



VOTE 8

NORTHERN CAPE

PROVINCIAL TREASURY

ANNUAL REPORT 2017

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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
MEC	Member of Executive Council
HOD	Head of Department
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
EU	European Union
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan

3. FOREWORD BY THE MEC



Name: MacCollen Jack

Title: Member of Executive Council

Provincial Treasury has continued to support and facilitate sound financial management and has been pivotal in implementation of strategies that contribute to economic growth and development within the province. As the custodian of implementation of sound financial management, we are proud to announce that our department has maintained its clean audit status for the year under review and our support to departments and entities has resulted in an improvement of audit outcomes.

Good financial governance and fiscal discipline is key in delivering effective public services. We have continued to monitor and hold all our government entities accountable in an effort to manage and monitor provincial financial resources. Numerous interactions have been held with departments to ensure that the province's remuneration bill remains within the available resources, however there were challenges with the Department of Health and Department of Education which are currently been addressed.

We will not tire out in our endeavour to radically transform the Northern Cape economy, so that all our people, including – the working class and the poor, black people in general and African in particular, women and youth can benefit.

In our efforts to fulfil our mandate of supporting and monitoring municipalities, we have implemented various interventions, which will address amongst others, revenue collection, credible financial statements, improvement of audit outcomes and capacity building of councils and municipal management structures. There were some challenges experienced, however we were able to make a meaningful change where the management of the municipality cooperated and were committed to the interventions and strategies developed.

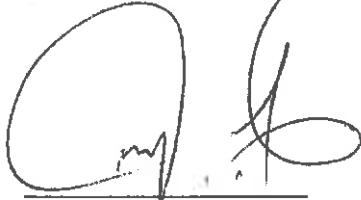
During the past financial year all efforts were deployed to ensure that municipalities are ready for the implementation of MSCOA and as we table this report we are proud to announce that 29 municipalities have implemented MSCOA by 1 July 2017.

Provincial Treasury is committed to work tirelessly, and passionately to assist and contribute in building a more prosperous and inclusive economy. We will continue to do our best with what we have been entrusted with.

I wish to thank the ministry, management and the staff of the department, led by Acting Head of the Department, Mr Thami Mabija, for all their unwavering hard-work, support and dedication to the mandate of our department.

Let us continue to serve with passion and deliver on time.

I hereby table the annual report for the year ended 31 March 2017.

A handwritten signature in black ink, consisting of a large, stylized 'M' followed by a 'J' and a 'K'.

MN JACK
MEC of Provincial Treasury

4. REPORT OF THE ACCOUNTING OFFICER



A.T.M. MABIJA
ACTING HEAD OF DEPARTMENT

1.1 Overview of the operations of the department:

Provincial Treasury as key stakeholder in the fulfilment of government priorities has directed all its efforts in the achievement of the objectives set out in Outcomes 9 and 12 respectively. In fulfilling our mandated responsibility we have taken cognisance of the fact that sound financial management and good governance promotes business confidence, which encourages investment and stimulates economic growth. Thus, it is essential that all our support, oversight and enforcement strategies are geared to improve financial management and corporate governance within the province.

During the 2016/17 significant efforts were employed in supporting local government to enable them to become a responsive, accountable, efficient and effective local government system. The following key projects were implemented as part of our municipal support strategy:

- **Municipal Asset Management Programme** – It is essential that local government operates in an effective and efficient manner, thus the negative audit outcomes adversely affect the achievement of objectives. During the year under review we focused on supporting municipalities that had disclaimer audit opinions. Six municipalities were assisted through the financial management support grant which aims to produce credible financial statements and GRAP compliant asset registers.
- **Revenue Enhancement Strategies** – In an effort to improve and enhance debt collection strategies, Provincial Treasury established consultative committees to address issues related to government debt. Furthermore, it was noted that debt collection is significantly hampered by the quality of data maintained by municipalities. In this regards, a pilot data cleansing project commenced whereby three municipalities were identified for intervention. Part of the project will include reviewing their respective credit control policies and improving revenue management internal controls.

- **Municipal Shared Internal Audit project** - As a mechanism to improve good governance in municipalities, the municipal shared internal audit project was piloted in two districts, namely Pixely Ka Seme and ZF Mcqawu. The intention was to strengthen existing internal audit structures in order to assist local municipalities within the district to improve their financial management and internal controls system, which will further result in improved audit outcomes.
- **Implementation of MSCOA** – Hands-on support which included the establishment of committees, IT compatibility assessments, analysis of information and training of officials was provided to municipalities to ensure their readiness and compliance with MSCOA, however, due to limited capacity in municipalities, it is envisaged that only 15 municipalities will be ready by 1 July 2017

There were various reforms in supply chain management and various consultative workshops were held with government entities to ensure the promotion of Central Supplier Database and compliance with new prescripts. Both municipalities and departments have fully implemented the central supplier database.

The shared internal audit service unit was expanded successfully to include public entities which did not previously have functional internal audit units. By expanding the internal audit services to entities, compliance with section 51 of the Public Finance Management Act was attained. The expansion of the shared internal audit unit will further enhance good governance, not only in the entities, but also in the province at large.

During the year under review, the Provincial Banking Tender was successfully completed and the contract was awarded to Standard Bank.

The details of the above initiatives have been outlined hereunder in the performance information section.

1.2 Overview of the financial results of the department:

Departmental receipts

Departmental receipts	2016/2017			2015/2016		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	128	119	9	120	163	(43)
Interest, dividends and rent on land	733	39,222	(38,489)	690	46,341	(45,651)
Sale of capital assets	80	-	80	75	154	(79)
Financial transactions in assets and liabilities	11	2	9	10	410	(400)
Total	952	39,343	(38,391)	895	47,068	46,173

Provincial Treasury as an oversight department generates revenue primarily from interest received on the provincial consolidated bank account. The over collection on interest received is due proper cash-flow management processes within Provincial Treasury, which ensured that the province doesn't utilise its overdraft facilities.

Included in sale of goods and services is parking fees, service commission and sale of capital assets. There was an under collection with regards to sale of capital assets due to the fact that all redundant assets were donated to non-profitable organisations instead of being auctioned.

No bad debts were written off and the department doesn't render free services.

Programme Name	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	82,124	81,851	273	89,571	86,136	3,433
Sustainable Resource Management	39,493	36,839	2,654	59,064	47,954	11,110
Asset and Liabilities Management	53,813	51,720	2,093	70,578	50,811	19,767
Financial Governance	21,537	20,994	543	29,954	26,557	3,397
Provincial Internal Audit	27,403	27,162	241	32,681	31,405	1,276
Total	224,370	218,566	5,804	281,848	242,923	38,925

The above underspending of R38,925 million, relates amongst others, to the following projects that will be finalised in the new financial year:

Administration - R2.527 which relates to relocation of office building

Sustainable Resource Management – R9,993 million which relates to earmarked funding for the Health Intervention Strategy, data cleansing intervention at municipalities and funding for the intervention at Ubuntu Municipality.

Assets and Liabilities - R14,968 million relates to transfers to municipalities. Some of the municipalities had not fully complied with the prescripts of the memorandum of agreement. Thus, the withholding of funds, however processes are underway to assist them in complying with the necessary prescripts.

Financial Governance – R4,550 million relates to the implementation of MSCOA project and the pilot phase for the strengthening of municipal shared internal audit services.

1.3 Virements/roll overs

At the end of 2016/17 financial year, no virements were effected however shifts were effected within the programme to defray over-expenditure on sub-programme level.

Furthermore in the above-mentioned under-spending there is an amount of R33,179 million requested for rollover. This amount relates to the earmarked funding of the above-mentioned projects and purchases for capital equipment that were not delivered yet at year end.

1.4 Unauthorised, Irregular, Fruitless and Wasteful expenditure

Internal controls in the Department has proven to be effective in that there was no occurrence of unauthorised or irregular expenditure for the financial year. A request was however made for the condonation of the previous years' irregular expenditure which amounted to R31 000 and response is still awaited

There was however an increase in fruitless and wasteful expenditure. The amount for the current financial year amounts to R143 000. This is mainly due to cancellation fees on accommodation and flights which resulted from changes beyond the control of the department. It needs however to be mentioned that subsequent to the investigation processes of fruitless and wasteful expenditure, the department condoned R76 000 and recovered R2 000 of the prior year's fruitless and wasteful expenditure.

During the year, an incidence of petty cash fraud and theft was detected, investigated and resolved accordance with our fraud and corruption policy. The details of the incidence is addressed in Part C of the Report.

1.5 Future plans of the department

The strategic direction of the department is derived from the PFMA section 18 and will remain the same for the new financial year. However, more focus will be provided with regards to support provided to the municipalities and the department of health intervention.

1.6 Public Private Partnerships

Due to the nature of the department's functions, it does not have or propose Private Public Partnerships (PPP). Our role as Treasury is to assist/facilitate the registering of PPP of service delivery departments.

1.7 Discontinued activities/ New proposed activities

There are no services or activities that were discontinued during the year under review nor were any new services introduced.

1.8 Supply chain management

The Department concluded all advertised bids and no unsolicited bids were issued. Sound internal controls were implemented to detect and prevent irregular, wasteful and fruitless expenditure.

The department embarked on tender to list suitably qualified service providers on its panel of consultants in order to be able to service municipalities and departments promptly as and the need arises required.

Key reforms were implemented with regards to travel and accommodation and cost containment, thus there were modification of certain processes.

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

No gifts and donations were received in kind from non-related parties. The Department as part of Provincial Government donated goods to recipients identified during EXCO Outreaches through the department's corporate social investment.

1.10 Exemptions and deviations received from the National Treasury

No exemptions or deviations have been granted from National Treasury for the year under review.

1.11 Events after the reporting date

No significant events which might have a financial implication occurred after the reporting date.

I would like to express my gratitude and appreciation to all officials for their unwavering support and tireless efforts in ensuring that the department achieves its objectives. I would also like to extend my gratitude to the MEC for Finance, Economic Development and Tourism, Mr MN Jack, who provided strategic leadership during the year. The information in the report clearly reflects the work Provincial Treasury has performed for the financial year 2016/17, and it is thus accepted as accurate and complete.



ATM MABIJA

Accounting Officer

Provincial Treasury

Date 31 May 2017

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2017.

Yours faithfully



ATM MABIJA

Acting Accounting Officer

Date: 31 May 2017

6. STRATEGIC OVERVIEW

7.1. Vision

To be the heartbeat of sound financial management that support economic growth and development.

7.2. Mission

To strive to promote sound fiscal policy that enables financial sustainability and support economic development.

7.3. Values

Batho Pele
Integrity
Excellence
Professionalism

7. LEGISLATIVE AND OTHER MANDATES

LEGISLATION	PURPOSE
Constitution of the Republic South Africa 1996	The supreme law of the Republic, law or conduct inconsistent with it is invalid and the obligations imposed by it must be fulfilled.
Public Finance Management Act (Act 1 of 1999) as amended (PFMA)	To regulate financial management in the National Government and Provincial Governments, to ensure that all revenue, expenditure, assets and liabilities of the Governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those Governments and to provide for matters connected therewith.
Division of Revenue Act as annually enacted	To provide for the equitable division of revenue anticipated to be raised nationally among the national, provincial and local spheres of government and the reporting requirements for allocation pursuant to such division; to permit the withholding and the delaying of payments in certain circumstances; to provide for liability for costs incurred in litigation in violation of the principles of co-operative governance and intergovernmental relations and to provide for matters connected therewith.
Treasury Regulations, March 2005 (as amended)	To regulate for the requirements for strategic planning as the basis for the preparation of budgets; To set minimum standards for financial management, clarification of roles; to instilling a culture of output measurement; to regulate and provide guidelines for the

	handling of property, disposal of state assets, disposal of immovable state assets and procurement.
Preferential Procurement Policy Framework Act (Act 5 of 2000)	To provide regulatory framework enabling and assisting departments and potentially disadvantaged Individuals (HDI's) in the sustainable development and implementation of preferential procurement system.
Preferential Procurement Regulations	To promote the introduction of practical measures pertaining to application of the points system referred to in the Act; the call for evaluation and allocation of tenders in accordance with the preference policy.
Public Service Act (Act 103 of 1994) as amended	To provide for the organization and administration of human resources management which includes the regulation of conditions of employment, terms of office, discipline, retirement and discharge of staff and matters connected therewith.
Occupational Health and Safety Act	To provide for the Health and Safety of persons at work and for the health and safety of persons connected with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; to provide for matters connected therewith.
Promotion of Access to Information Act, 2000 (Act 2 of 2000)	To give effect to constitutional right of access to any information held by the state and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.
Employment Equity Act, 1998 (Act 55 of 1998)	To regulate the process and procedures in achieving a diverse and competent workforce broadly representative of demographics of the country and eliminating unfair discrimination in employment towards implementing equity.
Labour Relations Act, 1995 (Act 66 of 1995)	To regulate and guide organisations in recognizing and fulfilling their roles in effecting labour harmony and democratization of the workplace.
Municipal Financed Management Act, 2003 (Act 56 of 2003) (MFMA)	To secure sound and sustainable management of the financial affairs of the municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government and to provide for matters connected therewith.
Municipal Systems Act (2000) and Development facilitation Act (1995)	To support and monitor municipal Integrated Development Planning (IDP)
Skills Development Act 1998 (Act 97 of 1998)	To provides an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to provide for the financing of skills development by means of a levy-grant scheme and a national skills fund, to provide for and regulate employment services; and to provide for matters connected therewith.
Skills Development Levies Act (Act 9 of 1999)	To imposing the payment of a skills development levy on employers; establishment of a system for the recovery and disbursement of levies for purpose of funding skills development training in accordance with approved skills development strategy.
Qualification Authority Act, 1995	To provide for learner ship that lead to recognized occupational qualification; provide for matters connected therewith.

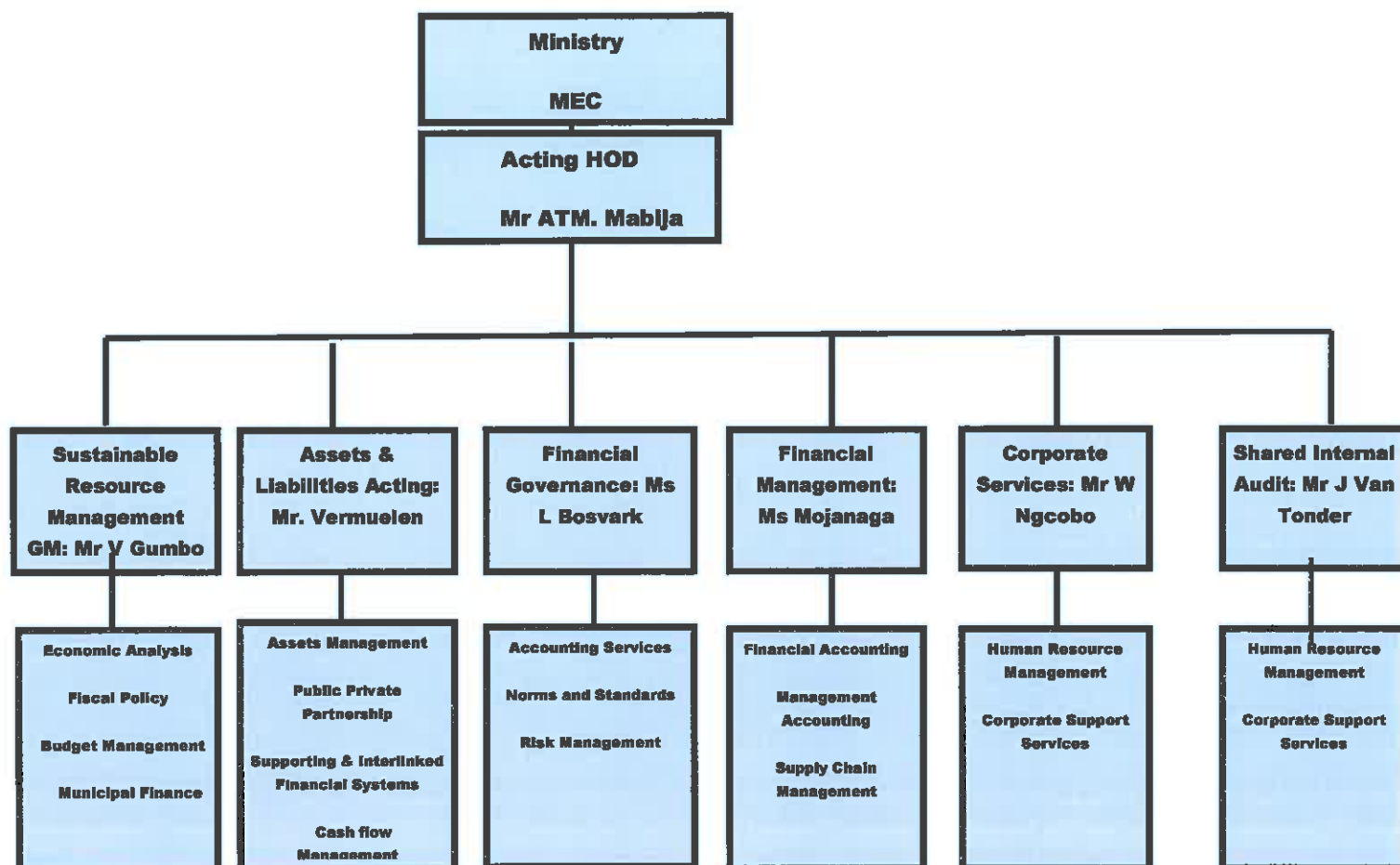
POLICY MANDATES	PURPOSE
National Development Plan	The department should ensure that its plans are aligned to the country's development plan. This will ensure achievement of socio-economic development and growth.
Medium Term Strategic Framework(MTSF) 2014 -2019	The department must develop a five year strategic plan and budget requirement taking into account the medium-term imperatives as outlined in the MTSF 2014 – 2019
Northern Cape Provincial Growth and Development Strategy (NCPGDS)	Given the limitations of funding from the equitable share and provincial own revenue, the department has a responsibility to find alternative mechanisms to leverage additional funding for promoting growth and development in the province
Integrated Development Plans	To assist in determining the credibility of Integrated Development Plans and Municipal Budgets as well as facilitate integrated planning among the three spheres of government
Human Resource Development Strategy	To maximise the potential of the people of South Africa, through the acquisition of knowledge, skills and values, to work productively and competitively in order to achieve a rising quality of life for all, and to set in place an operational plan, together with the necessary institutional arrangements, to achieve this.
Implementation of the PT & COGHSTA MoU	<p>To clarify the roles and consolidate efforts between NCPT and COHGSTA in rendering support to municipalities;</p> <p>Collaborate and cross cutting issues and synchronise efforts in providing assistance to municipalities through "Back to Basics" programme.</p>
Provincial strategy to support municipalities	<ul style="list-style-type: none"> • Promote credible and reliable financial reporting by enforcing; • The implementation of control activities in all financial management functional areas; • Build financial management capacity in municipalities in a holistic approach by addressing individual institutional and organisation gaps; • Enhance control environment in municipalities to improve oversight and accountability; • Municipal financial viability through sustainable operations that will enable service delivery.

7.1 OTHER RELEVANT LEGISLATION AND IMPORTANT DOCUMENTS:

- SITA Act;
- Provincial Appropriation Act;
- Provincial Adjustment Appropriation Act;
- Provincial Finance Act;
- Public Service Regulations, 2001;
- Public Service Co-ordinating Bargaining Council Collective Agreements;

- Basic Conditions of Employment Act;
- Intergovernmental Fiscal review;
- Report of the Auditor-General on the accounts of Government;
- Budget review documents;
- Financial and Fiscal Commission's recommendations;
- Northern Cape Provincial Supply Chain Management Policy;
- Outcome-based Service Delivery Agreements.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

The Executive Authority provides political and strategic direction over the Department of Economic Development and Tourism and Provincial Treasury, thus Department of Economic Development and Tourism and its related public entities are listed as related party.

PART B: PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

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

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Provincial Treasury's primary responsibility finds its mandate from Public Finance Management Act of 1999, Section 17 and 18 which states that there is a Provincial Treasury in each province responsible for financial matters in the province. These mandates are exercised through oversight, advisory support and capacity building services for 12 Departments, 30 Municipalities and 5 entities.

In effectively rendering government services it is essential to take cognisance of the current stringent economic conditions. The current economic environment has also placed significant pressure on the available resources. It becomes essential to ensure prudent management of available resources. The implementation of cost containment measures also necessitates us as Provincial Treasury to vigilantly monitor departmental expenditure trends.

There have been various changes in the legislative prescripts and this has resulted in an increase in the demand for services. These reforms are in Supply Chain Management, Financial Reporting and Expenditure Management both for municipalities and departments. These changes have significantly impacted how the department monitors, supports and enforces compliance.

2.2 Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render budgetary support and assistance to ensure credibility of budgets, Promote sustainable municipal budgets	13 Departments and 31 municipalities	Support provided to departments and municipalities on how compile budget	13 Departments and 30 Municipalities supported	13 Departments and 30 Municipalities supported
Batho Pele Principles:				
Consultation	13 Departments and 31 municipalities	Consult with departments during budget process. Hold budget forums, PMTECs, Bilaterals MEC	Consultation on budget issues thorough: <ul style="list-style-type: none"> Quarterly budget forums, Budget guideline workshops 	<ul style="list-style-type: none"> Budget benchmark visits were held with municipalities Revenue forums were held with

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render budgetary support and assistance to ensure credibility of budgets, Promote sustainable municipal budgets	13 Departments and 31 municipalities	Support provided to departments and municipalities on how compile budget	13 Departments and 30 Municipalities supported	13 Departments and 30 Municipalities supported
Batho Pele Principles:				
			<ul style="list-style-type: none"> • PMTECs, • MEC Bilateral <p>Implement budget tips for MEC of finance from the public</p>	<ul style="list-style-type: none"> departments o Budget guideline workshop, PMTEC and Budget Lekgotla were held. o Issued assessment reports to departments on the IYM analysis reports for provincial own revenue performance against revenue budget.
Courtesy		Communication systems are in place:	<p>Written Acknowledgement on all request for advice or approval.</p> <p>Provide feedback on all assessment within 5 days of receipt</p>	<p>Responses provided to departments on all requests e.g. Increase in Transfers</p> <p>Feedback provided to municipality and departments in acknowledgement of request received for assistance.</p> <p>Feedback reports on assistance with municipal revenue related policies</p>
Access		Continuous communication between Budget Analysts and the Departmental Officials.	Designated budget analyst that will conduct regular visits to departments and	Support provided by budget analysts to departments in relation to the

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render budgetary support and assistance to ensure credibility of budgets, Promote sustainable municipal budgets	13 Departments and 31 municipalities	Support provided to departments and municipalities on how compile budget	13 Departments and 30 Municipalities supported	13 Departments and 30 Municipalities supported
Batho Pele Principles:				
			attend to request for support	<p>compilation of the adjustment and main budgets.</p> <p>Requests on support for revenue enhancement and internal controls received from clients were addressed.</p>
Information		Information communicated with the relevant stakeholders to ensure timely implementation	<p>Publish the budget statements, guidelines and any relevant communication on the departmental website.</p> <p>Disseminate all budgetary policy information to affected department.</p>	<p>Budget statement compiled and accessible to the public, distributed to libraries and municipalities in the province.</p> <p>Provided inputs on the budget statements to be published.</p>
Openness & Transparency		The budget process should be transparent to all stakeholders	<p>Issue assessment reports on department's budget and IYM submissions.</p> <p>Issue budget guidelines</p>	<p>Analysis reports of revenue performance against municipal budgets and status of government debt reports were compiled.</p> <p>Compiled IYM analysis reports for provincial own revenue performance against revenue budget were sent to departments.</p> <p>EXCO Memos / Analysis reports</p>

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render budgetary support and assistance to ensure credibility of budgets, Promote sustainable municipal budgets	13 Departments and 31 municipalities	Support provided to departments and municipalities on how compile budget	13 Departments and 30 Municipalities supported	13 Departments and 30 Municipalities supported
Batho Pele Principles:				
				were compiled on the IYM's submitted by the department
Redress		Head Office staff available to address complaints	Allocate a designated budget analyst to attend to departmental compliant and communicate the resolution to the compliant timeously	Support provided by budget analysts to departments in relation to the compilation of the adjustment and main budgets.
Value for money		Ensure provision of services by departments are cost effective and within allocative budgets	Ensure provision of services by departments are cost effective and within allocative budgets	Monitored expenditure of provincial departments Monitored the revenue and municipal budgets and provided reports.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Monitoring compliance with laws and regulations	30 municipalities 12 departments	Monitoring compliance of 12 Departments & 30 Municipalities.	Monitoring and support services provided to 30 municipalities 12 departments and entities.	Monitored and supported services provided to 30 municipalities 12 departments and entities.
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Batho Pele Principles				
Consultation		Forums. Meetings. Correspondence.	Consultation through Forums, Meetings; Written	CFO forums and meetings with our clients. Workshops and trainings conducted.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Monitoring compliance with laws and regulations	30 municipalities 12 departments	Monitoring compliance of 12 Departments & 30 Municipalities.	Monitoring and support services provided to 30 municipalities 12 departments and entities.	Monitored and supported services provided to 30 municipalities 12 departments and entities.
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Batho Pele Principles				
		Workshops conducted. Official visits conducted.	correspondence, Workshops conducted, Official visits conducted and	Written correspondence and official PT visit to the clients.
Courtesy		Sensitive to individuals learning capabilities and preferences. Caring about people skills development and growth.	Sensitive to individuals learning capabilities and preferences. Caring about people skills development and growth.	This was practiced throughout the year. Trainings were organised closer to the clients, i.e. at district level
Access	•	<ul style="list-style-type: none"> • Training notice circulated 30 days before the training commencement date. • Training schedules available on websites. • Accredited training providers listed on National Treasury website. 	<ul style="list-style-type: none"> ➤ Training notice circulated 30 days before the training commencement date. ➤ Training schedules available on websites. ➤ Accredited training providers listed on National Treasury website. 	<ul style="list-style-type: none"> ✓ Done. ✓ Not done. Instead notice of trainings to be conducted was emailed to all the relevant stakeholders. ✓ Available
Information		Minimum Competency Levels Regulation. Skills development act require up skilling of all	Minimum Competency Levels Regulation. Skills development act require up skilling of all officials.	The regulation requirements were explained to the clients. Available on the websites

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Monitoring compliance with laws and regulations	30 municipalities 12 departments	Monitoring compliance of 12 Departments & 30 Municipalities.	Monitoring and support services provided to 30 municipalities 12 departments and entities.	Monitored and supported services provided to 30 municipalities 12 departments and entities.
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Batho Pele Principles				
		officials. Public Sector Competency Framework. Progress reports submitted on various forums.	Public Sector Competency Framework. Progress reports submitted on various forums.	
Openness & Transparency		Awareness programmes National Treasury website	Awareness programmes National Treasury website	Clients were informed about capacity building initiatives driven by both NT and PT
Redress		Service evaluation forms completed by clients.	Service evaluation forms completed by clients. Comments and inputs considered when implementing other training sessions.	Evaluation forms were completed per engagement with clients.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render Shared Internal audit services	12 Departments	12 Departments	12 Departments 5 Public Entities	12 Departments 5 Public Entities
Batho Pele Principles:				
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Consultation		Quarterly AC meetings AC engagement at IA, HOD and/or MEC level. Client satisfaction survey	Consult with departments through Quarterly AC meetings AC engagement at IA, HOD and/or MEC level. Issuing of AC meeting terms of reference letters	Meetings were held with our clients All stakeholders were involved in the implementation of training programmes
Courtesy		Client satisfaction questionnaires Engagement with HOD and relevant stakeholders.	Client satisfaction questionnaires Engagement with HOD and relevant stakeholders. Client satisfaction questionnaires	Client satisfaction questionnaires were completed by all 12 provincial departments. Engagements took place with all HODs and relevant stakeholders at AC meetings as well as in-committee meetings.
Access	•	<ul style="list-style-type: none"> Meetings convened at Provincial Treasury boardroom Per AC charter AC has access to all departmental officials. 	<ul style="list-style-type: none"> Meetings convened at Provincial Treasury boardrooms Per AC charter AC has access to all departmental officials. 	<ul style="list-style-type: none"> Meetings were held at Provincial Treasury Templar building boardroom. When meetings took place at the same time, boardrooms at other provincial departments were used. AC has open access to all departmental officials and held in-committee meetings with some HODs and departmental officials.

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render Shared internal audit services	12 Departments	12 Departments	12 Departments 5 Public Entities	12 Departments 5 Public Entities
Batho Pele Principles:				
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Information		Quarterly AC packs. Annual AC report for inclusion in annual report.	Information on services provided can be accessed through the Promotion of Information Act Information on services provided can be accessed through the Promotion of Information Act	AC packs were compiled for every AC meeting. AC compiled a feedback report after every AC and issued it to the MEC. AC will compile annual AC report for inclusion in each departmental annual report. Draft report scheduled for May 2016 and final report July 2016.
Open & Transparency		Quarterly AC meetings open to AGSA, PAG, Risk Management oversight, relevant departmental officials, National Treasury.	Issuing Quarterly AC packs prior to meetings to AGSA, PAG, Risk Management oversight, relevant departmental officials, National Treasury	AC packs were issued prior to AC meetings to all stakeholders, in both hardcopy and softcopy format.
Redress		AC reporting responsibility to MEC, HOD Provincial Treasury and HODs per department. Client satisfaction survey AC assessment of IA	Responding to complaints promptly within the quarter, before next AC meeting Addressing weakness identified in the Client satisfaction survey AC assessment of IA	No complaints received. However quarterly AC meetings still took place together with Joint AC meetings to reflect on any complaints. Client satisfaction surveys issued February 2016 AC meetings. Reflection on it to take place in the next AC meeting, scheduled for May 2016. AC completed the

Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
Render Shared internal audit services	12 Departments	12 Departments	12 Departments 5 Public Entities	12 Departments 5 Public Entities
Batho Pele Principles:				
Key Services	Service Beneficiaries	Current standard	Desired standards	Achieved targeted
				assessment of IA during the February 2016 AC meetings. Reflection on it to take place in the next AC meeting, scheduled for May 2016.
Value for Money		Tracking AC resolutions on quarterly basis. Tracking implementation of IA recommendations quarterly.	Tracking AC resolutions on quarterly basis. Tracking implementation of IA recommendations quarterly.	AC resolutions are tracked at every AC meeting, through the minutes of the previous meeting as well as a matters arising list. IA reports at every AC meeting on progress with the audits. This includes implementation of IA recommendations and IA does separate follow-up audits of implementation of recommendations.

2.3 Organisational environment

The organizational environment of the department has been significantly stable over the financial year. Most vacancies have been filled, however the head of department post is still vacant. The recent budget cuts have resulted in a provincially approved post moratorium (limited to filling of critical posts), this had an impact on the vacancy rate of the department as filling of post is limited to critical posts only.

The organizational structure is currently under review, a preferred model has been adopted and is currently being finalized. The revised structure will be aligned to the generic provincial

treasuries structure, the integrated option. The new structure will strengthen those directorates that are operating in the coalface of service delivery. The amendments that are proposed will indeed allow the department to be more effective. Once finalised the draft organizational structure will be submitted to the Office of the Premier (OTP) and the Department of Public Service and Administration (DPSA) to start the consultation process for approval.

2.4 Key policy developments and legislative changes

The Draft Treasury Regulations have not been approved for implementation and the envisage date has not been provided as yet.

The Preferential Procurement Framework Act and the Regulations have been enacted and will significantly change how government procures services and will empower small micro medium enterprises.

The Public Procurement Bill which will address the role of the chief procurement officer and has been issued for comment. Currently National Treasury is conducting stakeholder engagement in each province.

The signing of the MOU between Department and COGHSTA has resulted in the de-establishment of the municipal finance unit in COGHSTA. These functions will be the responsibility of Provincial Treasury. The functions will be fully operational within in the department from 1 April 2017.

3. STRATEGIC OUTCOME ORIENTED GOALS

Strategic Goal 1:	Strategic leadership and administrative support
Goal statement :	To render strategic leadership, effective management and administrative support within the department
Justification	To provide and maintain high quality support services to Member of the Executive Council and the whole Department pertaining to sound financial management, human resource management and corporate support.
Links	MTSF Priority 12: An efficient, effective and development-oriented public service.
Progress Made:	Through the leadership, management and administrative support, 90% of the departmental performance targets have been achieved. Sound financial management and corporate services processes have been implemented resulting in effective management of the department, thus the clean audit status.

Strategic Goal 2:	Management and use of fiscal resources
Goal statement :	To ensure effective and efficient management and utilization of fiscal resources at 30 municipalities and 13 provincial departments.
Justification	To formulate and manage sound fiscal policy and to support municipal and departmental budget processes.
Links	MTSF priority area 9: Responsive, accountable, effective and efficient developmental Local government. MTSF priority are 12: An efficient, effective and development-oriented public service.
Progress Made:	The Department has been able to advise and direct departments on effective utilisation of financial resources. A credible provincial budget informed by provincial and national policies has been tabled. Assistance has been provided in optimising revenue collection and improving financial planning especially within municipalities.

Strategic Goal 3:	Management of assets and liabilities
Goal statement 3	To promote compliance with supply chain management prescripts and the prudent management of assets and liabilities through effective management of transversal systems and processes within the province
Justification	To provide policy direction and facilitate the effective and efficient management of assets and liabilities and compliance with supply chain policies.
Links	MTSF priority area 4: Decent employment and an inclusive economic growth MTSF priority area 9: Responsive, accountable, effective and efficient developmental Local government. MTSF priority are 12: An efficient, effective and development-oriented public service.
Progress Made	Hands on support and development of standards has contributed effective and efficient asset management within the province.

Strategic Goal 4:	Sound financial management and good governance
Goal statement 4	To promote sound financial management and good governance within the province
Justification	Strive for clean administration through good financial governance

Links	MTSF priority area 9: Responsive, accountable, effective and efficient developmental Local government. MTSF priority area 12: An efficient, effective and development-oriented public service.
Progress Made	Financial governance improved leading to improved financial administration at a provincial level. The financial management maturity level has still below level 3, however progress is noted in Departments

Strategic Goal 5:	Sound governance through internal audit and audit committees
Goal statement 5	To render an independent objective assurance and consulting activity designed to add value and improve audit committee oversight over Northern Cape Provincial Government
Justification	To improve the effectiveness of risk management, control and governance processes in the Northern Cape Provincial Government. To maintain oversight through audit committees over Northern Cape Provincial Government
Links	MTSF priority area 12: An efficient, effective and development-oriented public service
Progress Made	Assurance was provided to all 12 provincial departments and 5 public entities by the unit on various fields as outlined by the approved audit plans. Four Audit Committees provided oversight over the 12 departments and 5 public entities. The unit operates through annual internal audit plans that are risk-based and approved by the audit committee. The unit has also implemented combined assurance plans that enhance controls, assurance and oversight between the various assurance stakeholders.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

Programme Purpose

To provide and maintain high quality support service to the Executive Authority and the department pertaining to sound financial management, human resource management and administration.

The programme consist of the following sub-programmes:

- Office of the MEC
- Management Services
- Corporate Services
- Financial Management (Office of the CFO)
- Security and Records Management

Strategic objectives:

Programme Name : Administration					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Achievement of all Provincial Treasury's performance targets as indicated in the APP.	84% of achievement of Provincial Treasury target as indicated in the APP.	Achievement of all Provincial Treasury's targets as indicated in the APP.	96% of performance targets achieved	4%	Targets not achieved due corporation of external parties
Compliance to all HRM and Corporate Support Services regulations and prescripts.	No matter of emphasis reported in the audit report.	No matter of emphasis reported in the audit report.			
Implementation of sound financial management within the department evidenced by annual clean audit outcome.	1 Clean Audit Report	1 Clean Audit Report			

Performance indicators

Sub-programme: Management Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Reports on the province's financial performance.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	4 Quarterly budget performance reports to Exco.	-	-
Number of risk register review sessions completed	-	-	-	1	1	-	-
Number of progress reports and action plans issued	-	-	-	4	4	-	-

Sub-programme: Corporate Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of HRM compliance reports submitted timeously.	-	4 X PMDS & OE	4 X PMDS & OE	4 X PMDS & 4 X OE	4 X PMDS & 4 X OE	-	-
		1 X HRD	1 X HRD	4 X HRD	4 X HRD	-	-
		4 X EHW	-	4 X EHW	4 X EHW	-	-
Number of HRM plans	-	1	1	1	1	-	-
Number of EE reports	1	-	-	1	1	-	-
Compliance with the corporate governance of ICT Framework(GCICT)	-	1	93%	Full compliance with Phase 2 requirement	Approved ICT strategic Plan, Approved ICT Implementation Plan, Approved ICT Operational Plan	Policies required by Phase 2 of ICT Framework not completed	Still awaiting guidelines from DPSA and OTP on the development of Phase 2 policies
Number of Facility	-	-	-	4	4	-	-

Sub-programme: Corporate Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Management Reports.							
Number of Security Management reports.			4	4	4	-	-
Percentage of misconduct cases received and finalised internally with 90 days.	100%		100%	100%	100%	-	-

Sub-programme: Financial Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of APPs and Estimates of Provincial Expenditure (EPRE) submitted.	1 APP	1 APP	1 APP	1 APP	1 APP		
	2 EPRE	2 EPRE	2 EPRE	2 EPRE	2 EPRE	-	-
Number of annual reports submitted timeously.	1 AR	1 AR	1 AR	1 AR	1 AR		
Number of compliant Financial Statements.	4 IFS	4 IFS	3 IFS	4 IFS	3 IFS	1 IFS	Accounting Services Instruction stated that there is no need for Departments to submit March 2017 IFS, therefore only 3 IFS were

Sub-programme: Financial Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
							submitted.
	1 AFS	1 AFS	1 AFS	1 AFS	1 AFS	-	-
Quarterly departmental performance reports reviewed and approved.	4	4	4	4	4	-	-
Number of compliance and management reports submitted	12 x Monthly SCM	11 x Monthly SCM	12 x Monthly SCM	12 x Monthly SCM	12 x Monthly SCM	-	-
	14 x IYM Reports	-	-	14 x IYM Reports	14 x IYM Reports	-	-
	-	11 X Monthly Salary Report	12 X Monthly Salary Report	12 X Monthly Salary	12 x Salary Reports	-	-
	-	12 x Financial Compliant report.	12 x Financial Compliant report.	12 x Financial Compliant report	12 x Financial Compliant report.	-	-

Reasons for all deviations

The ICT Framework (GCICT) could not be fully complied with due to delays in finalisation of transversal documents.

Strategy to overcome areas of under performance

The department will continue to engage with Office of the Premier and Department of Public Service in order to finalise the Information Technology Governance document.

Changes to planned targets

No changes were made to planned targets.

Sub-programme expenditure

Administration	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	9,485	9,485	-	12,392	11,979	413
Management Services	2,264	2,264	-	2,706	2,706	-
Corporate Services	22,447	22,187	260	21,703	21,611	92
Financial Management	21,500	21,487	13	21,910	21,590	401
Security and Records	26,428	26,428	-	30,860	28,333	2,527
Total	82,124	81,851	273	89,571	86,138	3,433

The underspending amounting to R3,433 million is mainly attributed to funds set aside for the relocation to new office premises. The department will only be relocating in the new financial year.

4.2 Programme 2: Sustainable Resource Management

Programme purpose:

The aim of this programme is to enhance the effective utilisation of available fiscal resources by informing financial resource allocation, managing the provincial budgets and monitoring the implementation of provincial, municipal and entities budget.

The programme consist of the following sub-programmes:

- Programme Support
- Economic Analysis
- Fiscal Policy
- Budget Management
- Municipal Finance

Strategic objectives:

Sustainable Resource Management					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Provincial economic and social research and analysis published	Annual Provincial Socio-economic review and outlook tabled and published.	Annual Provincial Socio-economic review and outlook tabled and published.	Annual Provincial Socio-economic review and outlook tabled and published.	-	-
Monitoring report on Provincial and Municipal revenue generation	-	2 Monitoring reports on Provincial and Municipal revenue generation	2 Monitoring reports on Provincial and Municipal revenue generation	-	-
Promote effective optimal financial resource allocation.	Tabled 3 Provincial budgets.	Two provincial Fiscal Frameworks produced.	Two provincial fiscal Frameworks produced.	-	-
Municipalities supported to promote sustainable budgets of the municipalities.	31 Municipalities assisted in achieving sustainable budgets.	31 Municipalities assisted in achieving sustainable budget.	31 Municipalities assisted in achieving sustainable budget.	-	-

Performance indicators

Sub-programme: Economic Analysis							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of MTBPS.	1	1	1	1	1	-	-
Number of provincial policy briefs published.	4	5	5	4	4	-	-
Number of municipal comparative reports.	-	-	1	1	1	-	-
Macro-Economic Outlook for the EPRE.	-	-	-	1	1	-	-

Sub-programme: Fiscal Policy							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of consolidated revenue performance reports produced.	4	4	4	4 Departmental reports.	4 Departmental Reports	-	-
				4 Municipal Reports	4 Municipal Reports	-	-
Number of consolidated Provincial own revenue budget reports produced.	1	1	1	1	1	-	-
Number of assessments reports on implementation of revenue enhancement strategies produced.	-	-	4	2 (1 Municipal and 1 departmental)	2	-	-

Sub-programme: Fiscal Policy							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of consolidated municipal cash flow performance reports.	-	-	-	4	4	-	-
Number of support intervention implemented to address revenue generation and collection gaps identified during the FMCMM assessment.	-	-	-	2 (1 Departmental and 1 Municipal)	2 (1 Municipal and 1 Departmental)	-	-
Number of progress reports on the Municipal support strategy: Revenue Management	-	-	-	2	2	-	-

Sub-programme: Budget Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of budgets tabled.	5	3	3	2	2	-	-
Provincial In year monitoring reports.	14	14	14	14	14	-	-
Quarterly consolidated Performance Assessment reports.	4	4	4	4	4	-	-

Sub-programme: Municipal Finance							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of gazettes produced on transfers to municipalities.	1	1	2	1	2	1	Additional funding received during adjustment budget thus additional gazette.
Number of consolidated assessments reports on municipal budgets.	3	3	3	3	3	-	-
Number of consolidated IYM reports compiled.	12	12	12	12	12	-	-
Number of quarterly consolidated municipal performance reports produced.	4	4	4	4	4	-	-
Number of gazettes produced on quarterly outcome of municipal performance.	4	4	2	4	4	-	-
Number of mid-year budget and performance engagement conducted.	5	5	5	5	5	-	-
Number of progress reports on the implementation of MFMA.	-	-	-	4	4	-	-
Number of support intervention implemented to address municipal	-	-	-	1	1	-	-

Sub-programme: Municipal Finance							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
budget gaps identified during the FCMCM assessment.							
Number of progress reports on the municipal support strategy.	-	-	-	2	2	-	-

Reasons for all deviations

No under-performance is recorded. The only deviation was as a result of an additional gazette published due additional funding allocated to municipalities.

Strategy to overcome areas of under performance

No underperformance is recorded.

Changes to planned targets

No changes were made to planned targets.

Sub-programme expenditure

Sustainable Resource	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2,134	2,103	31	2,106	2,066	40
Economic Analysis	4,803	4,803	-	5,645	5,354	291
Fiscal Policy	4,889	4,889	-	10,854	6,466	4,388
Budget Management	10,659	8,111	2,548	11,802	8,835	2,967
Municipal Finance	17,008	16,933	75	28,657	25,233	3,424
Total	39,493	36,839	2,654	59,064	47,954	11,110

The above underspending is due projects that were initiated during the year and will be completed in the new financial year. These projects relate to Health Intervention Projects and Support provided to municipalities on revenue and financial management.

4.3 Programme 3: Assets and Liabilities Management

Programme purpose

This programme aim to provide policy direction, facilitating the effective and efficient management of physical assets, ensure sound supply chain management policies, procedures, maintain and manage all financial systems, Banking and Cash Flow Management and provide technical support on Immovable Asset Management to municipalities and provincial departments.

The programme consists of the following sub-programmes:

- Asset Management
- Supporting and Interlinked Financial Systems
- Immovable Asset Management
- Banking and Cash Flow Management

Strategic objectives:

Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Level of financial maturity capability on Asset and Supply Chain Management	Depts 2.88 Mun. 2.55	Financial Capability to level 3 for: 12 Departments Financial Capability to level 2 for: 31 Municipalities	2.90 for 12 departments 2.64 for 30 municipalities	-0.10 -0.34	Lack of internal controls and capacity constraints in the department of Health and Municipalities.
Monitoring Reports on utilisation and compliance of transversal and support sub-systems	-	4 Consolidated reports.	4 Consolidated reports	-	-
Review the NCIDMS in strengthening the management of the Province's immovable assets through the utilisation of best practice methodology	-	NCIDMS to be reviewed to support Municipal Infrastructure Municipal infrastructure delivery framework developed	NCIDMS reviewed in to support Municipal Infrastructure Municipal infrastructure delivery framework developed	-	-

Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Audit outcome for the Provincial Revenue Fund reflecting the effectiveness and efficiency of banking services and cash flow management.	Clean Audit report on the Provincial Revenue Fund.	Clean Audit report on the Provincial Revenue Fund.	Clean Audit report on the Provincial Revenue Fund	-	-

Sub-programme: Asset Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Support provided to roll out and implement the National Central Suppliers Database in the province.	-	-	-	2 roadshows in the province	2 roadshows in the province	-	-
Price index report published	2	2	2	4	4	-	-
Number of support intervention implemented to address SCM and Asset Management gaps identified during FMCMM assessment.	-	-	-	2	2	-	-
Number of progress reports on the Municipal support strategy: supply chain management and asset management.	-	-	-	2	2	-	-
Capacity building initiatives within the departments and municipalities to enhance compliance and effectiveness of supply chain management	-	1	1 Accredited course (MFMA)	1 Accredited course (MFMA)	1	-	-

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Sub-programme: Supporting and Interlinked Financial Systems							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Management and provision of Technical and functional support, calls solved after being logged and escalation of National calls to LOGIK where required.(Includes BAS, PERSAL, LOGIS and BACS)	100% of calls resolved within 24 working hours.	100% of calls resolved within 24 hours after being logged	98% of calls resolved within 24 hours after being logged.	100% of calls resolved within 24 hours after being logged	97.5%	2.5%	2.5% calls escalated to National Treasury, thus not resolved within 24 hours
Capacity building sessions for Provincial Departments to enhance effective utilisation of transversal systems and sub-systems	4 X Vulindlela	4 X Vulindlela	5 X Vulindlela	10 X BAS 15 x PERSAL 17 X LOGIS Trainings	10 X BAS 15 X PERSAL 18 X LOGIS Trainings	- 1	More logis training conducted due to additional request
	-	12 Forums	23 User Forums	16 User Forums	15 User Forum	1	One forum cancelled due to unavailability of members
Reports to enhance monitoring compliance and enforcement of prescribed legislation and policies.	-	12 Consolidated Reports	8 Reports Consolidated Reports	12 Reports Consolidated Reports	12 Reports Consolidated Reports	-	-
Assessment reports on Optimal utilisation of LOGIS.	-	-	-	Quarterly reports for 13 Departments (52 reports)	52 reports	-	-
Provide support and monitor the biometric headcount system to ensure PERSAL integrity.	-	13 Departments supported and monitored	Support and monitor 13 department s' head count system	100% of new appointment enrolled on the Headcount system within 6 months.	10% enrolled within 6 months	90%	Employees from departments were not presenting themselves timeously for verification. However, 42 % of new appointments were enrolled as at 31 March 2017.
BAS System Controller services provided on behalf of Provincial Departments.	-	13 Departments	13 Departments	Quarterly reports for 13 Departments (52 reports)	52 reports	-	-

Sub-programme: Immovable Asset Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Evaluate the feasibility of potential PPP projects and provide Project Advisory service to register PPP projects.	4 Research documents developed	4 Research documents developed.	1 Research documents developed.	2 PPP projects identification reports developed and registered in Project development.	4	2	Two new project identification reports on Operation Phakisa Marine Project and Waste Management PPP
	2 registered Projects NCISS & De Bos Resort	2 PPP Projects registered	2 PPP Projects registered				
Facilitate Capacity Building in accordance with the approved provincial IDMS in support of the institutionalisation of Communities of Practice.	2 workshops conducted	2 workshops conducted	2 workshops conducted	2 workshops	3 workshops	1	Additional workshop was conducted due to the compliance requirements for the SIPDM for Municipalities and Departments
Conduct assessments to determine maturity levels of Municipalities and Departments to manage Immovable Assets and identify remedial steps	10 Provincial Infrastructure (PIC) meeting held with 7 departments.	7 Departments assessed.	7 Departments	Quarterly assessments reports for 7 Departments.(28 reports)	28 reports		
				Quarterly assessments' reports for 10 x Municipalities (40 reports)	45 reports	5	Due to municipal engagements a need was identified to assist additional municipalities as requested by districts and municipalities. The additional assessment

Sub-programme: Immovable Asset Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
							was also to align to the existing support being provided by Treasury
Financial analysis of capital expenditure trends and physical project verification on provincial immovable assets.	4 Quarterly expenditure outcomes report produced.	4 Quarterly expenditure outcomes report produced.	4 Quarterly expenditure outcomes report produced.	4 Quarterly expenditure outcomes reports produced	4	-	-
	5 site visit	5 site visit	4 site visits	5 site visits conducted.	4	-1	One site visit cancelled due the IPMTEC that were held

Sub-programme: Banking and Cash Flow Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of Bank reconciliation for Exchequer Account	12	12	12	12	12	-	-
Banking services evaluation reports.	2	2	2	2	2	-	-
Audited Provincial Revenue (PRF) annual financial statements produced.	1	1	1	1	1	-	-
Number of Cash Flow reports produced.	6	6	6	6	6	-	-
Review and maintain cash management framework.	1	1	1	1	1	-	-
Review and maintain Investment Policy.	-	-	2	4	4	-	-

Reasons for all deviations

The programme could not reach its performance targets due to lack of corporation from third parties, especially with regards to personnel head count.

Strategy to overcome areas of under performance

Continue to engage departments to improve compliance rate of employee verification.

Sub-programme expenditure

Assets and Liabilities Management	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1,697	1,490	207	1,645	1,255	390
Asset Management	18,220	18,140	80	38,971	22,275	16,696
Support and Interlinked Financial Systems	22,961	22,144	817	18,804	16,861	1,943
Public Private Partnership	6,023	6,023	-	6,556	6,208	348
Banking and Cash Flow Management	4,912	3,923	989	4,602	4,212	390
Total	53,813	51,720	2,093	70,578	50,811	19,767

The underspending is mainly attributed to transfer payment that were not transferred to municipalities due them not being able to comply with certain requirements of the service level agreements.

4.4 Programme 4: Financial Governance

Programme Purpose:

To promote accountability and good governance through substantive reflection of financial activities of the province as well as compliance with financial norms and standards.

The programme is made up of the following sub-programmes:

- Programme Support
- Accounting Services
- Norms and Standards
- Risk Management

Financial Governance					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Improved financial management capacity maturity (FMCM) to level 3 on financial reporting.	2.97	FMCM level 3	2.78	0.24	Lack of internal controls and capacity constraints in the department of Health and Municipalities.
Improved financial management capacity maturity to level 3 on compliance, institutionalised arrangements, accountability and transparency within the Province.	2.88	FMC level 3 by Departments	2.95	0.05	Two departments did not participate and it negatively the consolidation.
	2.48	FMC level 3 by Municipalities.	2.57	0.43	Lack of internal controls and capacity constraints in municipalities.
Improved financial management capacity maturity to level 3 on risk management practices by departments.	2.85	Improve risk management maturity level of 3 for 12 Departments.	2.89	0.11	<ul style="list-style-type: none"> • 2 Departments did not participate in the FMCMM and therefore reducing the scores • inadequate capacity in some of the Departments to implement concepts such as BCM and IT risk
Improved financial management capacity maturity to level 3 on risk management practices by municipalities.	2.11	Improve risk management maturity level of 3 for 31 Municipalities	2.14	0.86	Lack of personnel (risk practitioners) in Municipalities

Sub-programme: Accounting Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of compliance reports on compliance certificates per departments	43 Quarterly assessment reports for departments	48 Quarterly assessment reports for departments	48 Quarterly assessment reports for departments	4	4 reports on compliance certificates	-	-
Number of compliance reports on monitoring tools per municipalities.	-	55 Quarterly assessment reports for	42 Quarterly assessment reports for	4	4 reports on monitoring reports	-	-
Number of capacity building programmes implemented.	3	4 Training sessions	13 Workshops	4 Workshops	7	3	GRAP Training for Public Entities & Municipalities as well as MCS/AMD Training for departments had to be arranged to prepare them for the compilation of AFS on the prescribed reporting framework.
	-	3 CFO Forums	7 CFO Forums	4 CFO Forums	6	2	There was a need for additional forums to deal with reforms and schedule to ensure timeous submission of AFS
Number of reports on audit action plans.	-	65 assessment reports on audit action plans	73 assessment reports on audit action plans	4	4 reports on audit action plans	-	-
Consolidated annual financial information tabled	2	1	1	1	1	-	-

Sub-programme: Accounting Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
by 31 October.							
Number of municipalities supported and monitored on implementation of MSCOA	30	30	30	30	30	-	-
Number of support intervention implemented to address financial reporting gaps identified the FMCMM assessment.	1	1	1	1	1	-	-
Number of progress reports on the Municipal support strategy: Financial reporting.	2	2	2	2	2	-	-

Sub-programme: Norms and Standards							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Consolidated reports on FMCMM assessments facilitated as per project plan.	-	-	-	2 (1 Department and 1 Municipalities)	2	-	-
Number of compliance reports compiled on institutional arrangements, accountability and transparency to improve alignment with norms and	-	7 reports	10 reports	4 reports	4 reports	-	-

Sub-programme: Norms and Standards							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
standards.							
Number of support intervention implemented to address gaps identified during the FMCMM assessments.	3	5	5	2	5	3	The directorate received additional funding during adjustment budget process for capacity building that was utilised for MFMA and PFMA competency training. The roll out of the Standard Operating Procedures as initially planned was delayed by National Treasury, thus could not be implemented.
Number of capacity building programmes implemented.	-	2	2	5	9	4	The directorate received additional funding during adjustment budget process for capacity building that was utilised for MFMA and PFMA competency training.
Number of progress reports on the Municipal support strategy: Norms and Standards.	-	2	2	2	2	-	-

Sub-programme: Risk Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of support intervention implemented to address gaps identified during the FMCMM.	-	-	-	4	8	4	Additional support interventions were provided to entities, i.e. business continuity, development of risk management framework, risk mitigation action plans,
Risk Management status of the province reported to relevant stakeholders.	-	3	5 reports	4 Reports	4 Reports	-	-
			1 consolidated risk register	1 consolidated risk register	1 consolidated risk register	-	-
Number of capacity building programmes implemented within the province.	10 Provincial Risk Management Forum	4 Provincial Risk Management Forum	5 RMC Forums	4 RM forums	5 RM forums	1	An additional forum was for Municipalities in two districts (Namakwa & ZFM) and was held in Upington
	-	3 Provincial Risk Management Forum	2 RMC Workshops	2 RMC Workshops	4 RMC Workshops	2	Workshops that were not planned for were arranged as per requests from Nama Khoi LM & JTG DM.
Number of progress reports on the Municipal support strategy: Risk Management	-	-	-	2 reports	2 reports	-	-

Reasons for all deviations

No underperformance has been recorded.

Strategy to overcome areas of under performance

No underperformance has been recorded.

Sub-programme expenditure

Financial Governance	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1,860	1,609	251	1,677	1,677	
Accounting Services	8,358	8,358	-	10,511	8,818	1,693
Norms and Standards	5,788	5,759	29	7,212	6,901	311
Risk Management	5,531	5,366	165	10,554	9,161	1,393
Total	21,537	20,994	543	29,954	26,557	3,397

The underspending indicated above is mainly attributed to the implementation of MSCOA project that will be finalised in the new financial year and the transfer payment to municipality which could not be transferred due to reporting issues.

4.5 Programme 5: Internal Audit

Programme Purpose

- a) To provide internal audit service to the Northern Cape Provincial Departments.
- b) To provide audit committee oversight services to the Northern Cape Provincial Departments.

The programme includes the following sub-programme:

- Programme Support
- Education Cluster
- Health Cluster
- Agriculture Cluster
- Public Works Cluster

Audit Committee					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Convene 260 Audit Committee meetings in adherence to the legislative requirements.	61	52	87	35	Significantly more Audit Committee meetings were held due to Audit Committee oversight that extended to 5 listed Public Entities in the province (McGregor Museum, Kalahari Kid Corporation, NCEDA, NC Gambling

							Board, NC Liquor Board).
Sub-programme: Programme Support							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of Compliance Assessments to the Audit Committee Charter	-	-	4 out of 5	1	1	-	-

Internal Audit					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Execution of the approved annual audit plans	200	200	257	57	Significantly more internal audit reports were issued due to the extension of service to the entities, ad-hoc requests that were fulfilled and quarterly assurance reviews conducted on audit action plans.

Sub-programme: Education Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	3	3	3	6	3	The increase in plans is due to the addition of Public Entities (NCEDA / NC Liquor Board / NC Gambling Board

Sub-programme: Education Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of audit reports issued.	31%	118%	152%	50	66	16	Additional audit assignments were conducted due to management requests from departments and risk assessment conducted by internal audit after the 2015-16 final external audit report was issued.
Number of assessments done by departments (1 per quarter for each of the 3 departments)	3 out 5 as assessed by clients	3 out 5 as assessed by clients	4 out 5 as assessed by clients	12	14	2	Various assessments received from the department and 2 additional from NC Education department
Number of assessments of internal audit by the audit committee.(1 per year)	4 out 5 as assessed by audit committee	4 out 5 as assessed by audit committee	4 out 5 as assessed by audit committee	1	1	-	-
Number of internal quality reviews conducted (1 per year)	PC	GC	GC	4	4	-	-

Programme / Sub-programme: Health Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	3	3	3	3	-	
Number of audit reports issued	30%	106%	100%	50	52	2	Additional audits were completed as a result of ad hoc requests by departments.
Number of assessments of internal audit by departments.	3 out of 5	3 out of 5	4 out of 5	12	12	-	-
Number of assessments of internal audit by the audit committee.	3 out of 5	5 out of 5	4 out of 5	1	1	-	-
Number of internal and/ or external periodic reviews of compliance to IIA standards.	PC	PC	GC	4	4	-	-

Sub-programme: Agriculture Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	3	3	3	5	2	Two additional (2) entities were added to the cluster responsibility during the financial year (McGregor Museum and

Sub-programme: Agriculture Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
							Kalahari Krid).
Number of audit reports issued	34%	102%	126%	50	73	23	4 reports were carried over from the 3rd quarter. 1 report was an ad-hoc assignment as per management request. 8 reports were as a result of review of IA plan.
Number of assessments of internal audit by departments.	3 out 5	4 out 5	4 out 5	12	12	-	-
Number of assessments of internal audit by the audit committee.	3 out 5	4 out 5	4 out 5	1	1	-	-
Number of internal and/ or external periodic reviews of compliance to IIA standards.	PC	PC	GC	4	4	-	-

Sub-programme: Public Works Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of risk based plans approved by AC.	3	4	4	3	3	-	-
Number of audit reports issued	29%	97%	114%	50	66	16	Additional audits were requested from departments.

Sub-programme: Public Works Cluster							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement 2016/2017	Comment on deviations
Number of assessments of internal audit by departments.	3 out 5	3 out 5	4 out 5	12	13	1	Various assessments received from the 3 departments plus the NCFMTE.
Number of assessments of internal audit by the audit committee.	4 out 5	3 out 5	4 out 5	1	1	-	-
Number of internal and/ or external periodic reviews of compliance to IIA standards.	PC	GC	GC	4	4	-	-

Sub-programme expenditure

Internal Audit	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	4,755	4,537	217	8,901	7,769	1,132
Education	5,670	5,670	-	5,971	5,962	9
Health	6,051	6,028	23	6,022	5,945	77
Sector Departments	5,223	5,223	-	5,915	5,915	-
DPW	5,704	5,704	-	5,872	5,872	-
Total	27,403	27,162	241	32,681	31,463	1,218

The underspending is as a result of delay in filling of vacancies and the extension of shared internal audit services to public entities of which some payments rolled over into the next financial year.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The department does not have any public entities.

5.2. Transfer payments to all organisations other than public entities

Transfer payment effected was to municipalities, departmental agencies, households and non-profitable organisation.

Transfers to household relate significantly to payments for leave gratuity paid to officials who have resigned from the department and donations made from the MEC's discretionary fund.

Transfer payments to non-profitable were donations made in terms of the departmental corporate social responsibility.

Transfers to municipalities relate to transfers made in-line with the municipal financial management grant in supporting municipalities in ensuring that GRAP compliant financial statements and asset registers are compiled.

6. CONDITIONAL GRANTS

The department is not a recipient of conditional grants.

7. DONOR FUNDS

No donor assistance was received by the department.

8. CAPITAL INVESTMENT

The nature of the Department is such that there is no infrastructure related projects or significant capital investment projects. The only capital procurement being initiated is regarding office furniture and equipment and related capital equipment.

PART C: GOVERNANCE

1. INTRODUCTION

The Department is committed to maintaining the highest standards of governance, as good governance is important for the management of public finances and resources. Good financial governance builds business confidence and assures business and community members that resources are utilized effectively and efficiently in achieving the objectives of the department. During the year, the department has supported other entities in improving governance and has directed all efforts towards an improvement in the audit outcomes; transparent and fair supply chain management practices; efficient and effective spending by departments and sound cash management.

2. RISK MANAGEMENT

Risk Management has become an integral part of the department's processes. The Risk Management Committee is functional and convenes on a quarterly basis. The Chairperson issues a report to the Accounting Officer on a quarterly basis highlighting areas of concern. The Department is steadily working towards developing its effectiveness on risk management.

The Department has an approved risk management policy and strategy in place and is compiled in line with the National Treasury Risk Management Framework of 2010.

The risk register is reviewed on an annual basis with the strategic risk assessment being concluded during the departmental strategic session and the operational risk assessments finalised by the respective directorates. New and emerging risks are identified and reported on quarterly at the Risk Management Committee and the Audit Committee once they have been reported to the CRO.

The Audit Committee advises the department on risk management and monitors the system of risk management by analysing the Chairperson's report and the progress on the implementation and action plans.

3. FRAUD AND CORRUPTION

The fraud prevention plan is compiled based on the minimum anticorruption capacity model (MACC) that is reviewed on an annual basis. The respective key stakeholders, eg Finance, HR, Security Management and Risk Management give input into the document.

The Department has an approved Whistleblowing policy in place which details the strategies and reporting mechanisms that are adopted in the organisation.

Through detection controls, an incident of petty cash fraud was reported and investigated. The total loss to the department was R4,837 which will be recovered from the individual pension benefits. It must be noted that the official is no longer an employee of the department.

4. MINIMISING CONFLICT OF INTEREST

Senior Managers are required in terms of the Public Service Regulations to disclose annually their financial and other interest to ensure that where possible conflict of interest is minimized. Furthermore, all supply chain practitioners and bid committee members are required to declare their interest annually and per bid committee meeting to ensure transparency in the procurement processes. No conflict of interest incidence has been identified or reported for the year under review. Staff members who conduct business and receive additional remuneration are required to request permission from the accounting officer. Declaration of interest by bid specification, bid evaluation and bid adjudication committee members on any bid which is being considered. Recruitment and selection panel members are required to sign the declaration of interest during the process.

Transparency and accountability is key within our department, thus we have ensured that vetting of all newly appointed officials occurs.

5. CODE OF CONDUCT

Newly appointed officials are inducted on their first day at work, and the Public Service Code of Conduct manual is handed to them on that day. Breach thereof is addressed through proper disciplinary procedures. NCPT officials are oriented on the code of conduct; this has improved the ethical behaviour of the officials as there were no cases reported during this financial year.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Health and Safety Committee was in operation to ensure compliance with the relevant legislation and to champion health and safety matters at the work place. Quarterly meetings were held and inspections were conducted in the buildings.

7. PORTFOLIO COMMITTEES

The Department provided feedback to the Portfolio Committee on the following:

- Annual Performance Plan 2016/17

- 1st, 2nd and 3rd Quarter Reports
- Annual Report for 2015/16.

The following were the resolution of the committee

Resolution No	Subject	Response by the department	Resolved (Yes/No)
ANNUAL REPORT			
1	Engage in strategies in encouraging departments to pay municipal debt	<ul style="list-style-type: none"> Established a debtors committee forum between departments; Established a district debtors forum which is between departments and municipalities; Currently assisting municipalities with data cleansing to improve the credibility of information, clearing and reconciling of government accounts, thus improving collection rate; Government debt Instruction Note provided to municipalities to assist with inaccurate reporting 	YES
2	Assist Provincial Departments and municipalities in spending conditional grants	<ul style="list-style-type: none"> Municipalities report to PT on a quarterly basis on the budget vs expenditure. Spending on each grant is assessed and municipalities are advised accordingly Departments report to PT on a monthly & quarterly basis. An assessment is performed on actual expenditure vs grant output as indicated in the business plan/grant framework; Reports are signed off by PT prior to department's submission to National Departments; Continuous engagement with departments are undertaken to mitigate slow spending or underperformance. Infrastructure Management PMTECs have been established in order to review the funding of projects, spending and performance 	YES
QUARTERLY PERFORMANCE REPORTS			
1.	Assist Provincial Departments and municipalities in spending conditional grants	<ul style="list-style-type: none"> Continuous engagement have been facilitated with municipalities on the Municipal Infrastructure Grant(MIG) allocation, especially for sport facilities. District Infrastructure Forums engagements in conjunction with COGHSTA were facilitated to provide technical support in terms of spending on MIG allocation and conducting site visits Provincial Infrastructure Committee has been reviewing the funding of projects, spending and performance. Moderation process conducted with National Sectors and National Treasury on the Performance Based Incentive Grant Processes (PBIS) 	YES

Resolution No.	Subject	Response by the department	Resolved (Yes/No)
		<ul style="list-style-type: none"> Infrastructure Adjustment Budget workshop conducted with National Treasury and Provincial stakeholders 	
2.	Engage in vigorous implementation strategies to ensure that municipalities use grants for intended purposes and apply punitive measures for non-compliance	<ul style="list-style-type: none"> Grants allocated to municipalities are transferred by National Treasury, thus the province will not be in position to implement punitive measures; A committee consisting of DCOG & COGHSTA reviews performance of conditional grants spending and make recommendation on how municipalities can improve their spending rates; District Infrastructure Forums engagements in conjunction with COGHSTA were facilitated to provide technical support in terms of spending on MIG allocation and conducting site visits 	YES
3.	Ensure that the implementation of the municipal support strategy across all municipalities is accelerated	<p>Pilot Phase:</p> <ul style="list-style-type: none"> Renosterberg, all asset management five issues were cleared and a new issue on valuation was raised which is currently being addressed. Dikgatlong the support provided resulted in an improvement of audit outcomes, i.e. from disclaimer to qualify for the audit opinion of 2015/16 financial year. <p>Second Phase: Programme extended to the following municipalities</p> <ul style="list-style-type: none"> Magareng Phokwane, Kammiesberg, Namakhoi, and Richtersveld 	YES
ANNUAL REPORT			
1.	Ensure that the ICT strategy is compatible with the departmental strategies	The ICT strategy has been updated to align to the departmental strategy.	YES
2	Provide support to departments with regard to supply chain management policies and regulations	Provincial Supply Chain Management unit conducted various workshops/training sessions with departments to provide advice on new pieces of legislations and frameworks. These were also consulted at various CFO forums. The unit also conducted individual compliance visits in order to determine areas that departments needed assistance with.	YES

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	Support to be provided to departments and municipalities	Provincial Treasury as the leading department in enforcing sound financial management within the province must maintain and sustain the audit outcome achieved. Also replicate the best practices implemented within the department to service delivery departments and municipalities	The internal controls have been maintained and departments and municipalities are continuously assisted in improving compliance	YES

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department obtained an unqualified audit opinion with no matters of emphasis in the prior year. Continuous efforts were implemented to ensure that the opinion is improved, thus the clean audit opinion for the current 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 with no matters of emphasis	2013/14	Not Applicable
Matters of emphasis: Verification of qualifications was done subsequent to appointments	2014/15	Verification of qualifications is done prior to appointments.
Unqualified with no matters of emphasis	2015/16	Not Applicable

10. INTERNAL CONTROL UNIT

Internal control unit is located in Financial Management sub-programme. Currently the unit only has one official responsible for compliance checks on all relevant areas within financial management. The following is the work performed by the internal control:

Auditing of salary claims, S&T and fuel claims:

- Check fuel claims – ensure compliance to the Policy;
- Check Salary claims
- Check S&T claims – ensure compliance to the Policy.

Test controls within the Transport unit

- Check Trip authorizations
- Check Logbooks

11. INTERNAL AUDIT

The Internal Audit service has been performed by the Northern Cape Provincial Treasury's "Provincial Internal Audit Service". The function was setup under section 38(1)a()(i) and section 76(4)(e) of the PFMA as a shared function for the Northern Cape Provincial Administration, and in terms of paragraph 3.2.3. of the Treasury Regulations.

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

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

Using the risk assessment as a basis, audit reviews for the year included operations, compliance, performance and follow-up reviews. In terms of the approved Internal Audit Operational Plan 2016-17, the unit planned for thirteen audits and twenty-two audit assignments were conducted which included follow up audits and performance information's was reviewed on quarterly basis. The Biometric access control system was added due to the risk assessment conducted by internal audit.

The Auditor-General South Africa, Provincial Accountant General and Provincial Risk Management Unit were invited to the Audit Committee meetings.

Summary of audit work done

The Provincial Internal Audit Unit must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic discipline approach:

- Governance: making appropriate recommendation by improving the governance processes
- Risk management : Evaluating risk exposures relating to the Department's governance, operations and information system

- Control: Evaluate the adequacy and effectiveness of control in responding to risk within the Department's governance, operations and information system.

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2017.

Audit Committee Responsibility

The audit committee reports that it has complied with its responsibilities arising from section 38(1)(a), 76(4)(d) and 77 of the Public Finance Management Act and Treasury Regulations 3.1. It has adopted appropriate formal terms of reference as the Audit Committee Charter, has regulated its affairs and discharged its responsibilities in compliance thereof.

Audit Committee Members and Attendance

The audit committee consists of the members listed below. It meets as frequent as mandated by the approved audit committee charter and as often as it deems necessary.

During the financial year under review, 5 meetings were convened as per its charter.

Attendance of meetings was as follows:

Name	Qualifications	Internal or External	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Adv. DJ Block	B.luris,LLB, Higher Diploma In Taxation	External		01 December 2014	N/A	05
Mr. AL Kimmie	B.Compt(hons);RGA;SAI PA;MBA; Reg. Public Service Financial Officer	External		01 December 2014	N/A	04
Mr. V.A Makaleni	Master in Public Administration (UP) Bachelor of Commerce (Accounting) (UFS) Management Advancement Programme (WITS) Advanced Management Development Programme (UP) Certificate in Risk Management (UJ)	External		01 December 2014	N/A	04
Ms OJ Gill	B Com, B Com (hons) in Business Management, Cert. in Executive	Internal	Chief Director Department of	01 December 2014	31 October	02

	Development Program		Public Works		2016	
Ms. E Botes	ND: Police Administration, Bachelor's degree in Police Science, Certificate in Executive Development Program	Internal	Acting HOD Dept. of Environment and Nature Conservation	01 December 2014	31 October 2016	00

The Effectiveness of Internal Control

We have reviewed the reports of the internal auditors, the audit report on the annual Financial Statements and the management report of the Auditor-General of South Africa. Nothing has come to our attention that would indicate a material breakdown in Internal controls in this department.

The department has taken full responsibility and ownership for the implementation of risk management. The challenge remains to institutionalize risk management throughout the department. The Audit Committee noted a number of emerging risks and will be monitoring these on a regular basis.

We have fulfilled our mandate with regards to the annual financial statements as mentioned below. We have reviewed and concur with management's acceptance of the AGSA's management report. We can confirm that there are no unresolved issues. The Audit Committee is satisfied with the content and quality of quarterly reports in respect of in-year management and quarterly performance reports submitted in terms of the PFMA and the Treasury regulations as prepared by the Accounting Officer of the department during the year under review.

Evaluation of Annual Financial Statements

The audit committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer;
- Reviewed the Auditor-General's management report and management's response thereto;
- Reviewed changes to accounting policies and practices as reported in the annual financial statements;
- Reviewed the department's processes for compliance with legal and regulatory provisions;
- Reviewed the information on predetermined objectives as reported in the annual report;
- Reviewed material adjustments resulting from the audit of the department; and
- Reviewed and where appropriate recommended changes to the interim financial statements as presented by the department for the six months ending 30 September 2016.

Internal Audit

In line with the PFMA and Treasury Regulations requirements, internal audit provides the audit committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by a risk based internal audit plan, internal audit assessing the adequacy of controls mitigating the risks and the audit committee monitoring implementation of corrective actions.

The following internal audits were approved of which all were completed during the year under review:

- Asset Management
- Biometrics Access Control System
- HRM Recruitment and Selection
- Human Resource Management: Employee health and Wellness
- Human Resource Management: Employee Personal Management Development
- ICT Governance
- Interim Financial Statements as at 30 September 2016
- Management Performance Assessment Tool 2016
- Management rectification plan on AGSA findings
- Quarterly Follow up Audits
- Quarterly Performance Information
- Review of the Annual Financial Statements as at 31 March 2016
- Risk and Fraud Management
- Salary Management
- Supply Chain Management

The audit committee will encourage increased assurance over significant risk by overseeing the implementation of combined assurance principles.

In -Year Management and Monthly/ Quarterly Report

The Audit Committee through the Internal Audit Function was satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer and the department during the year.

The reports were discussed with Department officials. Progress has been made in the development and quality of these management reports and the department has been reporting monthly and quarterly to the Office of the Premier and Provincial Treasury as required by the PFMA.

Risk Management

Progress on the departmental risk management was reported on a quarterly basis to the Audit Committee and is satisfied that the actual management of risk is receiving attention, although there are areas that still require improvement. Management should continue to support the Risk Officer to even further enhance the performance of the Department. The functioning of the Risk Management Committee will be monitored during the 2017/18 year.

One-on-One Meeting with the Accounting Officer

The Audit Committee has met with the Accounting Officer for the department to address unresolved issues.

Report to the Executive Authority

The Audit Committee has met with the Executive Authority to apprise the MEC on the performance of the department.


Auditor's General Report

We have reviewed the department's implementation plan for the audit issues raised in the prior year on a quarterly basis. The audit committee has met with the Auditor General to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on detailed finding emanating from current regulatory audit will be monitored by the audit committee on regular basis.

Conclusion

The Audit Committee wishes to express its appreciation to the Management of the Department, AGSA and Provincial Internal Audit for the co-operation and information they have provided to fulfil our mandate and enable us to compile this report.

The Audit Committee concurs and accepts the Auditor-General's Report on the annual financial statements.



Advocate DJ Block
Chairperson of the Audit Committee
Northern Cape Provincial Treasury

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The employer strives to create a conducive working environment for its employees and has enabled it to address the interest of employees. The department continues to run a successful and innovative health and wellness programme, effective bursary scheme, transparent and fair employee performance management and development system, recruitment and selection policy is also fully implemented.

2. OVERVIEW OF HUMAN RESOURCES

The employer strives to create a conducive working environment for its employees and has enabled it to address the interest of employees. The department continues to run a successful and innovative health and wellness programme, effective bursary scheme, transparent and fair employee performance management and development system, recruitment and selection policy is also fully implemented.

3. OVERVIEW OF HUMAN RESOURCES

Priorities for Human Resource Management for this financial year was to ensure that there is progress in attaining 50/50 equity at SMS level, this is an ongoing priority as currently there is still the inequity within the sms structure. This is also addressed by the departmental approved EE plan. Currently there are only two (2) vacant funded posts at SMS level, recruitment will target women at SMS level who meet the minimum requirements when filling these posts. Current departmental resources will be utilized and this will be within six months of the post being vacant depending on the timeframe of the moratorium process.

Target is also on specific people with disabilities as the department has not reached the 2% target. User friendly facilities to accommodate officials with disabilities has also been given a priority in this financial year. This is also dealt with by ensuring that there is continuous representation of EE members in recruitment processes.

Emphasis has also been placed on the finalisation of the Departmental Organisational Structure in line with the approved generic structure for Provincial Treasuries. Meetings are held with appointed consultants for the speeding up of approval for the structure. Continuous clean-up of the PERSAL establishment is also given priority.

HRM has ensured that the vacancy rate is kept below 10% and by end of financial year was at 7%.

HRM policies are reviewed and approved. Final consultation is with the unions for finalization of the retention and succession planning policy to ensure that the department has got a strategy to attract and retain officials especially with scarce and critical skills.

In addition to the training that officials underwent, SMS members also attended the leadership programme and will still continue to attend other modules to ensure that there is continued empowerment and capacitation in an effort towards strengthening their leadership and governance skills and managerial capabilities.

Service provider for EAP has been appointed and the launched. There is continuation of engagements with GEMS and Department of Health for Health awareness and screenings of chronic disease including voluntary testing. Health and safety reps have been appointed and so as to ensure that the OHSA is fully implemented.

Targets that were partially achieved will be given priority in the new financial year as others were fully achieved.

4. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2016 and 31 March 2017

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	86,138	46,730	590	-	54.3	351
Sustainable Resource Management	47,953	39,027	3	-	81.4	650
Asset & Liability Management	50,812	33,651	163	-	66.2	961
Financial Governance	26,556	18,147	1,026	-	68.3	362
Internal Audit	31,464	26,646	1,654	-	84.7	392
Total	242, 923	164,201	2,478	-	67.6	475

Table 3.1.2 Personnel costs by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	11	0.01	6	2
Skilled (level 3-5)	8,908	5.43	41	217
Highly skilled production (levels 6-8)	36,050	21.9	118	306
Highly skilled supervision (levels 9-12)	89,760	54.7	158	568
Senior and Top management (levels 13-16)	29,472	17.9	23	1,281
Total	164,201	100	346	475

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2016 and 31 March 2017

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	36,790	78.7	83	0.18	1,158	2.48	1,737	3.72
Sustainable Resource Management	31,357	80.4	-	-	738	1.89	1,183	3.03
Asset & Liability Management	27,563	81.9	29	0.09	522	1.55	926	2.75
Financial Governance	14,756	81.3	-	-	282	1.55	556	3.06
Internal Audit	21,203	79.6	-	-	590	2.21	853	3.20
Total	131,669	80.2	112	0.07	3,290	2.00	5,255	3.20

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	24,735	83.9	-	-	-	-	2	-
Skilled (level 3-5)	71,788	79.9	-	-	504	0.31	617	0.38
Highly skilled production (levels 6-8)	28,068	77.9	-	-	1,334	0.81	1,975	1.20
Highly skilled supervision (levels 9-12)	6,968	78.2	112	0.07	1,340	0.81	2,353	1.43
Senior management (level 13-16)	110	10.0	-	-	112	0.07	308	0.19
Total	131,669	80.2	112	0.07	3,290	2.0	5,255	3.20

3.2. Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	123	117	4.88	4
Sustainable Resource Management	73	68	6.85	-
Assets and Liabilities	70	60	14.3	1
Financial Governance	37	35	5.41	-
Internal Audit	59	54	8.47	-
Total	362	334	7.73	23

The above figure of number of post filled excludes audit committee members

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	6	6	-	-
Skilled(3-5)	42	41	2.38	2
Highly skilled production (6-8)	114	101	11.4	10
Highly skilled supervision (9-12)	171	158	7.60	9
Senior management (13-16)	29	28	3.45	2
Total	362	334	7.73	23

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	55	49	10.9	6
Client Inform Clerks (Switchb. Receipt. Inform Clerks)	1	1	-	-
Communication and Information Related	3	3	-	-
Finance and Economics Related	63	58	7.93	-
Financial and Related Professionals	91	80	12.1	13
Financial Clerks and Credit Controllers	35	34	2.85	2
Food Services Aids and Waiters	9	8	11.1	-
Human Resources & Organisat. Developm. & Related Prof	2	1	50	-
Human Resources Clerks	3	3	-	-
Human Resources Related	20	19	5	-
Information Technology Related	9	8	11.1	-
Library Mail and Related Clerks	10	10	-	-
Light Vehicle Drivers	3	3	-	-
Messengers Porters and Deliverers	4	4	-	-

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other Information	4	4	-	-
Technology Personnel				
Other Occupations	1	1	-	-
Risk Management and Security Services	4	3	25	-
Secretaries & Other Keyboard Operating Clerks	25	25	-	-
Senior Managers	20	19	5	2
Total	362	334	7.73	23

3.3. Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	-	-	-	-	-
Salary Level 16	1	1	100	-	-
Salary Level 15	1	-	-	1	100
Salary Level 14	7	7	100	-	-
Salary Level 13	19	18	94.7	1	5.26
Total	28	26	92.9	2	7.14

Table 3.3.2 SMS post information as on 30 September 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	-	-	-	-	-
Salary Level 16	1	1	100	-	-
Salary Level 15	1	-	-	1	100
Salary Level 14	7	7	100	-	-
Salary Level 13	19	19	100	-	-
Total	28	27	96.4	1	3.57

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2016 and 31 March 2017

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

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
1. The post was advertised within six months of becoming vacant in 2015, it was then re-advertised in 2016 and filled within the same financial year (2016/17)
2. The HOD post is vacant for more than six months

Reasons for vacancies not filled within twelve months
1. N/A
2. Filling of the HOD post is the responsibility of the Office of the Premier

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2016 and 31 March 2017

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

3.4. Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2016 and 31 March 2017

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	6	-	-	-	-	-	-
Skilled (Levels 3-5)	42	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	114	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	171	-	-	-	-	-	-
Senior Management Service Band A	19	-	-	-	-	-	-
Senior Management Service Band B	7	-	-	-	-	-	-
Senior Management Service Band C	2	-	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
Total	362	-	-	-	-	-	-

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2016 and 31 March 2017

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

Employees with a disability	-
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Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2016 and 31 March 2017

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2016 and 31 March 2017

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

Employees with a disability	-	-	-	-	-
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Notes

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5. Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Number of employees at beginning of period- 1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled INTERNS(Levels 1-2)	6	6	-	-
Skilled (Levels3-5)	41	4	3	7.31
Highly skilled production (Levels 6-8)	101	16	8	7.92
Highly skilled supervision (Levels 9-12)	159	20	6	3.77
Senior Management Service Bands A (L 13)	18	1	3	16.7
Senior Management Service Bands B (L14)	7	1	-	-
Senior Management Service Bands C (L15)	-	1	-	-
Senior Management Service Bands D	1	-	-	-
Total	334	49	20	5.98

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2016 and 31 March 2017

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Managers	20	-	2	10
TOTAL	20	-	2	10

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2016 and 31 March 2017

Termination Type	Number	% of Total Resignations
Death	1	2.38
Resignation	7	16.7
Expiry of contract	20	47.6
Dismissal – operational changes	-	-
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	2.4
Retirement	1	2.4
Transfer to other Public Service Departments	12	23.1
Other		

Termination Type	Number	% of Total Resignations
Total	42	
Total number of employees who left as a % of total employment	12.6	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 and 31 March 2017

Occupation	Employees 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Snr Managers	28	-	-	20	71.4
TOTAL	28	-	-	20	71.4

Table 3.5.5 Promotions by salary band for the period 1 April 2016 and 31 March 2017

Salary Band	Employees 1 April 20YY	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	6	-	-	-	-
Skilled (Levels 3-5)	41	-	-	24	58.5
Highly skilled production (Levels 6-8)	101	1	0.99	70	69.3
Highly skilled supervision (Levels 9-12)	158	2	1.27	94	59.5
Senior Management (Level 13-16)	28	-	-	20	71.4
Total	334	3	0.90	208	62.3

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	10	3	-	4	9	1	-	1	28
Professionals	63	13	1	1	54	20	1	5	158
Technicians and associate professionals	21	9	-	-	46	22	-	3	101
Clerks	5	2	-	-	19	6	-	1	33
Service and sales workers	-	-	-	-	4	4	-	-	8
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	1	-	-	-	5	-	-	-	6
Total	100	27	1	5	137	53	1	10	334
Employees with disabilities	1	1	-	-	3	-	-	-	5

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	-	-	-	-	-	-	-	2
Senior Management	8	3	-	4	9	1	-	1	26
Professionally qualified and experienced specialists and mid-management	63	13	1	1	54	20	1	5	158
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	21	9	-	-	46	22	-	3	101
Semi-skilled and discretionary decision making	5	2	-	-	19	6	-	1	33
Unskilled and defined decision making	-	-	-	-	4	4	-	-	8
Interns	1	-	-	-	5	-	-	-	6
Total	100	27	1	5	137	53	1	10	334

Table 3.6.3 Recruitment for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	1	-	-	-	-	-	-	1
Senior Management	1	-	-	-	1	1	-	-	2
Professionally qualified and experienced specialists and mid-management	6	-	-	-	10	2	-	-	18
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	1	-	-	9	3	-	-	18
Semi-skilled and discretionary decision making	1	-	-	-	2	1	-	-	4
Unskilled and defined decision making	1	-	-	-	5	-	-	-	6
Total	14	2	0	0	27	7	-	-	49
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	-	-	-	-	4	1	-	-	5
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	-	-	-	3	1	-	-	5
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	1	-	-	-	7	2	-	-	10
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	2	1	-	-	-	-	-	-	3
Professionally qualified and experienced specialists and mid-management	6	3	-	-	1	0	-	-	10
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	1	-	-	8	1	-	-	16
Semi-skilled and discretionary decision making	3	-	-	-	10	-	-	-	13
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-