-	-	-	-	-	-	-
Sedibeng Municipalities	-	-	-	-	-	-	-	-
Nkangala Municipalities	-	-	-	-	-	-	-	-
Matjhabeng Municipalities	-	-	-	-	-	-	-	-
PD Licences	310	-	-	310	294	-	-	229
PD Claims against the state	-	-	-	-	-	-	-	-
PD Donations & Gifts	-	-	-	-	-	-	-	-
TOTAL	1 046 618	-	-	1 046 618	1 048 885	-	-	829 146

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

50. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

51. COVID 19 Response Expenditure

	<i>Note</i>	2021/22	2020/21
	<i>Annexure 11</i>	R'000	R'000
Compensation of employees		29	24 413
Goods and services		627	5 669
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total		656	30 082

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				20XX/YY	
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Depart-ment	Amount received by municipi-pality	Amount spent by municipality	Unspent funds	% of available funds spent by municipi-pality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Ethekwini Metro	386 522	-	-	386 522	346 719	-	-	346 719	346 719	-	100%	-	289 928
Ugu Municipalities	26 094	-	-	26 094	52 799	-	-	52 799	52 799	-	0%	-	17 920
Umgugundlovu Municipalities	142 284	-	-	142 284	149 716	-	-	149 716	149 716	-	0%	-	116 982
Uthukela Municipalities	66 540	-	-	66 540	65 575	-	-	65 575	65 575	-	100%	-	58 718
Umkhanyathi Municipalities	57 415	-	-	57 415	64 288	-	-	64 288	64 288	-	0%	-	48 801
Amajuba Municipalities	32 521	-	-	32 521	28 763	-	-	28 763	28 763	-	100%	-	20 660
Zululand Municipalities	94 160	-	-	94 160	94 611	-	-	94 611	94 611	-	0%	-	88 474
*Zululand Municipalities	-	-	-	-	-	-	-	-	-	-		-	-
Umkhanyakude Municipalities	42 479	-	-	42 479	48 267	-	-	48 267	48 267	-	0%	-	36 560
King Cetshwayo municipalities	118 043	-	-	118 043	112 583	-	-	112 583	112 583	-	100%	-	87 029
Ilembe Municipalities	49 430	-	-	49 430	52 881	-	-	52 881	52 881	-	0%	-	41 376
Harry Gwala municipalities	30 820	-	-	30 820	32 389	-	-	32 389	32 389	-	0%	-	22 469

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 1A (continued)
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				20XX/YY	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Non Pay: No Regional Identifier	-	-	-	-	-	-	-	-	-	-	-	-	-
Lejwelaputswa Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Ekurhuleni Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Ermfuleni Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Emahlaleni Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Sedibeng Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Nkangala Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Matjhabeng Municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
PD Licences	310	-	-	310	294	-	-	294	294	-	100%	-	229
PD Claims against the state	-	-	-	-	-	-	-	-	-	-	-	-	-
PD Donations & Gifts	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	1 046 618	-	-	1 046 618	1 048 885	-	-	1 048 885	1 048 885	-		-	829 146

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		20XX/YY
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER			2020/21
	Adjusted Appropriation	Roll Overs	Adjust- ments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2020/21
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Private Enterprises									
Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-

ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Subsidies							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
H/H BURSARIES (NON EMPLOYEES)	6 135	-	-	6 135	3 765	61%	3 116
	3	-	-	3	4	133%	1
H/H: CLAIMS AGAINST STATE (CASH)	500	-	-	500	476	95%	102
H/H: DONATIONS AND GIFTS (Social relief for EDumbe, Phongolo and Ulundi)							
	6 638	-	-	6 638	4 245		3 219
Subsidies							
H/H EMPL S/EMPL S BEN: INJURY ON DUTY	12	-	-	12	-	0%	8
	5 865	-	-	5 865	8 381	143%	9 383
H/H EMPL S/EMPL S BEN: LEAVE GRATUITY	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
H/H EMPL S/EMPL S BEN: POST RETIREMENT BENEF							
H/H EMPL S/EMPL S BEN: SEVERANCE PACKAGE							
	5 877	-	-	5 877	8 381		9 391
TOTAL	12 515	-	-	12 515	12 626		12 610

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2021/22	2020/21
		R'000	R'000
Received in cash		-	-
		-	-
Subtotal		-	-
Received in kind		-	-
		-	-
Subtotal		-	-
TOTAL		-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022**ANNEXURE 1I
STATEMENT OF AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDI- TURE	PAID BACK ON/BY 31 MARCH	CLOSING BALANCE
		R'000	R'000	R'000	R'000	R'000
Received in cash						
		-	-	-	-	-
Subtotal		-	-	-	-	-
Received in kind						
		-	-	-	-	-
Subtotal		-	-	-	-	-
TOTAL		-	-	-	-	-

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2021/22	2020/21
	R'000	R'000
Made in kind	-	-
	-	-
TOTAL	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022**ANNEXURE 1K****STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT**

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2022	2022	2022	Total
Grant Type	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Old age	-	-	-	-	-	-	-	-	-	-	-	-	-
War Veterans	-	-	-	-	-	-	-	-	-	-	-	-	-
Disability	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant in Aid	-	-	-	-	-	-	-	-	-	-	-	-	-
Foster Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Care Dependency	-	-	-	-	-	-	-	-	-	-	-	-	-
Child Support Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-

ANNEXURE 1L

STATEMENT OF INDIRECT GRANTS BETWEEN NATIONAL DEPARTMENTS AND MUNICIPALITIES

	GRANT ALLOCATION				SPENT
NAME OF GRANT	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Amount
		R'000	R'000	R'000	R'000
		-	-	-	-
		-	-	-	-
TOTAL		-	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 21/22	% Held 20/21	Number of shares held		Cost of investment		Net Asset value of investment		Profit/(Loss) for the year		Losses guaran- teed
						R'000		R'000		R'000		
				2021/ 22	2020/ 21	2021/ 22	2020/ 21	2021/ 22	2020/ 21	2021/ 22	2020/ 21	Yes /No
National/ Provincial Public Entity												
		-	-	-	-	-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-	-	-	-	
Other												
		-	-	-	-	-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-	-	-	-	
TOTAL		-	-	-	-	-	-	-	-	-	-	

ANNEXURE 2B

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

Name of Public Entity	Nature of business	Cost of investment		Net Asset value of Investment		Amounts owing to Entities		Amounts owing by Entities	
		R'000		R'000		R'000		R'000	
		2021/ 22	2020/ 21	2021/ 22	2020/ 21	2021/ 22	2020/ 21	2021 /22	2020/ 21
Controlled entities									
		-	-	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-	-	-
Non-controlled entities									
	Associates	-	-	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-	-	-
	Joint Ventures	-	-	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-	-	-
	Other non controlled entities	-	-	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2022 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2021	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2022	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2022
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
		-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Housing								
		-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Other								
		-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-

ANNEXURE 3A (continued)

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2022 – FOREIGN

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2021	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2022	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2022
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles	-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Housing	-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2022
Nature of Liability	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claim for motor vehicle	304	-	7	-	297
Contractual claim	2 060	-	2 060	-	-
Termination of contract	-	38 427	-	-	38 427
Claim for injury suffered by minor	6 312	-	-	-	6 312
Claim for rental	11 046	679	-	-	11 725
Claim for professional service rendered	-	-	-	-	-
Claim for Loss of profit	-	-	-	-	-
Claim for service provided	-	-	-	-	-
Claim for overtime	-	-	-	-	-
Arbitration claim	-	-	-	-	-
Subtotal	19 722	39 106	2 067	-	56 761
Environmental Liability					
	-	-	-	-	-
Subtotal	-	-	-	-	-
Other					
	-	-	-	-	-
Subtotal	-	-	-	-	-
TOTAL	19 722	39 106	2 067	-	56 761

	Opening Balance 1 April 2021	Details of Liability and Recoverability	Movement during year	Closing Balance 31 March 2022
Nature of Liabilities recoverable	R'000		R'000	R'000
	-		-	-
	-		-	-
TOTAL	-		-	-

ANNEXURE 4 **CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2021	31/03/2021	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
Department								
NATIONAL								
Rural development	-	-	-	-	-	-	-	-
National Agric, forestry and fisheries	-	-	-	-	-	-	-	-
Transport & Public Works - Western Cape	-	-	-	-	-	-	-	-
National Department of Health and Soc Dev	-	-	-	-	-	-	-	-
National Public Works	-	-	-	-	-	-	-	-
Justice	-	-	-	-	-	-	-	-
SAPS	-	-	-	-	-	-	-	-
National Department of Labour	-	-	-	-	-	-	-	-
Health- Eastern cape	-	-	27	27	27	27	-	-
GCIS	-	-	-	-	-	-	-	-
Education: Western Cape	-	-	-	-	-	-	-	-
Home Affairs	-	-	12	-	12	-	-	-
Water Affairs	-	-	-	-	-	-	-	-
Correctional Services	-	-	17	-	17	-	-	-
Water and Sanitation	-	-	40	40	40	40	-	-
Public Works & Infrastructure- Free State	-	-	-	-	-	-	-	-
PROVINCIAL DEPARTMENTS								
Agriculture, Environmental Affairs and Rural Development	11 417	-	4 145	4 578	15 562	4 578	05/04/2022	1 022
Economic Development and Tourism	6 995	-	1 203	98	8 198	98	05/04/2022	1 020
Arts and Culture	2 338	10 507	7 376	1 254	9 714	11 761	05/04/2022	6 969
Education	222 405	-	92 189	610 629	314 594	610 629	05/04/2022	52 881
Provincial Treasury	575	1 954	-	-	575	1 954	-	-
Community Safety and Liaison	-	-	22	-	22	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 4 (continued)
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2021	31/03/2021	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
Health	42 520	54 816	7 349	7 619	49 869	62 435	-	-
Human Settlements	42 387	4 501	39 649	8 340	82 036	12 841	-	-
Office of the Premier	9 468	-	23 607	6 033	33 075	6 033	05/04/2022	6 978
Provincial Parliament	-	-	306	7 565	306	7 565	-	-
Sport and Recreation	-	4 574	2 033	1 377	2 033	5 951	-	-
Co-Operative Governance and Traditional Affairs	10 881	8 708	4 479	10 263	15 360	18 971	05/04/2022	4 987
Transport	-	-	33 042	5 671	33 042	5 671	05/04/2022	8 447
Social Development	10 882	-	12 503	26 976	23 385	26 976	05/04/2022	3 532
	359 868	85 060	227 998	690 470	587 866	775 530		85 837
Other Government Entities								
SASSA	-	-	12 838	12 851	12 838	12 851		
	-	-	12 838	12 851	12 838	12 851		
TOTAL	359 868	85 060	240 836	703 321	600 704	788 381		

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22 *
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	
	R'000	R'000	R'000	R'000	R'000	R'000	
DEPARTMENTS							
Current							
Department of Art & Culture	-	-	-	-	-	-	-
Department of Agriculture	-	-	-	-	-	-	-
Department of Health	-	-	-	-	-	-	-
Department of Justice	-	-	-	-	-	-	-
Department of Education	-	-	-	-	-	-	-
Department of Transport	116	-	721	-	837	-	28/03/2022
Department of Social Development	-	-	-	-	-	-	573
Department of Economic Development	-	-	-	-	-	-	-
Department of Health- Limpopo	-	-	-	-	-	-	-
Government Printing	-	-	-	-	-	-	-
National Social Development	-	-	-	-	-	-	-
PALAMA	-	-	-	-	-	-	-
SAPS	-	-	-	-	-	-	-
Office of the Premier	-	-	-	-	-	-	-
Department of Labour	-	-	-	-	-	-	-
Co-Operative government & Trad Affairs	-	23	-	-	-	23	-
Human Settlement	-	-	-	-	-	-	-
Correctional Services	-	-	-	-	-	-	-
Provincial Treasury	-	3 461	-	-	-	3 461	-
Subtotal	116	3 484	721	-	837	3 484	573
Non-current							
Subtotal							
TOTAL							

ANNEXURE 5 (continued)
INTER-GOVERNMENT PAYABLES

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	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
GOVERNMENT ENTITY								
OTHER GOVERNMENT ENTITY								
Current								
Subtotal								
Non-current								
Subtotal								
TOTAL INTERGOVERNMENT PAYABLES	116	3 484	721	-	837	3 484		

**ANNEXURE 6
INVENTORIES**

Inventories for the year ended 31 March 2022	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	-	-	-	-
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Include discussion where deemed relevant

Inventories for the year ended 31 March 2021	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	-	-
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	-	-	-	-	-
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	-	-	-	-	-

Include discussion where deemed relevant

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022**ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2022				
	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	-	-	-	-
Transport assets	-	-	-	-
Computer equipment	-	-	-	-
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	-	-	-
SPECIALISED MILITARY ASSETS	-	-	-	-
Specialised military assets	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-
Biological assets	-	-	-	-
BUILDINGS AND OTHER FIXED STRUCTURES	48 390	18 418	31 886	34 922
Dwellings	-	-	-	-
Non-residential buildings	48 390	18 418	31 886	34 922
Other fixed structures	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-
SOFTWARE	33 420	1 192	-	34 612
Software	33 420	1 192	-	34 612
MASTHEADS AND PUBLISHING TITLES	-	-	-	-
Mastheads and publishing titles	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-
Patents, licences, copyright, brand names and trademarks	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-
Services and operating rights	-	-	-	-
TOTAL	81 810	19 610	31 886	69 534

Include discussion where deemed relevant

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	-	-	-	-	-
Transport assets	-	-	-	-	-
Computer equipment	-	-	-	-	-
Furniture and office equipment	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
BUILDINGS AND OTHER FIXED STRUCTURES	39 047	-	27 105	(17 762)	48 390
Dwellings	-	-	-	-	-
Non-residential buildings	39 047	-	27 105	(17 762)	48 390
Other fixed structures	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
SOFTWARE	33 420	-	-	-	33 420
Software	33 420	-	-	-	33 420
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
Mastheads and publishing titles	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
Patents, licences, copyright, brand names and trademarks	-	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
Services and operating rights	-	-	-	-	-
TOTAL	72 467	-	27 105	(17 762)	81 810

Include discussion where deemed relevant

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 8A
INTER-ENTITY ADVANCES PAID (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/20ZZ	31/03/20YY	31/03/20ZZ	31/03/20YY	31/03/20ZZ	31/03/20YY
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
	-	-	-	-	-	-
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
PROVINCIAL DEPARTMENTS						
	-	-	-	-	-	-
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
PUBLIC ENTITIES						
	-	-	-	-	-	-
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
OTHER ENTITIES						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

ANNEXURE 8B

INTER-ENTITY ADVANCES RECEIVED (note 21 AND note 22)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Non-Current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
PROVINCIAL DEPARTMENTS						
Current						
Office of the Premier	10 309	-	-	10 309	10 309	10 309
Subtotal	10 309	-	-	10 309	10 309	10 309
Non-Current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
PUBLIC ENTITIES						
Current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Non-Current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
OTHER ENTITIES						
Current						
	-	-	-	-	-	-
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Non-Current						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
TOTAL	10 309	-	-	10 309	10 309	10 309
Current	10 309	-	-	10 309	10 309	10 309
Non-current	-	-	-	-	-	-

ANNEXURE 9 ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

The detail for note 41.7 may be included in this annexure.

Wording to suit their specific circumstances in order to comply with the Immovable Asset Guide can be inserted here.

In addition to the detail for note 41.7 the department should address the information regarding:

1. Surveyed but unregistered land parcels and
2. Contingent assets.

1. Un-surveyed land

There are parcels of land around the province that have not been surveyed to date. This is a very costly exercise therefore the estimated completion of the surveying process for the province will mostly depend on the availability of funding.

Province	Estimated completion date		
KZN	2022/2023		

2. Deemed vested

Below are properties deemed to vest in the province in terms of the Constitution however, the vesting process has not been completed and are therefore not included in the asset register of the department, as title has not been endorsed as yet. A separate register is maintained. As a result of the provincial function, the properties are managed by the provincial government and include the following:

Land parcels	355	326
Facilities per function:		

Facilities	2022	2021
Schools	210	138
Clinics	28	17
Hospitals	4	1
Office Buildings	28	28
Housing	58	51
Storage	-	
Other	97	95
Total	425	235

3. Facilities on land not surveyed

There are certain facilities utilized by the provincial government in achieving its service delivery objectives. These were constructed on land that has not yet been surveyed, as per 1 above. These facilities are managed and maintained by the provincial government and include the following:

Facilities	2021	2021
Schools	234	216
Clinics	37	37
Hospitals	-	1
Office Buildings	20	23
Housing	40	41
Storage	-	
Other	24	21
Total	355	339

4. Facilities on land where a right to use exists

The following facilities were constructed on land where a right to use exists. The average right is for an undefined period, where after the facilities will be surveyed and/or subdivided where applicable and transferred to the name of the Provincial Government of KwaZulu-Natal. Facilities include the following:

Facilities	2022	2021
Schools	4419	4579
Clinics	421	428
Hospitals	28	34
Office Buildings	174	196
Housing	214	249
Storage	1	1
Other	363	346
Total	5 620	5 833

5. Facilities on surveyed and unregistered land parcels

There are certain facilities utilized by the provincial government in achieving its service delivery objectives. These are constructed on land that is surveyed but not yet registered with the Deeds Office, due to parent farms not being surveyed by the Department of Rural Development and Land Reform. These facilities are managed and maintained by the provincial government and include the following:

Facilities	2022	2021
Schools	432	357
Clinics	29	29
Hospitals	3	3
Office Buildings	10	10
Dwellings	34	28
Storage	0	
Other	22	19
Total	530	446

6. Contingent assets

The following properties are indicated as property belonging to the State, but not accounted for by any of the mandated custodians. The ownership of the properties needs further research and is thus reflected as contingent assets until clarification is achieved. The properties have been grouped according to function:

Facilities	2022	2021
Schools	8	21
Clinics	19	10
Hospitals		1
Office Buildings		
Dwellings		
Storage		
Other	68	
Total	95	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

ANNEXURE 10*

DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE CLASSIFICATION

*Annexure effective from 1 April 2020

	2021/22	2020/21
	R'000	R'000
Inventories		
<i>List the items for correct expenditure</i>		
	-	-
	-	-
Subtotal	-	-
Expenditure for capital assets		
<i>List the items for correct expenditure</i>		
	-	-
	-	-
Subtotal	-	-
Transfers and subsidies		
<i>List the items for correct expenditure</i>		
	-	-
Subtotal	-	-
TOTAL	-	-

Capital commitments

	Note	2021/22	2020/21
		R'000	R'000
Buildings and other fixed structures		-	-
Heritage assets		-	-
Machinery and equipment		-	-
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Intangible assets		-	-
Total		-	-

Include discussion where deemed relevant

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2021/22					2020/21
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	25	(4)	-	8	29	24 413
Goods and services	126	32	154	315	627	5 669
<i>List all applicable SCOA level 4 items</i>						
<i>Cons supplies</i>	48	-	41	134	223	1 727
<i>Property payments</i>	78	32	113	181	404	3 942
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
<i>List all applicable SCOA level 4 items</i>						
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Expenditure for capital assets	-	-	-	-	-	-
<i>List all applicable SCOA level 4 items</i>						
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Other expenditure not listed above	-	-	-	-	-	-
<i>List all applicable SCOA level 4 items</i>						
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL COVID 19 RESPONSE EXPENDITURE	151	28	154	323	656	30 082

