



planning, monitoring  
& evaluation


Department:  
Planning, Monitoring and Evaluation  
REPUBLIC OF SOUTH AFRICA



# ANNUAL REPORT

2016/17

Together we move South Africa forward



The Annual Report 2016/17 of the Department of Planning, Monitoring and Evaluation is compiled with the latest information to the Department.

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## 2. List of Abbreviations/Acronyms

AGSA	Auditor General of South Africa
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
CBM	Citizen-based Monitoring
CFO	Chief Financial Officer
DIRCO	Department of International Relations and Cooperation
DPME	Department of Planning Monitoring and Evaluation
DPSA	Department of Public Service and Administration
EU	European Union
FOSAD	Forum of South African Directors General
GIS	Geographic Information System
GWM&E	Government Wide Monitoring and Evaluation
HOD	Head of Department
HSRC	Human Sciences Research Council
IPM&E	Institutional Performance Monitoring and Evaluation
LGMIM	Local Government Management. Improvement Model
MAT	Municipal Assessment Tool
MEC	Member of Executive Council
MPAT	Management Performance Assessment Tool
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NPC	National Planning Commission
NYDA	National Youth Development Agency
OPSC	Office of the Public Service Commission
PCC	President's Coordinating Council
PFMA	Public Finance Management Act
PoA	Programme of Action
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
SAMEA	South African Monitoring and Evaluation Association
SASSA	South African Social Security Agency
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
TR	Treasury Regulations

### 3. Foreword by the Minister



It is with great pleasure to present the Annual Report 2016/2017. Once again, the Department has achieved a fifth consecutive clean Audit from the Auditor General South Africa. Let me take this opportunity to congratulate staff and all involved in running the affairs of the department prudently.

The National Development Plan (NDP): Vision 2030 is our nation's blueprint and programme to build on our achievements, and to decisively confront our challenges.

The NDP is the overarching plan that seeks to fulfil the aspirations of the majority of South Africans, and black people in particular. It underpins our developmental endeavours, and informs the policies and strategies spearheaded by government.

The mandate of DPME is to ensure that government programmes advance the NDP and achieve the desired outcomes and impact, and to promote improved implementation.

Our departure point is that we have an overarching long-term national development plan in the NDP, towards which government has prioritised 14 measurable Outcomes in its current Medium-Term Strategic Framework 2014-2019, as the first five-year implementation agenda for the NDP.

This Annual Report therefore captures the highlights of achievements of DPME in the past financial in relations to its mandate, but also identifies areas of improvements. The annual report should not be read on its own, but as one part of our comprehensive annual reporting package which is done through other programmes such as the detailed reporting on the implementation of the NDP through the MTSF and PoA.

Through our monitoring function, DPME's task is to report to government through Cabinet (which we do on a quarterly basis), as well as report to the nation, on our performance against our objectives, and to do so without fear or favour.

No plan or strategy to achieve long-term socio-economic change can succeed without a mechanism to periodically measure performance and provide critical feedback to ensure we improve our collective efforts and results.

To this end, DPME will conduct a mid-term review of government performance against its plans and programmes, based on the reports of departments, and drawing on independent evidence and data.

Preliminary findings indicate that government is implementing and monitoring too many priorities. We now need to focus on a limited set of apex priorities that will give us maximum impact for the remainder of the current electoral cycle.

Some of the key highlights of the work of the DPME in the past financial year was the strategy review exercise. The strategic thrust of the strategy review exercise was to strengthen and integrate all aspects of the current planning, monitoring and evaluation systems. The strategic review identified critical weaknesses in the country's planning system.

To this end, changes are required to streamline and improve planning systems and effective coordination mechanisms. DPME will be engaging with stakeholders in the financial year 2017/18 to create enabling legislation to bring required changes. The aim is to streamline and consolidate the overall government planning system and related legislation, in order to better advance the implementation of the NDP in an integrated manner.

Another key area is the alignment of planning and budget allocations to NDP priorities across government. Despite several reforms since 1994 to improve the resource allocation process, including the Public Finance Management Act, the Medium-Term Expenditure Framework and Budget Policy Statement (MTBPS), there is widely felt the need to strengthen the alignment of the national budget to NDP goals and targets.

It is important to acknowledge that the achievements are a collaborative work with other stakeholders. We express here our appreciation of all those who have contributed to the departmental achievements. In particular, this report is only possible because of the hard work and dedication of our staff and partners.



**Mr Jeff Radebe (MP)**

Minister in the Presidency for Planning, Monitoring and Evaluation

Date: 31 August 2017

## 4. Statement by the Deputy Minister



As the department responsible for the coordination of youth development across government, the DPME is well placed to ensure that government's youth development approach aligns with the priorities of the National Development Plan Vision 2030 and the National Youth Policy 2020.

We have been monitoring the implementation of the five key priorities of our NYP 2020. Our monitoring shows similar patterns of steady progress towards youth development and empowerment as in other areas of the NDP/MTSF priorities. More, however, still need to be done.

The strategy and organisational review exercise, provides the department with an opportunity to strengthen its capacity to facilitate youth development across government and society. The key tasks of the Youth Programme will include the development and review of youth legislation and policies; stakeholder management and support; monitoring and evaluation of youth development across all spheres of government; and conducting NYDA oversight.


In the past year, the DPME started developing a national Monitoring and Evaluation Framework for the National Youth Policy. The framework will be used to ensure effective monitoring and evaluation of high impact interventions of the NYP 2020. It will also enable the gathering of data to assess progress on the relevance, efficiency, effectiveness, sustainability, and impact of interventions when implementing the NYP 2020. The framework will support our institutionalization of youth development across government.

The DPME commissioned an evaluation of the National Drug Master Plan. The evaluation noted that the plan appropriately covered the three pillars of harm reduction, demand reduction and supply reduction. However, the evaluation also identified policy incoherence around harm reduction, with law enforcement criminalising users and addicts and thereby working against the public health approach of restorative justice.

The evaluation also identified the need for the plan to provide implementation details for subnational levels of government and the need to sufficiently translate this macro-plan in sector plans or Annual Performance Plans (APPs). Drugs and substance abuse have caused much pain in our society and families, however the evaluation concludes that the real size and scope of the substance abuse problem in South Africa remains unknown as it is insufficiently researched. We are working with the Department of Social Development as well as other key departments in the Social Cluster and social partners, to enhance the effectiveness of our interventions.

In the next financial year, we will continue to monitor and report on the five key priorities of our NYP 2020 being education, skills development and second chances; economic participation and transformation, health care and combating substance abuse.

We will continue to vigilantly monitor the implementation of these interventions.



**Mr. Buti Manamela (MP)**

Deputy Minister in the Presidency for Planning, Monitoring and Evaluation

Date: 31 August 2017

## 5. Report of the Accounting Officer



### 5.1 Overview of the operations of the department

The key operational focus areas for the department are planning, monitoring and evaluation as well as youth development.

#### 5.1 Overview

The year 2016/17 is the second year that the department is implementing its mandate as the Department of Planning, Monitoring and Evaluation, following the proclamation in 2014, which brought together the previously separate functions of Planning, Monitoring and Evaluation under one department and Minister at the centre of government.

During this period, the DPME continued to roll out existing programmes, while at the same time reviewing its Organisational Structure and Strategy to better fulfil its mandate as a department responsible for both Planning, Monitoring and Evaluation.

#### Institutionalising Planning

The work on planning entailed continuing to provide secretariat support to National Planning Commission (NPC) which provided the National Development Plan (NDP).

The Department also conducted consultations with national departments and provinces on discussion document on institutionalising planning in government in the post NDP period. This culminated in a policy framework on planning, which proposes the consideration of legislation to consolidate the national planning system and clarify the role and functions of DPME in this regard.

A key new planning activity the Department undertook in the period under review is the process to better align the national budget to NDP priorities. This has resulted in Cabinet decision for DPME to conduct priority setting on an annual basis prior to the yearly budget process led by National Treasury, in order to ensure that budget better supports the implementation of the NDP by government.

#### Monitoring

DPME's monitoring has continued to focus on the fourteen (14) outcomes identified in the Medium Term Strategic Framework 2014-2019, as government's first five (5) years implementation programme for the NDP. The department produced quarterly reports for consideration by Cabinet for the 14 Outcomes, highlighting areas of progress, challenges and recommending corrective action. These reports have been made public through the DPME POA website.

Other monitoring activities have focused on the quality of management practices in national and provincial departments, through the Management Practices Assessment Tool, as well as on various services delivery facilities through unannounced and announced visits, some of which are led by the President and the Minister.

## **Evaluation**

Evaluations and research are essential to ensuring that government policies and programmes are based on evidence, thereby enhancing their impact. The department thus far has 59 evaluations completed or underway covering programmes in the Education, Economic, Human Settlements and Agriculture sectors among others. The DPME is also championing the evaluation discipline across government, with 7 provincial evaluations now in place, 102 provincial evaluations underway and 60 departments now having evaluation plans.

## **Youth Development**

Youth development is a key component of DPME mandate. Having championed the adoption of a Youth Policy in the 2015/16 year, the department has been promoting the implementation of the policy across government, focusing on getting departments to make more explicit and strengthen youth-specific aspects of their programmes and expenditure. For this purpose, a monitoring and evaluation framework for youth development has been drafted, also the Deputy-Minister has been leading the Coordination of youth development under the Presidential working group on youth.

## **Review of Strategy and Organisational Structure**

The department completed a review of its strategy and organisational structure with a view to better conceptualise the mandate of the DPME and how it will be executed. Key areas of emphasis from the exercise are the need for DPME to act as supervisor of the work of government guided by the NDP, to promote coordinated and effective planning and implementation and enhance accountability across the whole of government, including public entities and state-owned companies. For this purpose, the department was allocated additional funds to increase its capacity to execute its mandate.

## **Conclusion**

The DPME has a challenging but exciting mandate. Ultimately our work must result in improved performance of government in achieving the goals and targets of the NDP, working with all stakeholders outside of government. As a relatively young department, we have made an important beginning in this direction and through our work in 2016/17 we continue to shape DPME into a tool for making government effective in delivering on its actives and being accountable to citizen, particularly those who most need government to improve their conditions of life.

Finally I wish to take this opportunity to thank Minister Jeff Radabe and Deputy Minister Buti Manamela for their leadership, guidance and for holding us to high standards. Thanks also to all staff members for your hard work and commitment to public service, to commissioners of the NPC and members of the Audit Committee for your oversight and advice.

## 5.2 Overview of the Financial Results of the department

### 5.2.1 Departmental receipts

The Department does not provide services for which fees are charged. The Department received R1.215 million for recovery of the previous year's expenditure, administrative revenue for staff parking and the staff bus, interest earned, commission on garnishee orders and the sale of assets.

Programme Expenditure	2016/17 ('000)			2015/16 ('000)		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
1. Administration	142 453	134 299	8 154	111 872	111 872	-
2. Outcomes Monitoring & Evaluation	93 162	89 749	3 413	90 087	89 560	527
3. Institutional Performance Monitoring & Evaluation	62 412	61 897	515	60 626	60 626	-
4. National Planning	88 233	84 216	4 017	75 632	70 736	4 896
5. National Youth Development Agency	411 402	411 085	317	415 983	415 983	-
<b>TOTAL</b>	<b>797 662</b>	<b>781 246</b>	<b>16 416</b>	<b>754 200</b>	<b>748 777</b>	<b>5 423</b>

The Department spent 97.9% of its allocated budget. Under-expenditure on compensation of employees was due to delays in implementing the new organisational structure of the Department pending the approval by the Department of Public Service and Administration.

### 5.2.3 Virements/roll overs

No rollovers were approved for the 2015/16 financial year. Net virement of R3.275 million from Programme 4 was utilised for operational expenses under the remaining programmes. Details are provided in the Appropriation Statement under Part E: Financial Information.

## 5.3 Unauthorised, irregular and fruitless and wasteful expenditure

The Department has effective measures in place to prevent and detect irregular and fruitless and wasteful expenditure.

- During the year under review the Department recorded R350,000 in possible fruitless and wasteful expenditure due to cancellations of travel arrangements and events and damages to vehicles. R164,000 was still under investigation as at 31 March 2017.
- The Department incurred irregular expenditure relating to the current financial year of R40,000. R3,000 has been condoned and R37,000 is still under investigation.
- The Department did not incur any unauthorised expenditure.

Detailed information on irregular and fruitless and wasteful expenditure is available under Part E: Financial Information, notes 22 and 23.



#### **5.4 Future plans of the department**

The main focus of the department in the short to medium term will be on the institutionalisation of national planning and strengthening monitoring systems as envisaged in the MTSF 2014-2019.

#### **5.5 Public Private Partnerships (PPP)**

The Department did not enter into or participate in any PPP contracts for the period under review.

#### **5.6 Discontinued activities / activities to be discontinued**

The Department did not discontinue any of its activities during the 2016/17 financial year.

#### **5.7 New or proposed activities**

The Department has conducted a strategy and organisational review to strengthen its focus on planning, monitoring and evaluation as well as to play a more effective role on youth development. In addition, greater focus will be placed on monitoring the role of State Owned Entities in advancing the implementation of the NDP and MTSF. The additional activities are included in the Annual Performance plan. Key amongst these are:

- Develop and implement a planning policy framework for the sequencing and alignment of plans to improve government's planning and delivery
- Facilitate alignment of planning and budget allocations to NDP priorities across government (Resource Planning and Prioritization). Produce a Budget Mandate Paper (as an annual process)
- Conduct midterm review of government performance
- Design and implement strategic interventions to support implementation

#### **5.8 Supply chain management**

No unsolicited bid proposals were concluded by the Department. The SCM unit currently does not experience any significant challenges but will require additional capacity if the Department continues to grow.

#### **5.9 Gifts and Donations received in kind from non-related parties**

Gifts and donations received from non-related parties are disclosed in the Annexures to Part E: Financial Information.

#### **5.10 Exemptions and deviations received from the National Treasury**

The Department did not request any exemption from the PFMA/Treasury Regulations or from financial reporting requirements during the financial year.

### **5.11 Events after the reporting date**

The Department in June 2017 investigated allegations of possible irregularities by its head of supply chain management. Following the investigation, the employee was charged in July 2017 with various counts of corruption and breach of departmental policies. The employee subsequently tendered his resignation.

### **5.12 Conclusion**

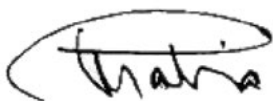
The task of the DPME is to report to government and the nation on our performance on the plans we have been implementing, and the responsibilities of other role-players outside government, and to do so without fear or favour.

No strategy and programme can succeed to achieve progressive socio-economic change in line with the vision and objectives of our Constitution, without a mechanism to measure performance and provide critical feedback to ensure we improve our collective efforts and results.

The DPME is tasked with serving as this mechanism, and to act as the mirror through which as government and the nation, we know where we are doing well and where we are failing, and in this way to influence future performance and the necessary corrective decisions and measures.

In this regard, the NDP serves as the vision and roadmap for socio-economic development to radically reduce poverty and inequality, and transform the economy and society for shared prosperity and national unity

Let me take this opportunity to thank the Minister and Deputy Minister for their leadership and guidance and for holding us to high standards. Thanks to all staff members, Commissioners of the NPC and Audit Committee members.



**Mr Tshediso Matona**

Acting Director General: Department of Planning Monitoring and Evaluation

Date: 31 August 2017

## 6. 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 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.

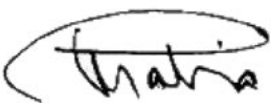
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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



**Mr Tshediso Matona**

Acting Director General: Department of Planning Monitoring and Evaluation

Date: 31 August 2017



## 7. Strategic Overview

### 7.1. Vision

Improved government outcomes and impact on society

### 7.2. Mission

To facilitate, influence and support effective planning, monitoring and evaluation of government programmes aimed at improving service delivery, outcomes and impact on society

### 7.3. Values

A learning organisation

Our values are inspired by our desire to be a learning organisation. We value innovation, partnerships and feedback. We do not do the same things over and over when they are clearly not working.

Our staff

We value our employees and therefore we strive to create an environment that allows them to grow and to be innovative. We will create an environment that enables our staff to:

- Act with integrity
- Practice Ubuntu
- Respect self and others

Our customers

We shall at all times be exemplary in all respects. This includes being people-centred and service-oriented.

Our performance culture

Our performance culture is influenced by our commitment to:

- be outcome-oriented
- pursue progressive and quality management practices in order to achieve value for money, efficiency and effectiveness
- produce quality outputs
- pay attention to the basics, such as
  - o not being late for meetings
  - o running meetings efficiently
  - o responding to e-mails, phone messages and all other requests timeously
- be accountable and transparent.

## 8. Legislative and other Mandates

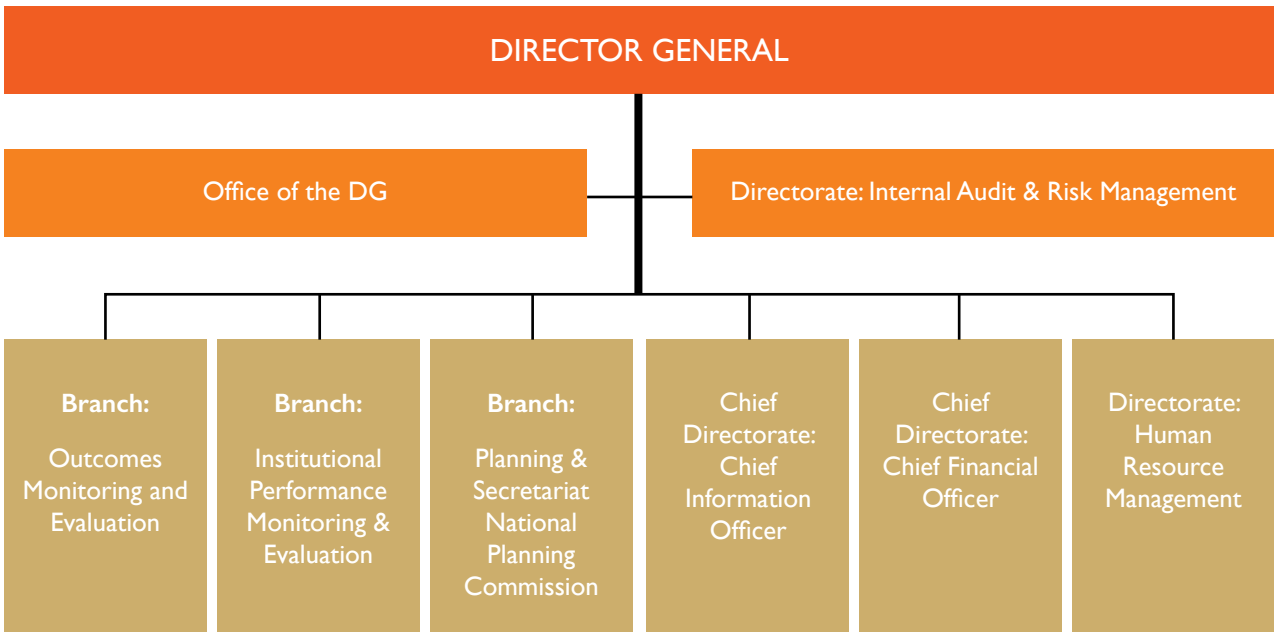
The mandate of the Department of Planning, Monitoring and Evaluation is derived from section 85(2) (b-c) of the Constitution of the Republic of South Africa which states that the President exercises executive authority, together with the other members of the Cabinet, by developing and implementing national policy and coordinating the functions of state departments and administrations. In addition, the following policy documents outline the mandate of the Department:

Legislation/policy
1. The Constitution of the Republic of South Africa, 1996
2. Proclamation no.47 of 2014
3. National Development Plan 2030-Our future make it work (2012)
4. Green Paper on National Strategic Planning (2009)
5. Framework for Strategic Plans and Annual Performance Plans
6. Policy framework for the Government-wide Monitoring and Evaluation Systems (2007)
7. Improving Government Performance: Our Approach (2009)
8. National Evaluation Policy Framework (2011)
9. Cabinet decisions

The mandate of DPME has been given concrete expression by the President in his 2010 and 2011 State of the Nation Addresses as well as various Cabinet decisions; and by the “Policy Framework on Performance Monitoring and Evaluation - Our Approach” document and the “Revised Green Paper: National Planning Commission,” which were tabled in Parliament.

In addition, the Minister in the Presidency for Planning, Monitoring and Evaluation outlined a clear set of interventions that should be undertaken by the Department. The Annual Report therefore incorporates the goals of improving expectations on service delivery through programmes and initiatives of the Department for the year under review.

## 9. Organisational Structure



## 10. Entities Reporting to the Minister

The table below indicates the entities, that reported to the Minister during the financial year under consideration. Related party transactions are included in the disclosure notes to the Annual Financial Statements (Part E).

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
National Youth Development Agency (NYDA)	National Youth Development Agency Act	Transfer payments	Support youth empowerment
Statistics South Africa	Statistics Act, 1999 (Act No. 6 of 1999)	None	Advance the planning, production, analysis, documentation, storage, dissemination and use of official and other statistics



# Finance Report

Summary



Summary



Summary



# PART B: PERFORMANCE INFORMATION



## I. 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 107 - 110 of the Report of the Auditor-General, in Part E: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 The National Development Plan (NDP) 2030 Implementation Overview

The NDP 2030, which has been adopted by diverse sectors of society in South Africa, both state and non-state actors, constitutes the programme through which our country advances radical economic transformation. The rationale for the development of such a long-term plan is the recognition that to bring about the complex changes in the social and economic structure and culture of society given our history of oppression, exploitation and dispossession, requires a coherent vision of the future. Addressing these complexity requires a common set of objectives, actions and priorities would to drive growth and development over the long term. The South African developmental state we seek to build must have visionary capacity, a long-term orientation, and organisational and technical capacity to translate policies into practical programmes and projects.

In the second phase of transition to a National Democratic Society we need "... to speed up the implementation of programmes of change in pursuit of shared prosperity, social justice and human solidarity".

Substantial progress has been made in establishing South Africa's planning system. The appointment of the NPC, and the establishment of the function of planning, monitoring and evaluation at the centre of government provide a comprehensive institutional framework for planning to drive the developmental agenda toward the goal of a National Democratic Society.

The Plan sets out the following key objectives:

1. Eliminate income poverty – reducing households with a monthly income below R419 per person (in 2009 prices) from 39% to 0.
2. Reduce inequality – the Gini coefficient should fall from 0.69 to 0.60.
3. Reduce unemployment rate to 6% by creating 11 million more jobs by 2030.

Crucially, adoption of the NDP provides the strategic framework for medium and short-term planning to occur within the framework of the long-term vision and development path of the NDP. Government therefore produced the Medium Term Strategic Framework (MTSF) to ensure that over successive 5-year periods, the state is able to put the country on a positive trajectory towards achieving the priorities of the NDP 2030

## **Planning, Monitoring and Evaluation as key for implementing the NDP 2030**

The consolidation of the planning function with performance monitoring and evaluation has laid a solid basis for coordinated planning, execution of policies and performance enforcement across government. The Presidency has become the strategic centre of government to drive:

The National Development Plan and its implementation through the Medium Term Strategic Framework (MTSF);

1. Prioritisation through the budget mandate paper.
2. Strategic oversight over state owned companies.
3. The National Spatial Development Framework.
4. Measuring performance and impact through evaluations.
5. Building a data and knowledge base to inform planning and implementation, facilitate reflection on performance, learning and innovation.

There is a need to codify and institutionalise the planning, monitoring and evaluation function through legislation. Planning, monitoring and evaluation does not only happen at national levels of government.

### **Evaluations are informing performance improvements**

Evaluation is important for analysing what works, why, and for whom. 59 national evaluations are completed or underway and 102 provincial evaluations planned, covering R143 billions of government expenditure. The system is being institutionalised across government, and 7 provinces and 57 departments now have evaluation plans. Some cross-cutting learnings are emerging:

1. Some programmes are working well, creating jobs and promoting economic growth.
2. Weak programme planning.
3. Services often not targeted enough.
4. Behaviour change services weak
5. Administrative arrangements often poor
6. Data is often inadequate.
7. Coordination weak across government departments.

### **Highlights of the midterm review 2014-2016**

#### **Areas of key progress**

As reflected above the midterm review of progress demonstrates that South Africa is a better place in 2017 than it was in 1994. Progress has been made towards realising the goals of NDP 2030, across the economic services, social services, building a capable state and fostering active citizenry. However, progress is uneven across sectors. A need exists for more effort from the state, society and businesses to work towards meeting the 2030 goals.

#### **Areas of limitation**

The Midterm Review 2014-2016 suggests that government is monitoring too many priorities – which are accorded equal weighting and status. Government's focus and resources are therefore spread too thinly – particularly in a constrained fiscal environment. Performance on NDP 2030 actions which require cooperation across multiple departments, levels of government or non-governmental stakeholders shows poor implementation progress. Furthermore, lack of adequate information systems in government to track progress towards the NDP 2030 is also a key challenge.

The review arrives at an array of other key findings and recommendations, which are highlighted. In terms of sustaining our focus on the 14 outcomes of government, the review suggests that government must:

1. Conduct root cause analysis to understand implementation and impact constraints.
2. Review implementation skills.
3. Develop recovery plans for actions which are lagging behind target.
4. Develop granular action plans.
5. Develop recovery plans for actions where progress has declined since 2013.
6. Review coordination mechanisms across different government department, levels and with stakeholders.

All hands must be on deck during 2017-2019, as we collaboratively overcome binding constraints identified during the midterm review and implement a smaller set of effective interventions that accelerate our momentum towards the priorities espoused in the NDP 2030.

## **2.2 Service Delivery Environment**

The service delivery environment was characterised by a strategic and organisational review of the department during 2016. The aim of the review was to focus and strengthen the efforts of the department on improving government delivery and outcomes.

To effectively deal with the challenges identified and to bring the required improvements, DPME worked on developing a draft framework for institutionalizing planning. Once finalised, the framework will inform the drafting of a planning legislation. For the remainder of the electoral cycle, the Department will be focusing on the finalisation of the planning framework and legislation for planning.

The Department started work with the Department of Rural Development and Land Reform (DRDLR) to finalise the proclamation to expedite the transfer of the Spatial Planning function to the DPME.

In addition, the Department started work on the National Spatial Development Framework (NSDF) and to build capability to develop sector specific plan aligned to the NDP in partnership with relevant sectors, beginning with the finalization of the Water Sector Plan by during 2017.

The Department also produced the first budget priority document directed towards the NDP/MTSF priorities.

In the years ahead, the Department will focus on addressing some of the challenges that could not be effectively addressed in the past financial year despite having been identified as critical by the Minister. These include creating mechanisms for monitoring of SOEs and DFIs; revise its M&E instruments to focus on tracking the impact of government interventions on people's lives; strengthen the use of evidence in planning, monitoring and evaluation including leveraging on Statistics South Africa (Stats SA) and other state institutions responsible for data collection and analysis.

## 2.3 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.

### Main services and standards

Programme	Outcomes Monitoring and Evaluation			
Briefing notes on other departments' Cabinet memos	President Deputy President Ministers Secretariat of Cabinet	All briefing notes were submitted 1 day (Monday) before cabinet committee meeting	Briefing notes submitted 1 day (Monday) before cabinet committee meeting	Achieved
DPME Cabinet memos	Minister and Cabinet	Cabinet memos were submitted 7 days before cabinet committee meetings	Cabinet memos are submitted 7 days before cabinet committee meetings	Achieved
Briefing notes for Presidential visits	President Deputy President Ministers	Briefing notes were compiled within 30 days before visit	Briefing notes were compiled within 30 days before visit	Achieved
Quarterly implementation reports on Outcomes - reflected in the 2014-2019 Medium-Term Strategic Framework	President Deputy President Ministers	Quarterly reports were prepared within 30 days of end of each quarter however there were delays in submissions in some instances	Quarterly reports are prepared within 30 days of end of each quarter	Achieved
Programme	Public Sector Oversight			
Presidential Hotline cases	All complainants President Deputy President Ministers FOSAD Manco	Complaints received were acknowledged within 5 days of receipt majority of cases  Preliminary investigations of complaints are conducted within 7 days and referred to relevant department or institution  Provides monthly updates to complainants on their complaints	Complaints received are acknowledged within 5 days of receipt  Preliminary investigations of complaints are conducted within 7 days and referred to relevant department or institution  Provides monthly updates to complainants on their complaints	Achieved
Strategic plan analysis	All national departments	Reports on compliance of strategic plans with delivery agreements are submitted to the relevant department within 22 days after submission by the relevant department	Reports on compliance of strategic plans with delivery agreements are submitted to the relevant department within 22 days after submission by the relevant department	Achieved

Programme	Outcomes Monitoring and Evaluation			
MPAT assessments	All national and provincial departments  President  Deputy President  Ministers  Secretariat of Cabinet	Assessment reports are produced within 45 days of the finalisation of the assessment	Assessment reports are produced within 20 days of the finalisation of the assessment	Partially Achieved
Programme	M&E Systems Coordination and Support			
Well-functioning Data Forums and M&E forums	All outcomes co-ordinating departments  All national departments and Offices of the Premier	Data forums are convened on a quarterly basis for 10 Outcomes  M&E forums for national and provincial departments convened quarterly	Data forums are convened on a quarterly basis for 10 Outcomes  M&E forums for national and provincial departments convened quarterly	Achieved

### *Batho Pele arrangements with beneficiaries (Consultation and access)*

Current/actual information tools	Desired information tools	Actual achievement
Programme of Action	Programme of Action	Achieved
Management Performance Assessment Tool	Management Performance Assessment Tool	Achieved
Presidential Hotline	Presidential Hotline	Achieved

### *Complaints mechanism*

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievement
Members of the public can access us through the Presidential Hotline by telephone, facsimile, e-mail and written correspondence	Members of the public can access us through the Presidential Hotline by telephone, facsimile, e-mail and written correspondence	Achieved
Dedicated e-mail address for compliments/complaints monitored by office of the Director General	Dedicated e-mail address for compliments/complaints monitored by office of the Director General	Achieved

## **2.4 Organisational environment**

The Department periodically conducts organisational reviews as well as evaluations to determine the relevance of its programmes and the effectiveness of its delivery strategies. The current review was guided by both the Minister and Deputy Minister based on their delivery expectations of the department. The review focused on the strategic thrust of DPME, its operational strategies, organisational arrangements and identifying gaps in existing strategies.

The outcome of the review exposed some weaknesses in the focus and operating model of the department. For example, inadequate use of cross-functional teams to address service delivery challenges were identified. The results were over reliance on individuals with the consequence that, in the absence of those individuals, the work of the Department was compromised. DPME is also over-reliant on evidence coming from co-ordinating departments to validate performance data against the 14 priority outcomes of government. Validation done through Frontline Monitoring, Presidential Hotline and Siyahloya programmes is insufficient.

As a result of the strategy review exercise, the operating model and organisational structure of the department has been revised, notably to promote more integrated working across the Department.

To review the effectiveness of its own programmes, the Department has been evaluating its own programmes. During the year, the draft report on the evaluation of the Framework on Strategic Plans and APPs was received, and an evaluation of the national evaluation system was started. DPME is implementing the recommendations of the CBM and MPAT evaluations which completed in 2015. These evaluations help the department to ensure that its programmes are performing effectively.

## **2.5 Key policy developments and legislative changes**

Although there were no changes in the policy and legislative environment, the reconfiguration of the departments and creation of new programmes in the course of the financial year required adjustment on the organisation arrangements and implementation strategies.

## **3. STRATEGIC OUTCOME-ORIENTED GOALS**

The DPME strategic outcome oriented goal is to ensure implementation of the development goals and objectives of government as embodied in the NDP through effective planning, monitoring, evaluation and implementation support.



There are six immediate outcomes linked to the Strategic Outcome Oriented Goal. These are:

- Plans, policies and budgets of government departments and entities are aligned and support implementation of the NDP
- Integrated government wide M&E system used for effective supervision of government for improved service delivery
- Youth development is mainstreamed across government
- Broader society is mobilised and engaged in the development and advancement of NDP/MTSF
- Well managed Institutions for improved service delivery
- An efficient and effective department that complies with legislation, policy and good corporate governance principles

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

The work of the department was organised according to the following programmes for the financial year under review:

Programme 1: Administration

Programme 2: Outcomes Monitoring and Evaluation (OME)

Programme 3: Institutional Performance Monitoring and Evaluation (IPME)

Programme 4: National Planning (NPC)

Programme 5: National Youth Development Programme

##### **4.1 Programme 1: Administration**

**Purpose of the Programme:** The programme is responsible for providing strategic leadership, management, administrative, financial management, human resource and information technology services to enable the department to achieve its strategic and operational goals.

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

Sub-programmes:

- Departmental Management
- Internal Audit and Risk Management
- Corporate and Financial Services
- Information Technology Support

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

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

### 4.1.1 Sub-programme: Departmental Management

Strategic Objectives: To co-ordinate planning, monitoring and reporting on implementation of departmental plans					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Approved strategic and annual performance plans	Target Achieved  The Annual review of APP as prescribed by the relevant planning frameworks was conducted. The Strategic Plan 2015-2020 was not changed	Conduct annual review of strategic Plans and APP as prescribed by the relevant planning frameworks and submit the plan for approval and tabling in Parliament	Target Achieved The Final Strategic Plan and APP were tabled to Parliament by due date set by Parliament	-	-
Number of quarterly implementation reports	Target Achieved  4 quarterly progress reports approved by the executive authority and submitted to national treasury within 30 days of the end of the quarter	Quarterly reports submitted to the Executing Authority, National Treasury and DPME within 30 days from the end of the quarter	Target Partially Achieved 4 quarterly progress reports were produced and submitted to the Executing Authority, National Treasury and DPME within 30 days from the end of the quarter	One report was submitted after 30 days	The approval process took longer than anticipated
Audited Annual Report	Target Achieved  Audited Annual Report was approved and submitted to National Treasury and Parliament within stipulated time frames	Produce AR and submit to AGSA for audit and to NT and Parliament by due dates	Target Achieved Audited Annual Report 2015-2016 was produced AR and submit AGSA for audit and to NT and Parliament by due dates	-	-



#### 4.1.2 Sub-programme: Communication

Strategic Objectives: To promote internal and external communication on the work of the department					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Approved annual communication plan and quarterly reports on implementation of the plan.	Not applicable	Produce a communication plan annually and report on its implementation within 30 days of end of each quarter of the financial year.	Target Exceeded Annual Communication Plan was produced and approved. 82 of activities in the plan were implemented against 61 planned activities for the 4 quarters (82/61*100=134%)	21 activities exceeded from the planned targets	An in-house graphic designer and internal communications specialist were employed in September and the Ministry had additional events that required communication support

#### 4.1.3 Sub-programme: Corporate & Financial Services

Strategic Objectives: To achieve unqualified audit opinion on financial statements					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Percentage of valid invoices paid within 30 days and cases where non-compliance lead to disciplinary action	Not applicable	100% of valid invoices paid within 30 days or disciplinary action taken in 100% of cases where invoices are not paid within 30 days	Target Achieved 100% of valid invoices were paid within 30 days	-	-



## Human Resource management and development

Strategic Objectives: To hire, develop and retain the right people, in the right positions for the department throughout the planning period					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Average % of funded posts in PERSAL which are vacant over a quarter (Vacancy rate)	- Not applicable	Maintain a vacancy rate of 10% or less annually	Target Achieved 10% average vacancy rate was achieved at the end of the financial year. (36/350*100=10%)	-	-
Number of interns enrolled on annual basis	Target Achieved  9% of Interns were appointed against the approved funded post establishment (26/280*100 = 9%)	5% or more (of the approved funded post establishment) of interns are appointed annually in the department	Target Exceeded  A total of 9 % of interns were appointed in the financial year. (32/349*100=9%)	Target was exceeded by 4%	The total of 32 interns were appointed in May and June 2016, which represents 9% of the total staff of DPME to boost capacity.
Percentage of performance agreements and reports submitted on time	Not applicable	Achieve 90% submissions of performance agreements, reviews and assessments by due dates	Target Exceeded  95% of performance agreements, reviews and assessments by due dates	Target was exceeded by 5%	Additional capacity and follow-ups by HR resulted in higher levels of compliance
Approved Workplace Skills Plan (WSP) % targets of workplace skills plan achieved	Target Exceeded  WSP was approved by DG by 30 April 2014  Achieved 196% of targets in the WSP by the end of the financial year (314/160*100=196%)	WSP approved by DG by 30 April 2016  Achieve 80% of targets in the WSP by the end of the financial year	Target Exceeded  WSP was approved by the DG by 30 April 2016  131% of targets in the WSP were achieved by the end of the financial year (457/350*100=131%)	51% exceeded from the planned targets	More employees trained than was planned. The training of additional personnel did not have an impact on the budget and remained within 1% of the payroll

Strategic Objectives: To hire, develop and retain the right people, in the right positions for the department throughout the planning period					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Percentage of SMS members submitting financial disclosures	Target Achieved  65 of 65 designated employees (65/65*100=100%) submitted their financial interests within specified time frame	100% compliance in submission of financial interests by all designated employees within the specified time frames	Target Achieved  100% of SMS members disclosed their financial interests via the e-disclosure system	-	-

#### 4.1.4 Sub-programme: Information Technology Support

Strategic Objectives: To implement and realise benefits from ICT solutions in doing the work of the department					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Percentage achievement of ICT systems standards as stipulated in the standards document	Target Exceeded  20 of 23 Application ICT systems standards achieved (20/23*100= 87%)	Produce quarterly reports  Indicating 85% achievement  of ICT systems standards	Target Exceeded  Quarterly reports indicating  94% achievement in the ICT systems standards were achieved throughout the quarters	Target exceeded by 9%	Additional work was conducted

Strategic Objectives: To implement and realise benefits from ICT solutions in doing the work of the department					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Percentage achievement of targets in the business applications plan and systems availability	-	Business applications plan produced and approved by the CIO	Target Partially Achieved 9 of 14 project in the business application plan were achieved (9/14*100 = 64%)	36% of the targets were not achieved	Some projects were cancelled due to proposals being overpriced; SEIAS and NPC, RFQ 's were cancelled, due to over pricing ; Switches and Firewall: delay in procurement via SITA; Service desk and SharePoint Upgrade were not achieved because of delays in procurement.

#### 4.1.5 Sub-programme: Internal Audit and Risk Management

Strategic Objectives: To promote good corporate governance practices and management					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Approved risk management plan and quarterly progress reports	-	Conduct annual risk assessment/review and produce risk management implementation plan  Produce annual risk plan and quarterly progress reports	Target Achieved  Annual risk assessment and risk management implementation plan was produced. Quarterly progress reports were produced against the annual risk plan	-	-
Approved Internal Audit Plan and quarterly monitoring reports	-	Produce a 3 year rolling strategic internal audit plan and submit to the Audit committee for approval by 30 June 2015	Target Achieved  A 3 year rolling strategic internal audit plan was produced and submitted to the Audit Committee for approval by 30 June 2016	-	-

Strategic Objectives: To promote good corporate governance practices and management					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Approved Internal Audit Plan and quarterly monitoring reports	-	Quarterly audit implementation reports submitted to Audit committee	Target Achieved 4 quarterly audit implementation reports were produced and submitted to Audit Committee	-	-

#### 4.1.6 Sub-programme: Ministerial Support

Strategic Objectives: To co-ordinate planning, monitoring and reporting on implementation of departmental plans					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Approved executive support plan and quarterly performance reports against the plan	-	Produce an executive support plan and produce quarterly reports on performance against the plan	Target Not Achieved An executive support plan was not produced and quarterly reports on performance against the plan were not submitted	Executive support plan and quarterly reports on performance against the plan were not produced	Capacity constraints

### Strategy to overcome areas of under-performance

There were no major deviations on most of the targets. Where targets were not met it was due to unforeseen circumstances and capacity constraints. The organisational stature has been reviewed to create capacity.

### Changes to planned targets

There were no changes to the planned targets during the financial year.

### Linking performance with budgets

Programme 1	2016/17 ('000)			2015/16 ('000)		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
Departmental Management	19 659	17 140	2 519	8 217	8 217	-
Corporate and Financial Services	49 710	45 969	3 741	38 466	38 466	-
Information Technology Support	26 690	25 014	1 676	26 006	26 006	-
Internal Auditing	3 567	3 424	143	3 138	3 138	-
Ministerial Support	42 827	42 752	75	36 045	36 045	-
<b>TOTAL</b>	<b>142 453</b>	<b>134 299</b>	<b>8 154</b>	<b>111 872</b>	<b>111 872</b>	<b>-</b>

### 4.2 Programme 2: Outcomes Monitoring and Evaluation (OME)

Purpose: Coordination of government's strategic agenda through the development of performance agreements between the President and Ministers, facilitation of the development of plans or delivery agreements for priority outcomes, and monitoring and evaluation of the implementation of the delivery agreements. The programme is made up of the following sub-programmes:

#### Sub-programmes:

- Outcomes Support
- Evaluation and Research

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

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

#### 4.2.1 Sub-programme: Programme Management for Outcomes Monitoring and Evaluation

Strategic Objectives: To pursue the development and advance agenda of government through outcomes planning, monitoring and reporting					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of revised Medium Term Strategic Framework (MTSF) chapters and/or related Delivery Agreements	Not applicable	MTSF and/or Delivery Agreements reviewed when necessary	Target Achieved  The MTSF for outcomes 2; 12; 13 and 14 were reviewed during the financial year.	-	-
Number of Outcomes progress reports	Target Achieved  42 Outcomes reports were produced and submitted	Produce 3 Consolidated reports for each of the 14 outcomes	Target Achieved  Consolidated reports were presented to the Cabinet Makgotla of August 2016 and February 2017. In addition, quarterly reports of the 14 Outcomes were presented to Cabinet in September 2016	-	-
Summary Outcomes report submitted to Cabinet	Target achieved  Summary report on the implementation of the 14 Outcomes produced	Produce 1 summary report on the implementation of the 14 outcomes by 31 March 2017 and submit to Cabinet	Target Achieved  Summary report on the implementation of the 14 outcomes was produced and presented to Cabinet Lekgotla on 04 February 2017	-	-



#### 4.2.2 Sub-programme: Programme of Action (POA) reporting system

Strategic Objectives: To pursue the development and advance agenda of government through outcomes planning, monitoring and reporting					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of outcomes reports displayed to the public on POA system	Target Achieved  3 reports for each outcome on the POA system were produced	3 reports for each outcome on the POA system (excluding outcomes for which the reports are classified) by 31 March 2017	Target Achieved  3 reports for each outcome on the PoA system were produced by 31 March 2017	-	-
Development Indicators Publication	Target Achieved  Development indicators were produced and posted on DPME website	Development Indicators produced and posted on DPME website by 31 March 2017	Target Partially Achieved  Development Indicators were produced by 31 March 2017 and posted on the DPME website on 1 April 2017.	Development Indicators posted on the website by 1 April 2017-a day after due date.	Loading of the publication took longer than expected due to system constraints.
Data Centre for key government priorities established	Not applicable	Develop a concept document and project plan	Target Achieved  A concept document and project plan for National Data War Room Centre developed.	-	-

### 4.2.3 Sub-programme: Operation Phakisa

Strategic Objectives: To pursue the development and advance agenda of government throughout comes planning, monitoring and reporting					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of Operation Phakisa monitoring reports	Target Achieved 2 Operation Phakisa interactive dashboard reports per lab were produced and published on Operation Phakisa website by 31 March 2016	Produce 2 Operation Phakisa interactive dashboard reports per lab and publish on Operation Phakisa website by 31 March 2017	Target Achieved 2 Operation Phakisa interactive dashboard Reports for Ocean Economy and Ideal Clinic labs were produced and published on Operation Phakisa website by 31 March 2017	-	-

#### 4.2.4 Sub-programme: Advisory Services

Strategic Objectives: To provide advisory services and support to the executive					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Percentage of Cabinet memoranda and requests from political principals for specific reports for which briefing notes and reports are prepared	Target Achieved  An average of 75% of briefing notes (139 of 185) on Cabinet memoranda were produced throughout the quarters of the financial year	Provide quality advice to political principals by preparing briefing notes on 75% of cabinet memoranda and 100% of requests from political principals	Target Exceeded  An average of 83% of briefing notes (186 of 224) on Cabinet Memoranda were produced in the financial year	8%	More effort placed on responding to requests
Percentage of Presidency executive monitoring visits for which briefing notes and reports are prepared and submitted to the executive	Target Exceeded  An average of 93% (27 of 29) briefing notes on executive visits produced throughout the financial year	Produce an average of 80% of briefing notes on executive visits throughout the quarters of the financial year	Target Exceeded  28 of 32 Briefing notes on executive visits were produced (28/32*100=88%)	8%	More unannounced visits requested
Number of briefing notes on mining towns and labour sending areas	Target Achieved 3 briefing notes on the status of mining towns and labour sending areas were produced	Produce 3 briefing notes on the status of mining towns and labour sending areas submitted to Minister for to update him about the progress	Target Exceeded  5 briefing notes on the status of mining towns and labour sending areas submitted to Minister for progress update and requests	2 deviations from the planned target	More requests were made than initially planned for briefing the Minister

## 4.2.5 Sub-programme: Local Government Performance Assessment

Strategic Objectives: To provide support to improve performance of local government					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Approved Local Government Management Improvement Model	-	LGMIM updated and approved by DG by the end of September 2016	Target Achieved LGMIM was updated and approved by DG by on the 17 May 2016	-	-
Number of LGMIM scorecards completed by the end of the financial year	Target Exceeded  30 LGMIM scorecards were produced by the end of the financial year	25	Target Exceeded  41 scorecards produced. 16 additional scorecards were completed	16 scorecards exceeded from the planned target	More municipalities requested to participate than was planned. Capacity to enrol was available within budget
Number of LGMIM reports presented to Outcome 9 Implementation Forum	Target Achieved  1 LGMIM report 2014/15 was produced. The 2015/16 LGMIM report to be produced and submitted by July 2016	Produce and submit 1 LGMIM report by July 2016	Target Achieved  1 LGMIM report was produce and submitted to Outcome 9 MinMec by July 2016	-	-

#### 4.2.6 Social Economic Impact Assessment System (SEIAS)

Strategic Objectives: To support the Cabinet Office and other departments to implement the Social Economic Impact Assessment System (SEIAS) support the Cabinet Office and other departments to implement the Social Economic Impact Assessment System (SEIAS)					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Socio Economic Impact Assessment Study (SEIAS) annual report approved by the DG	<p>Target Exceeded</p> <p>99 of 117 Socio Economic Impact Assessment Study (SEIAS) in the Annual report were produced.</p> <p>(99/117*100=85%)</p>	Produce annual report showing support for 80% of requested impact assessments	<p>Target Exceeded</p> <p>331 of 335 Socio Economic Impact Assessment Study (SEIAS) in the Annual report were produced</p> <p>(331/335*100=99%)</p>	19 % exceeded from the planned target	More requests were received requiring urgent attention.

#### 4.2.7 Sub-programme: Evaluation and Research

Strategic Objectives: :To conduct evaluations and research aimed at improving the performance of government programmes					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
National Evaluation Plan approved by cabinet	-	2017-18 National Evaluation Plan approved by cabinet by March 2017	Target Achieved  The National Evaluation Plan 2017-18 was produced and signed by the Minister and approved by Cabinet on the 7 December 2016	-	-
Number of provinces with Provincial Evaluation Plans	Target Achieved  Evaluation plans produced for 7 Provinces by March 2016	7 Provincial Evaluation Plans covering 2016-17 approved by Director General OtP or EXCO by March 2017	Target Partially Achieved  3 of 7 Provincial Evaluation Plans (PEP) were approved for the following Provinces: KZN;Western Cape; Free State.  4 provinces plans were not approved (Limpopo, Gauteng Eastern Cape and Mpumalanga)	4 PEPs deviation from the target	There were delays in the approval by the Offices of the Premier (OtPs)
Number of improvement plans produced	8 improvement plans produced	8	Target Partially Achieved  4 (NSNP; Small holder farmers,  Policy on Community and Fundza Lushaka)improvement plans were produced	4 deviations from the planned target	The improvement plan for Drug Master Plan has not been completed due to DSD not responding to DPME.  Improvement plan for VAWC will be finalised pending the workshop. The improvement plan forevaluation of the environment governance in the mining sector was produced in May 2016 but not approved yet.

**Strategic Objectives:** :To conduct evaluations and research aimed at improving the performance of government programmes

The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.

2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of evaluation reports approved by evaluation steering committees	<p>Target Exceeded</p> <p>12 evaluation reports were produced and approved by evaluation steering committees (Mafisa, AVAWC, Informal Settlements, Funza-Lushaka, SHP, EPWP, PCC, Mining Sector, FLBP, CASP, DMV and CWP)</p>	8	<p>Target Partially Achieved</p> <p>7 Evaluation reports: NSNP; IRDP; IKSP; IIFS-(SAPS); NDMP; Small farmers and CTCSSB - (SARS) were produced. All the 7 reports were approved by Evaluation Steering Committee</p>	1 deviation from the planned target (UISP)	There was a delay in concluding the 8 <sup>th</sup> planned evaluation.



Strategic Objectives: :To conduct evaluations and research aimed at improving the performance of government programmes

The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.

2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of research assignments completed by the end of the financial year	Target Achieved  2 research assignments completed	2 research assignments completed	Target Achieved  Two research assignments were produced during the 2016/17 reporting period, in keeping with the set targets	-	-

### Strategy to overcome areas of under performance

The Department has been reorganised to create additional capacity to address performance gaps in the programme.

### Changes to planned targets

There were no changes to the planned targets during the financial year

### Linking performance with budgets

Programme 2	2016/17 ('000)			2015/16 ('000)		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
Programme Management for OME	1 183	813	370	2 390	2 390	-
Outcomes Support	64 968	62 095	2 873	64 228	63 701	527
Evaluation and Research	27 011	26 841	170	23 469	23 469	-
<b>TOTAL</b>	<b>93 162</b>	<b>89 749</b>	<b>3 413</b>	<b>90 087</b>	<b>89 560</b>	<b>527</b>





### 4.3 Programme 3: Institutional Performance Monitoring and Evaluation (IPM&E)

Purpose: To coordinate and support an integrated government-wide performance monitoring and evaluation system through policy development and capacity building. In addition, the purpose is to improve data access, data coverage, data quality and data analysis across government. The programme is arranged according to the following sub-programmes

#### Sub-programmes:

- Management Performance Monitoring and Support
- Presidential Frontline Service Delivery Performance Monitoring Support
- M&E policy and capacity building

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

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

#### 4.3.1 Sub-programme: Management Performance Monitoring and Support

Strategic Plan Objective 9.6.1: Management practices improved in national and provincial government					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Updated MPAT standards	Target Achieved  MPAT 1.5 standards were reviewed and approved by Acting DG.	MPAT updated and approved by Director General and launched by the end of August 2016	Target Achieved  MPAT standards were updated and approved by Director General and launched by the end of August	-	-
Percentage of departments completing the annual MPAT assessment by the set timeline	-	95% MPAT assessments conducted to national and provincial departments	Target Exceeded  153 of 159 MPAT assessments were conducted to both National and Provincial departments  153 of 159*100%= 96%	Target exceeded by 1%	Although 100% of departments completed MPAT assessments, 4% (6) of department DGs did not approve on the system

Strategic Plan Objective 9.6.1: Management practices improved in national and provincial government					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Percentage of national and provincial Directors General Performance Agreements adhere to the set requirements	-	80% feedback given to Directors General within 30 days of receipt of the performance agreements	Target Not Achieved 39/111 Feedback Letters were circulated to HODs (39/111*100=35%)	45% deviation (80%-35%=45%) from the planned targets	Quality assurance was done but not within the 30 days. The process took longer than anticipated
Percentage of Capacity Development initiatives conducted for newly appointed DGs within set timelines	-	90% Capacity development of newly appointment DG's within 3 months after appointments	Target Not Achieved No capacity development took place (0%)	None of the appointed DGs were capacitated within three (3) months of appointment.	The newly appointed DGs session was scheduled for the 27th of March 2017. However, the session was postponed due to late confirmation.  A capacity building workshop for national departments is scheduled to take place between 2 and 3 May 2017 with the newly appointed DGs



### 4.3.2 Sub-programme: Presidential Frontline Service Delivery Performance Monitoring Support

Strategic Plan Objective 9.6.2: To monitor the quality of the services provided by government to citizens at institution and facility level					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Revised FSDM set of programme implementation tools and guidelines	-	Revised FSDM Operational Guidelines placed on DPME website by 31 March 2017	Target Achieved The FSDM Operational Guidelines was finalised and placed on DPME website by 31 March 2017	-	-
Number of new frontline service delivery monitoring visits	-	63 new facilities monitored and passed quality assurance with site monitoring reports captured on the M-drive by 31 March 2017	Target Exceeded 89 new facilities monitored and passed quality assurance with site monitoring reports captured on the M-drive by 31 March 2017	26 exceeded from the planned target	More visits were conducted than planned.
Number of frontline service delivery monitoring visits aligned to mainstreaming the National Youth Policy	-	27 new frontline service delivery monitoring visits to be directly focused on indicators in the M&E framework for the National Youth Policy.	Target Achieved 27 new frontline service delivery monitoring visits directly focused on indicators in the M&E framework for the National Youth Policy was conducted	-	-
Number of facilities for which improvements monitoring was conducted	-	100 Improvement monitoring visits	Target Achieved 100 Improvement monitoring visits were conducted	-	-
Number of unscheduled monitoring interventions as a result of reported service delivery challenges	-	20 unscheduled monitoring interventions as a result of reported service delivery challenges	Target Exceeded 34 unscheduled monitoring interventions as a result of reported service delivery challenges	14	More interventions were conducted than planned.

## Presidential Hotline

Strategic Plan Objective 9.6.3: Increased responsiveness of public servants and accountability to citizens					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017	2015/2016	2016/2017			
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of Presidential Hotline case resolution reports submitted Governance and Administration Cluster and PCC	-	Performance reports to G&A Cluster once per year  Performance report to PCC once per year	Target Achieved  Performance reports to G&A Cluster and PCC were submitted	-	-
Number of customer satisfaction survey reports produced indicating percentage of respondents who log queries at the Presidential Hotline rate the satisfaction of response as good or fair	-	Produce customer satisfaction survey reports by end of each quarter	Target Achieved  Customers satisfaction survey reports were produced every quarter	-	-



## Citizen-Based Monitoring

Strategic Plan Objective 9.6.4: To promote active citizenry and leadership					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of facilities where citizen-based monitoring is implemented	Target Achieved  The Citizen-based monitoring (CBM) were implemented in 10 new facilities and reports produced for each of the sites	Citizen-based monitoring (CBM) implemented in 10 new facilities to support capacity building in service delivery departments	Target Achieved  Citizen-based monitoring (CBM) were implemented in 10 new facilities to support capacity building in service delivery departments	-	-
Number of integrated FSDM/CBM/ Presidential Hotline intervention plans	-	Two integrated intervention plans submitted to relevant Clusters	Target Achieved  Two integrated intervention plans were submitted to the relevant Clusters	-	-

### 4.3.3 Sub-programme: M&E policy and capacity building

Strategic Plan Objective 9.6.5: To lead PM&E capacity building and knowledge management initiatives, and to facilitate better use of PM&E knowledge in government					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Percentage targets in the Integrated Capacity Development Implementation Plan	-	Achieve 80% of targets in the Capacity Development Implementation Plan	Target Exceeded  88% (21 of 24) KPI targets in the Capacity Development Implementation Plan achieved	8% Exceeded from the planned target	More ad hoc study tour visits we hosted



## Strategy to overcome areas of under performance

### Changes to planned targets

There were no changes to the planned targets during the financial year

### Linking performance with budgets

Programme 3	2016/17 ('000)			2015/16 ('000)		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
Programme Management for IPM&E	2 883	2 858	25	2 086	2 086	-
Management Performance Monitoring & Support	12 347	12 195	152	13 054	13 054	-
Presidential FSDM & Support	40 348	40 010	338	38 759	38 759	-
M&E Policy and Capacity Building	6 834	6 834	-	6 727	6 727	-
<b>TOTAL</b>	<b>62 412</b>	<b>61 897</b>	<b>515</b>	<b>60 626</b>	<b>60 626</b>	<b>-</b>



#### 4.4 Programme 4: National Planning (NPC)

Purpose: To develop the country's long term vision and national strategic plan and contribute towards better outcomes in government through better planning, better long term plans, greater policy coherence and clear articulation of long term goals and aspirations.

##### Sub-programmes:

- NPC Secretariat

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

##### 4.4.1 Sub-programme: Research and Policy Services

Strategic Objective 10.5.1: To facilitate planning, research and policy development to support implementation of the NDP and the long-term planning framework

The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.

2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Number of research projects commissioned or undertaken as requested by NPC	<p>Target Exceeded</p> <p>A total of 6 research projects commissioned by end of financial year (Demographic, Social Protection and Education, Integrated water plan, Urban Innovation and National Minimum wage report)</p> <p>Income Dynamic Studies (NIDS) wave 4 results were produced by end of financial year</p>	<p>3 research projects commissioned / commenced by end of financial year</p> <p>Income Dynamic studies (NIDS) wave 4 results produced by end of financial year</p>	<p>Target Exceeded</p> <p>5 research projects were commissioned/ commenced by the end of financial year</p> <p>Income Dynamic studies (NIDS) wave 4 results were produced by end of financial year</p>	1 more research conducted than planned	More requests were made than planned

Strategic Objective 10.5.1: To facilitate planning, research and policy development to support implementation of the NDP and the long-term planning framework

The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.

2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Alignment of budgets with key national priorities as set out in the NDP and MTSF	-	Participation in the budget review and planning prioritization for key government departments	Target Achieved  Participation in the budget review and planning prioritization for key government departments was conducted	-	-
Annual Report detailing the activities of the NPC and stakeholder engagement on the NDP	-	Produce Annual Report on stakeholder engagements and the work of the NPC on the NDP and submit to the NPC by end of March 2017	Target Partially Achieved  Annual Report on stakeholder engagements and the work of the NPC was produced and submitted on the 3 <sup>rd</sup> April 2017	Report is not yet tabled	The meeting on which the report was supposed to be tabled was postponed
Approaches to institutionalization of long term planning in government.	-	Consultation with government departments on a discussion document on approaches to institutionalisation of long term planning incorporating framework for spatial planning	Target Achieved  Consultation with six government institutions on a discussion document on approaches to institutionalisation of long term planning incorporating framework for spatial planning was conducted	-	-

#### 4.4.2 Sub-programme: Government Performance Information

Strategic Objective 10.5.2 :To strengthen and institutionalise medium-term planning frameworks					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Draft framework for medium term planning	-	Draft framework for medium term planning completed	Target Achieved Draft framework which consists of eight chapters has been completed	-	-
Number of assessment reports on the second draft APP provided to national departments	Target Exceeded 43 assessment reports were produced by 31 January 2016	Produce 39 assessment reports by 31 January 2017	Target Exceeded 44 Assessment reports were sent to national departments on 31 January 2017	Target Exceeded by 5	Additional 5 departments submitted their plans to DPME for assessments than planned
Number of assessment reports on the second draft Annual Performance Plans provided to Offices of the Premier	Target Achieved 9 assessment reports were produced by 31 January 2016	Produce 7 assessment reports by 31 January 2017	Target Achieved 7 Assessment reports on the second draft Annual Performance Plans submitted to Offices of the Premier by 31 January 2017	-	-
Quarterly Performance Reporting Guidelines issued to all national departments	Target Achieved Guidelines and letters sent to National departments.	Guidelines issued by 15 May 2016	Target Achieved Guidelines were issued to 45 national departments	-	-
Quarterly Performance Reporting Guideline issued to all Offices of the Premier	Target Achieved Guidelines and letters sent to Office of the Premiers, 9 provinces.	Guideline issued by 15 May 2016	Target Achieved Guidelines were issued to 9 Offices of the Premier	-	-

## Strategy to overcome areas of under performance

### Changes to planned targets

There were no changes to the planned targets during the financial year.

### Linking performance with budget

Programme 4	2016/17 ('000)			2015/16 ('000)		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
Programme Management for National Planning	18 770	18 770	-	20 347	17 451	2 896
Research and Policy Services	61 079	57 111	3 968	49 655	47 655	2 000
Government Performance Information	8 384	8 335	49	5 630	5 630	-
<b>TOTAL</b>	<b>88 233</b>	<b>84 216</b>	<b>4 017</b>	<b>75 632</b>	<b>70 736</b>	<b>4 896</b>



## 4.5 Programme 5: National Youth Development Programme (NYDA)

Purpose: To develop and implement youth policy and to provide oversight over funds transferred to the National Youth Development Agency

### Sub-programmes:

- Youth Development

The purpose of the sub programme is to develop and implement youth policy

- National Youth Development Agency

The purpose is for funds transfer to the NYDA

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

### 4.5.1 Sub-programme: Youth Desk

Strategic Objectives: To support youth development and empowerment					
The outputs, performance indicators and the planned targets below are meant to achieve this objective as stated in the strategic plan and annual performance plan reported on.					
2016/2017		2015/2016		2016/2017	
Performance Indicator	Actual Achievement (where applicable)	Planned Annual Target	Actual Achievement	Deviation from Planned Target to Actual Achievement	Comment on deviations
Implemented youth policy	Target Achieved  Youth policy was submitted to Cabinet and Shareholder compact was produced	Submit reports on the status of implementing the youth policy	Target Achieved  Reports on the status of implementing the youth policy were submitted to management	-	-
Develop a draft M&E framework for youth development	-	Submit a Draft M&E framework for youth development	Target Achieved  A draft M&E framework for youth development was submitted to management		
Memorandum of Agreement and NYDA quarterly monitoring reports	-	Produce Tranche approval and NYDA quarterly reports	Target Achieved  Approved tranche reports and NYDA quarterly reports were produced and submitted management	-	-



## Strategy to overcome areas of under performance

### Changes to planned targets

There were no changes to the planned targets during the financial year

### Linking performance with budgets

Programme 5	2016/17 ('000)			2015/16 ('000)		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over) Under Expenditure
Youth Development	5 636	5 319	317	6 194	6 194	-
NYDA Transfers	405 766	405 766	-	409 789	409 789	-
<b>TOTAL</b>	<b>411 402</b>	<b>411 085</b>	<b>317</b>	<b>415 983</b>	<b>415 983</b>	<b>-</b>

### 1. Transfer Payments

Transfer payments amounting to R181,000 to households were for leave gratuities paid to employees who left the service of the Department and R405 766 000 was transferred to the National Youth Development Agency. Details are available under Part E: Financial Information.

### 2. Conditional Grants

The Department neither paid nor received any conditional grants

### 3. Donor Funds Received

Donor fund	Donor DFAT-D (former CIDA)
Name of donor	Department of Foreign Affairs, Trade and Development. Canadian Government (DFAT-D)
Full amount of the funding	R18,000,000 (Appr. 2,000,000 Canadian Dollars)
Period of the commitment	5 Years (from 2013/14 to 17/18 financial years)
Purpose of the funding	Supporting the implementation of building a capable state project
Expected outputs	Support for Management Performance Assessment Tool, Local Government Management Improvement Model, Operations Management learning and M&E Capacity building
Actual outputs achieved	Targets under the expected outputs were either achieved or in progress at 31 March 2017
Amount received in current period	R1 645 000
Amount spent by the Department	R1 733 000
Reasons for the funds unspent	N/a
Monitoring mechanism by the donor	Quarterly reporting

Donor fund	PSPPD
Name of donor	European Union
Full amount of the funding	10,000,000.00 Euro's
Period of the commitment	1 July 2016 to 31 December 2017
Purpose of the funding	The PSPPD II project purpose is to contribute to the overall objective of the programme through improving evidence-based policy making and implementation on poverty and inequality at the national and provincial level.  PSPPD utilises the evidence-based policy-making approach i.e. assisting policy-makers and researchers in systematically harnessing the best available evidence to inform the policy-making and implementation processes, applying this to social and economic issues.
Expected outputs	13 Research Grants awarded  6 Low Value Grants completed.
Actual outputs achieved	13 Executive Summaries, 13 Policy Briefs, 13 Research Papers
Amount received in current period	R4 890 000 (Opening balance was R 4 820 000)
Amount spent by the Department	R11 453 000
Reasons for the funds unspent	N/a
Monitoring mechanism by the donor	Annual External Audits are conducted by Deloitte Brussels. Reviews might be conducted by the Donor.

Donor fund	GIZ
Name of donor	German Government
Full amount of the funding	EUR 151 526
Period of the commitment	1 March 2015 to 31 December 2016
Purpose of the funding	Governance Support Programme
Expected outputs	Recruitment of an integrated national expert to provide technical support to DPME's Programme of Action unit
Actual outputs achieved	Expert appointed
Amount received in current period	R860 000
Amount spent by the Department	R808 000
Reasons for the funds unspent	Amount received included R60 000 spent but not received during 2015/16 financial year
Monitoring mechanism by the donor	Quarterly reporting

#### 4. Capital Investment, Maintenance and Asset Management Plan

The Department does not control any fixed capital assets. Additional office accommodation is leased for the Department by the Department of Public Works on a cost-recovery basis. Details about the acquisition and disposal of assets are contained in Part E: Financial Information.



# PART C: GOVERNANCE

## **1. Introduction**

The Department commits to maintain the highest standards of governance as a fundamental principle for management of public finances and resources. The Department has established governance structures to effectively, efficiently and economically utilize the state resources. The Department upholds good corporate governance as espoused in the King III report and the Public Finance Management Act. We strive to promote good management practices in the areas of Risk Management, Fraud Prevention, Ethics, Procurement and Good Corporate Governance as well as to safeguard the Department against theft and fraud.

## **2. Risk management**

The Department has established effective, efficient and transparent system of risk management as required by prescripts and legislations. The Risk Management Policy and Strategy were approved and implemented throughout the year. Strategic and Operational risks were conducted for all Departmental programmes. A consolidated risk register was approved and improvement plans were developed to address identified weaknesses. Quarterly risk management committee meetings were convened to oversee the implementation of improvement plans and escalated to the Audit Committee as an independent oversight structure when required.

## **3. Fraud and corruption**

The Department has an approved Fraud Prevention Policy, Fraud Prevention and Response Strategy as well as Whistle Blowing Policy. Fraud awareness was conducted by means of screen-popups and was integrated into departmental induction programmes. Web-based reporting mechanism of any suspicious fraudulent activities have been created to provide whistle blowers with an avenue to report.

During the period under review, there were no cases of fraud and corruption reported. Although the Department is not immune from fraud and corruption, the current controls are adequate to detect and prevent fraud and corruption within the department.

## **4. Minimising conflict of interest**

The Department has established control mechanisms to deal with conflicts of interest. Firstly, all members serving in decision-making committees are required to disclose their interests. This helps to create awareness for members of the duty to be honest in their dealing with matters that have the potential to create conflicts of interest. Secondly, members of decision-making committees sign a declaration to indicate any conflict of interest that may arise in any matter that they deal with. Thirdly, in awarding tenders to successful bidders, the Department undertakes verification processes to determine if any departmental officials have any association with the service providers, through the Companies and Intellectual Property Registration Office.

Members of senior management are required to disclose their business interests and this is verified against the Companies and Intellectual Property Registration Office records. All employees are required to apply to perform remunerative work outside of their employment as per the requirements of the Public Service Act, 1994 (as amended).

## 5. Code of conduct

The Department induct all new employees on the Code of Conduct for the Public Service during induction programmes. Induction workshops are conducted on a quarterly basis depending. All employees have signed the Departmental Code of Ethics and Conduct. A Supply Chain Management Code of Conduct has also been signed by officials in the supply chain management unit as well as by all Bid Adjudication Committee members. Processes are in place to address any breaches through the Disciplinary Code for the Public Service, the fraud and corruption strategy and plan as well as the whistle blowing policy.

## 6. Health, safety and environmental issues

There is currently no health, safety and environmental issues impacting negatively on the operations of the department

## 7. Portfolio Committee

The Portfolio Committee on Public Service and Administration and Department of Planning, Monitoring and Evaluation exercises oversight over the service delivery performance of departments. The department appeared before the Portfolio Committee as follows during the period under review:

- 31 August 2016, to present the first quarter performance report

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- 21 September 2016, to present the Management Assessment Performance Tool for 2015/16 financial year

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- 19 October 2016, to present annual reports for 2015/16 financial year

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- 16 November 2016, to present on the success, challenges and failures of the Presidential Hotline cases impacting on service delivery in the public service and on the implementation report for the Frontline Service Delivery and Citizen-Based Monitoring programmes

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- 30 November 2016, to present framework on in monitoring the implementation of the National Youth Policy 2015-2020.

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- 8 February 2017, to present the 2nd and 3rd quarter performance report

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- 22 February 2017, to present an outline by the Department of Planning Monitoring and Evaluation on key priorities for 2017/18 financial year linked to the NDP

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- 15 March 2017, to present on the 30-day payment to service providers.

## **8. SCOPA Resolutions**

The department did not appear before SCOPA during the period under review. Therefore, there were no resolution taken on the department.

## **9. Prior modifications to audit reports**

None

## **10. Internal control unit**

An internal control unit was established during the 2014/15 financial year. The unit was unable to fully develop its role in the Department due to staff shortages in the SCM unit and officials from the Internal Control unit having to perform SCM support functions.

## **11. Internal Audit and Audit Committee**

### **11.1. Internal Audit Scope of Work**

DPME has established an independent Internal Audit Function which reports functionally to the Audit Committee and administratively to the Accounting Officer. The Internal Audit function is tasked with the responsibility to assist the Department to accomplish its objectives and to provide reasonable assurance on the adequacy, effectiveness, and efficiency of internal control, risk management, and governance. Internal Audit has direct access to the Audit Committee and regularly meets with the chairperson of the audit committee.

### **11.2. Internal Audit Risk – Based Audit Plan**

Internal Audit developed and adopted a risk based Three (3) Year Rolling Plan and Annual Internal Audit Plan. The Annual Plan is based on risk assessment results and strategic risks identified by management. The Internal Audit plan is also based on risk ranking priority and is designed to provide an independent, objective assurance and advisory service, in an efficient and effective manner.

### **11.3. Performance against the approved plan**

Internal Audit Unit conducted 100% of the planned audit assignments and managed to successfully complete its approved annual audit plan for 2016/17.

### **11.4. Audit Committee Scope of Work**

Audit Committee scope of work is to provide oversight responsibility over the departmental financial reporting, systems of internal controls, risk management and governance processes. Audit Committee also exercised oversight over Internal Audit and the monitoring of compliance with laws, regulations and code of conduct.

### 11.5. Audit Committee Membership and Attendance

The Audit Committee in accordance with its terms of reference is appointed by the Accounting Officer in consultation with the Executive Authority. The Audit Committee consists of independent external members who are not in the employ of the Department. The Committee is required to meet at least four (4) times in a financial year. During the period under review, the Committee's term of office came to an end on 31 December 2016 and a new Committee took office on the 1st of January 2017. Membership of the Committee that was in place during the first three quarters of the year appear in the table below.

The table below discloses relevant information on the former Audit Committee members:

Name	Qualifications	Internal / External	Appointment Date	No. of meetings attended
Mr. Cedric Boltman (Chairperson)	MBA	External	01 <sup>st</sup> October 2010	8/8
Mr. Nelson Miya	MBL	External	01 <sup>st</sup> October 2015	8/8
Mr. Anton Bischof	MBA CA(SA)	External	01 <sup>st</sup> October 2010	7/8
Ms. Ntombi Langa-Royds	LLB	External	01 <sup>st</sup> October 2010	7/8
Ms. Tantaswa Fubu*	CA(SA)	External	01 <sup>st</sup> October 2015	1/8

\*The member resigned on the 22nd July 2016, hence could not attend most of the meetings. Members of the new Audit Committee appear on the Report of the Audit Committee in page XXXX

## 12. Audit Committee Report

We are pleased to present our Audit Committee report for the financial year ended 31 March 2017. The Audit Committee was established and constituted in terms of Section 77 of the Public Finance Management Act and Treasury Regulations. The Audit committee has a total of five (5) Non-Executive Management members, as well as a representative of the Auditor-General South Africa as a standing invitee.

This new Audit Committee took office on 01 January 2017. The names, qualifications and attendance of the meetings is contained in the table below:

Name	Qualifications	Internal / External	Appointment Date	No. of meetings attended
Mr. Nelson Miya (Chairperson)*	MBL	External	01 <sup>st</sup> October 2015	2/2
Ms. Zanele Nkosi	CA(SA)	External	01 <sup>st</sup> January 2017	2/2
Mr. Tshepo Mofokeng	CA(SA) CIA, CRMA	External	01 <sup>st</sup> January 2017	2/2
Dr. Maria Peenze	D Tech: Business Administration	External	01 <sup>st</sup> January 2017	1 /2
Mr. Fortune Mkhabela	BCom (Accounting), Honours (Auditing) CIA	External	01 <sup>st</sup> January 2017	2/2

\*The member was retained from the previous Audit Committee appear on page XXXX

### **12.1. Audit Committee Responsibility**

The Audit Committee managed to successfully discharge its responsibilities as per the Public Finance Management Act and the Treasury Regulation. The Audit Committee adopted formal Terms of Reference as its Audit Committee Charter to regulate and govern its affairs.

### **12.2. Effectiveness of Internal Controls**

The Audit Committee is satisfied that DPME maintains internal controls and systems designed to provide reasonable assurance on the adequacy, effectiveness, and efficiency of policies, procedures, the integrity and reliability of both financial and non- financial information and the safeguarding of assets.

### **12.3. Effectiveness of In - Year Management and Quarterly Reporting**

The Audit Committee reviewed the In-Year Quarterly Reports submitted and noted areas of improvement in the content and quality of reported Organisational Performance Information prepared and submitted by management.

### **12.4. Evaluation of Finance Function**

The Audit Committee considered the capacity, skill, and competency of the Finance Function and satisfied itself that the DPME has the appropriate and adequate resources.

### **12.5. Evaluation of Financial Statements**

We have reviewed the Annual Financial Statements prepared by the department and based on the evaluation outcomes, the Audit Committee is satisfied that they complied in all material respect with the applicable accounting standards. The Audit Committee reviewed changes in accounting policies and practices. The committee's review also included the department's compliance with legal and regulatory provisions.

### **12.6. Evaluation of Risk Management**

The committee reviewed the DPME's Enterprise Risk Management activities, and is satisfied with the policies, procedures and structures in place. However, the committee would like to drive the improvement of the maturity level of ERM within the department.

### **12.7. Evaluation of ICT Governance**

The committee exercised oversight over the adequacy, effectiveness and efficiency of ICT Governance within the DPME, as per the Corporate Governance of Information and Communication Technology Policy Framework and the King IV code on Corporate Governance requirements. With exceptions noted from both Internal and External Audit reports, the committee is satisfied that key controls related to System Security are adequate, efficient and effective and working as intended. Management has however commenced with the improvement plan to improve the maturity level in this area.





### 12.8. Results of the Auditor General

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

The Audit Committee would like to commend the Accounting Officer and Team DPME for the commendable positive external audit outcome.



**Mr. Nelson Miya**

Chairperson of the Audit Committee

Date: 31<sup>st</sup> July 2017



# **PART D: HUMAN RESOURCE MANAGEMENT**

## 1. Introduction

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

## 2. Overview of Human Resources

- **The status of human resources in the department.**
  - Human resources in the department is highly regarded and plays a vital role in the achievement of departmental goals
- **Human resource priorities for the year under review and the impact of these.**
  - Reduction of vacancy rate to 10% or below, to ensure adequate human resource capacity to achieve departmental goals and objectives.
  - Appointment of 5% interns per annum, to expose graduates to the workplace and to generate a pool of candidates for the filling of entry level posts in the department.
  - 80% of the workplace skills plan implemented to ensure highly skilled staff
  - 100% submission of financial disclosures by the designated employees to mitigate against conflict of interests and to detect any corrupt activities in the department
- **Workforce planning and key strategies to attract and recruit a skilled and capable workforce.**
  - Workforce is planned in line with the departmental strategic objectives and available budget on compensation of employees, posts are prioritised in terms of their importance and urgency, posts are advertised nationally in the DPSA vacancy list and for SMS posts in two national newspapers in order to attract a large pool of suitable candidates.
  - All SMS members undergo technical and competency assessment tests.
- **Employee performance management.**
  - All employees are required to enter into performance agreements within three months of appointment and on a yearly basis, all employees go through formal performance assessments twice a year.
  - Employees whose performance exceeds the expectations are rewarded with performance bonuses.
  - Employees whose performance is below expectations are enrolled into performance improvement plans and attends training sessions to assist them to improve their performance.
- **Employee wellness programmes.**
  - There is a wellness programme in place in the department, the programme caters for physical, financial and emotional employee wellness.
  - There is a service provider on board to professionally assist departmental employees and their families on wellness issues, counsellors and other health professionals are available to staff and their family members 24 hours and 7 days a week.
  - Highlight achievements and challenges faced by the department, as well as future human resource plans /goals.
  - Slow pace in the filling of vacant funded posts is still a challenge though some improvement is noticed.
  - Above-average high turn-over rate is also a concern.
  - Newly approved organisational structure will help to address HR capacity challenges in the department.

### 3. Human Resources Oversight Statistics

#### 3.1. Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

**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	134,299	65,853	1,658	,459	49,0%	,470
Outcomes Monitoring & Evaluation (OM&E)	89,749	63,342	-	13,424	70,6%	,823
Institutional Performance Monitoring & Evaluation (IPM&E)	61,897	41,355	,14	,143	66,8%	,678
Planning & Secretariat National Planning Commission (NPC)	84,216	29,026	-	47,565	34,5%	,880
National Youth Development Agency (Transfer Payment)	411,085	2,614	-	-	0,6%	,871
<b>Total</b>	<b>781,246</b>	<b>202,190</b>	<b>1,672</b>	<b>61,591</b>	<b>26%</b>	<b>,644</b>

**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)	,607	0,3%	7	87
Skilled (level 3-5)	2,426	1,2%	15	162
Highly skilled production (levels 6-8)	17,591	8,7%	78	226
Highly skilled supervision (levels 9-12)	81,078	40,1%	134	605
Senior and Top management (levels 13-16)	100,488	49,7%	80	1256
<b>Total</b>	<b>202,190</b>	<b>100%</b>	<b>314</b>	<b>644</b>

**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	58,216	88,4%	,803	1,22%	1,649	2,5%	2,022	3,1%
Outcomes Monitoring & Evaluation (OM&E)	57,281	90,4%	,7	0,01%	,786	1,2%	,871	1,4%
Institutional Performance Monitoring & Evaluation (IPM&E)	36,798	89,0%	,3	0,01%	,491	1,2%	,907	2,2%
Planning & Secretariat National Planning Commission (NPC)	26,460	91,2%		0,00%	,368	1,3%	,311	1,1%
National Youth Development Agency (Transfer Payment)	2,442	93,4%		0,00%	,79	3,0%	,50	1,9%
<b>Total</b>	<b>181,197</b>	<b>89,6%</b>	<b>,813</b>	<b>0,40%</b>	<b>3,373</b>	<b>1,7%</b>	<b>4,161</b>	<b>2,1%</b>

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)	,544	0,3%	,3	0,5%	,10	0,0%	,12	0,0%
Skilled (level 3-5)	2,174	1,1%	,213	8,8%	,40	0,0%	,50	0,0%
Highly skilled production (levels 6-8)	15,764	7,8%	,270	1,5%	,293	0,1%	,362	0,2%
Highly skilled supervision (levels 9-12)	72,660	35,9%	,326	0,4%	1,353	0,7%	1,669	0,8%
Senior management (level 13-16)	90,055	44,5%		0,0%	1,676	0,8%	2,068	1,0%
<b>Total</b>	<b>181,197</b>	<b>89,6%</b>	<b>,813</b>	<b>0,4%</b>	<b>3,373</b>	<b>1,7%</b>	<b>4,161</b>	<b>2,1%</b>

### 3.2. Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

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	151	140	7,3%	2
Outcomes Monitoring & Evaluation (OM&E)	87	77	11,5%	1
Institutional Performance Monitoring & Evaluation (IPM&E)	70	61	12,9%	1
Planning & Secretariat National Planning Commission (NPC)	42	36	14,3%	3
<b>Total</b>	<b>350</b>	<b>314</b>	<b>10,3%</b>	<b>7</b>

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)	97	80	17,5%	3
Skilled(3-5)	145	134	7,6%	2
Highly skilled production (6-8)	82	78	4,9%	2
Highly skilled supervision (9-12)	18	15	16,7%	0
Senior management (13-16)	8	7	12,5%	0
<b>Total</b>	<b>350</b>	<b>314</b>	<b>10,3%</b>	<b>7</b>

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
Political Office Bearers	2	2	0,0%	0
Top Management	4	2	50,0%	0
Specialists	17	13	23,5%	0
Senior Managers: Corporate Services	4	4	0,0%	0
<b>Total</b>	<b>27</b>	<b>21</b>	<b>22,2%</b>	<b>0</b>

## Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
  - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
  - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
  - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
  - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

### 3.3. Filling of SMS Posts

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

**Table 3.3.1 SMS post information as on 31 March 2017**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0,0%	1	100,0%
Salary Level 16	1	1	100,0%	0	0,0%
Salary Level 15	18	13	72,2%	5	27,8%
Salary Level 14	16	13	81,3%	3	18,8%
Salary Level 13	59	52	88,1%	7	11,9%
<b>Total</b>	<b>95</b>	<b>79</b>	<b>83,2%</b>	<b>16</b>	<b>16,8%</b>

**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	1	0	0,0%	1	100,0%
Salary Level 16	1	1	100,0%	0	0,0%
Salary Level 15	18	13	72,2%	5	27,8%
Salary Level 14	18	13	72,2%	5	27,8%
Salary Level 13	57	50	87,7%	7	12,3%
<b>Total</b>	<b>95</b>	<b>77</b>	<b>81,1%</b>	<b>18</b>	<b>18,9%</b>

**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	0	0	0
Salary Level 16	0	0	0
Salary Level 15	2	0	0
Salary Level 14	3	0	0
Salary Level 13	8	3	3
<b>Total</b>	<b>13</b>	<b>3</b>	<b>3</b>



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
The Department of Planning, Monitoring and Evaluation underwent a process of restructuring which resulted in the delay of filling of senior posts until such time as the organisational structure was approved by the delegated authority
Reasons for vacancies not filled within twelve months
The filling of posts that were already in process was placed on hold until the restructuring process was finalised and the new organisational structure approved. This resulted in some positions that were funded on the old organisational structure being reviewed and in some cases new posts were created.
The filling of 2 x Level 14 post could not be finalised within 12 months as no suitable candidates could be identified through the normal recruitment process. The posts have since been re-advertised but filling is also delayed due to the restructuring process.

#### Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A (1) or (2) of the Public Service Act.

### 3.4. Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

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)	8	0	0,0%	0	0,0%	0	0,0%
Skilled (Levels 3-5)	18	0	0,0%	0	0,0%	0	0,0%
Highly skilled production (Levels 6-8)	82	3	3,7%	0	0,0%	0	0,0%
Highly skilled supervision (Levels 9-12)	145	6	4,1%	0	0,0%	0	0,0%
Senior Management Service Band A (13)	60	1	1,7%	0	0,0%	0	0,0%
Senior Management Service Band B (14)	16	0	0,0%	0	0,0%	0	0,0%
Senior Management Service Band C (15)	19	0	0,0%	0	0,0%	0	0,0%
Senior Management Service Band D (16)	2	0	0,0%	0	0,0%	0	0,0%
<b>Total</b>	<b>350</b>	<b>10</b>	<b>2,9%</b>	<b>0</b>	<b>0,0%</b>	<b>0</b>	<b>0,0%</b>

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

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

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

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

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

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0.0%

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

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

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

Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

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

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

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

Salary band	Number of employees at beginning of period-1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled ( Levels 1-2)	5	2	0	0,0%
Skilled (Levels3-5)	15	11	6	40,0%
Highly skilled production (Levels 6-8)	68	29	22	32,4%
Highly skilled supervision (Levels 9-12)	121	27	12	9,9%
Senior Management Service Bands A (13)	45	5	5	11,1%
Senior Management Service Bands B (14)	14	2	1	7,1%
Senior Management Service Bands C (15)	11	1	2	18,2%
Senior Management Service Bands D (16)	1	0	0	0,0%
Contracts	8	0	0	0,0%
<b>Total</b>	<b>288</b>	<b>77</b>	<b>48</b>	<b>16,7%</b>

#### Notes

- 1 April appointments included in 1 April 2016 column. Turnover rate displays % of service termination for the period in relation to the total number of employees at beginning of period April 2016 (i.e. (Terminations and Transfers out of the department) / (Number of employees at beginning of period April 2016) x 100). Appointments and terminations include changes to employment capacity.
- Excluding 2 Political Bearers and 2 secondments

**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
Top Management	2	0	1	50,0%
Specialists	12	0	1	8,3%
Senior Managers: Corporate Services	4	1	0	0,0%
<b>TOTAL</b>	<b>18</b>	<b>1</b>	<b>2</b>	<b>11,1%</b>

Notes

- Appointments and terminations include changes to employment capacity
- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
  - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
  - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
  - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
  - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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	0	0,0%
Resignation	13	27,1%
Expiry of contract	12	25,0%
Dismissal – operational changes	0	0,0%
Dismissal – misconduct	0	0,0%
Dismissal – inefficiency	0	0,0%
Discharged due to ill-health	1	0,0%
Retirement	0	0,0%
Transfer to other Public Service Departments	22	45,8%
Other	0	0,0%
<b>Total number of employees who left as a % of total employment</b>	<b>48</b>	<b>100,0%</b>

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

Occupation	Employees 1 April 2016	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
Top Management	4	0	0,0%		0,0%
Specialists	10	0	0,0%		0,0%
Senior Managers: Corporate Services	4	0	0,0%		0,0%
<b>TOTAL</b>	<b>18</b>	<b>0</b>	<b>0,0%</b>	<b>0</b>	<b>0,0%</b>

Notes

- Promotions include both salary band and notch progressions. (Notch progressions to another notch within a salary level were made in line with the Performance Management and Development System as well as Public Service Regulation 1.V.C.3). (Excludes transfers from other Departments on promotion)

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

Salary Band	Employees 1 April 2016	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)	5	0	0,0%	0	0,0%
Skilled (Levels 3-5)	15	0	0,0%	0	0,0%
Highly skilled production (Levels 6-8)	68	4	5,9%	0	0,0%
Highly skilled supervision (Levels 9-12)	121	10	8,3%	0	0,0%
Senior Management (Level 13-16)	71	6	8,5%	0	0,0%
<b>Total</b>	<b>280</b>	<b>20</b>	<b>7,1%</b>	<b>0</b>	<b>0,0%</b>

Notes

- Promotions are internal and include both salary band and notch progressions. Progressions to another notch within a salary level were made in line with the Performance Management and Development System as well as Public Service Regulation 1.V.C.3. (excludes upgrades)

### 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 (Level 13-16)	26	2	5	6	30	1	5	3	78
Professionals (level 11-12)	28	5	1	2	36	1	4	2	79
Technicians and associate professionals (level 9-10)	17	1	1	1	31	1	1	2	55
Clerks (Level 6-8)	25	1	0	0	44	5	2	1	78
Service and sales workers (level 3-5)	9	0	0	0	6	0	0	0	15
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations (level 1-2)	2	0	0	0	5	0	0	0	7
<b>Total</b>	<b>107</b>	<b>9</b>	<b>7</b>	<b>9</b>	<b>152</b>	<b>8</b>	<b>12</b>	<b>8</b>	<b>312</b>
Employees with disabilities	2				4			1	7

Note: The above table excludes Political Office Bearers

**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 (L15-16)	4	1	2	1	4	0	1	0	13
Senior Management (L13-14)	22	1	4	5	26	1	4	3	66
Professionally qualified & experienced specialists and mid-management (L9-12)	45	6	1	3	67	2	5	4	133
Skilled technical & academically qualified workers, junior management, supervisors, foreman and superintendents (L6-8)	25	1	0	0	44	5	2	1	78
Semi-skilled and discretionary decision making (L3-5)	9	0	0	0	6	0	0	0	15
Under skilled and defined decision making (L1-2)	2	0	0	0	5	0	0	0	7
<b>Total</b>	<b>107</b>	<b>9</b>	<b>7</b>	<b>9</b>	<b>152</b>	<b>8</b>	<b>12</b>	<b>8</b>	<b>312</b>

Note: The above table excludes Political Office Bearers

**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 (L15-16)	0	0	0	0	0	0	1	0	1
Senior Management (L13-14)	5	0	0	1	7	0		0	13
Professionally qualified & experienced specialists and mid-management (L9-12)	19	3	0	1	10	0	2	1	36
Skilled technical & academically qualified workers, junior management, supervisors, foreman and superintendents (L6-8)	11	0	0	0	20	0	0	1	32
Semi-skilled and discretionary decision making (L3-5)	4	0	0	0	2	0	0	0	6
Under skilled and defined decision making (L1-2)	0	0	0	0	2	0	0	0	2
<b>Total</b>	<b>39</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>41</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>90</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

Note: Above table includes new appointments, internal promotions and transfers to the Department



**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	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0		0	0	0	1
Professionally qualified and experienced specialists and mid-management	15	0	0	1	7	0	0	0	23
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	0	0	0	7	0	0	0	12
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

**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 (Level 15-16)	1	0	1	0		0	0	0	2
Senior Management (Level 13-14)	2	0	0	0	1	0	0	1	4
Professionally qualified & experienced specialists & mid-management	5	0	0	0	7	0	0	0	12
Skilled technical & academically qualified workers, junior management, supervisors, foreman & superintendents	12	0	0	0	11	0	1	0	24
Semi-skilled & discretionary decision making	5	0	0	0	0	0	0	1	6
<b>Total</b>	<b>25</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>48</b>
Employees with Disabilities	0	0	0	0	1	0	0	0	1

Note: Terminations include resignations, expiry of contract, retirement, transfers out of the department and changes in employment capacity

**Table 3.6.6 Disciplinary action for the period 1 April 2016 to 31 March 2017**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Written warning	0	0	0	0	0	0	0	0	0
Final written warning	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 3.6.7 Skills development for the period 1 April 2016 to 31 March 2017**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	2	3	2	12	0	2	2	29
Professionals	30	6	0	2	38	0	4	1	81
Technicians and associate professionals	24	0	1	2	35	0	0	2	64
Clerks/Administrators	51	2	0	0	97	9	4	0	163
Service and sales workers	13	0	0	0	15	0	0	0	28
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	5	0	0	0	10	0	0	0	15
Interns	30	0	0	0	47	0	0	0	
<b>Total</b>	<b>159</b>	<b>10</b>	<b>4</b>	<b>6</b>	<b>254</b>	<b>9</b>	<b>10</b>	<b>5</b>	<b>457</b>
Employees with disabilities	1	0	0	0	4	0	0	0	5

Note: The total of 457 reflects the instances employee/s attended training in the department.

### 3.7. Signing of Performance Agreements by SMS Members

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

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	0	0	0,0%
Salary Level 16	1	1	0	0,0%
Salary Level 15	17	13	13	100,0%
Salary Level 14	15	12	13	100,0%
Salary Level 13	57	51	49	96,0%
Total	91	77	77	100,0%

**Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2016**

Reasons
There were delays in the discussions to conclude the performance agreements.

**Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2016**

Reasons
Letters were sent to the employees affected to seek reasons for delay and the reasons for delay were accepted.

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

### 3.8. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

**Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2016 to 31 March 2017**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male	23	86	26,7%	675	29
Female	44	126	34,9%	1 506	34
<b>Asian</b>					
Male	1	8	12,5%	86	86
Female	3	10	30,0%	79	26
<b>Coloured</b>					
Male	2	6	33,3%	123	61
Female	3	8	37,5%	38	13
<b>White</b>					
Male	3	9	33,3%	140	47
Female	1	7	14,3%	38	38
<b>Total</b>	<b>80</b>	<b>260</b>	<b>30,8%</b>	<b>2,685</b>	<b>34</b>

Note: 312 employees were employed (excluding political office bearers) in the department on 31 March 2017, however only 260 were eligible for a performance bonus.

**Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017**

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	5	0,0%	0	0	0,0%
Skilled (level 3-5)	1	15	6,7%	12	12	0,5%
Highly skilled production (level 6-8)	18	52	34,6%	252	14	1,4%
Highly skilled supervision (level 9-12)	49	119	41,2%	1 656	34	2,0%
<b>Total</b>	<b>68</b>	<b>191</b>	<b>35,6%</b>	<b>1,919</b>	<b>28</b>	<b>1,9%</b>

**Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017**

Total number of Performance Awards by critical occupation	None
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**Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017**

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A (13)	7	41	17,1%	384	55	0,6%
Band B (14)	1	14	7,1%	64	64	0,3%
Band C (15)	4	14	28,6%	317	79	1,6%
Band D (16)	0	0	0,0%	0	0	0,0%
Total	12	69	17,4%	766	64	0,8%

### 3.9. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

**Table 3.9.1 Foreign workers by salary band for the period 1 April 2016 and 31 March 2017**

Salary band	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (1 – 5)	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Middle Management (level 9-12)	0	0	0	0	0	0
Snr Management (level 13-16)	1	100	1	100	0	0
Total	1	100	1	100	0	0

**Table 3.9.2 Foreign workers by major occupation for the period  
1 April 2016 and 31 March 2017**

Major occupation	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	100	1	100	0	0

### 3.10. Leave utilisation

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

**Table 3.10.1 Sick leave for the period 1 January 2016 to 31 December 2016**

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	71	15,5%	6	2,4%	12	32
Skilled (levels 3-5)	74	27,0%	16	6,4%	5	53
Highly skilled production (levels 6-8)	460	31,7%	75	29,9%	6	531
Highly skilled supervision (levels 9 -12)	748	22,9%	103	41,0%	7	1 834
Top and Senior management (levels 13-16)	280	20,4%	51	20,3%	5	1 069
<b>Total</b>	<b>1633</b>	<b>24,8%</b>	<b>251</b>	<b>100,0%</b>	<b>7</b>	<b>3 520</b>

**Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2016**

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	5	100,0%	1	25,0%	5	2
Skilled (Levels 3-5)	0	0,0%	0	0,0%	0	0
Highly skilled production (Levels 6-8)	0	0,0%	0	0,0%	0	0
Highly skilled supervision (Levels 9-12)	79	100,0%	3	75,0%	26	220
Senior management (Levels 13-16)	0	0,0%	0	0,0%	0	0
<b>Total</b>	<b>84</b>	<b>100,0%</b>	<b>4</b>	<b>100,0%</b>	<b>21</b>	<b>223</b>

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

**Table 3.10.3 Annual Leave for the period 1 January 2016 to 31 December 2016**

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	119	8	15
Skilled (Levels 3-5)	419	37	11
Highly skilled production (Levels 6-8)	1585	117	14
Highly skilled supervision (Levels 9-12)	3125	169	18
Senior management (Levels 13-16)	1701	91	19
<b>Total</b>	<b>6949</b>	<b>422</b>	<b>16</b>

**Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016**

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 20ZZ
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	173
Highly skilled production (Levels 6-8)	0	0	0	36
Highly skilled supervision (Levels 9-12)	0	0	0	23
Senior management (Levels 13-16)	0	0	0	45
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>276</b>

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

**Table 3.10.5 Leave pay-outs for the period 1 April 2016 and 31 March 2017**

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay-out due to non-utilisation of leave for the 2016 cycle	0	0	0
Current leave pay-out on termination of service for 2016	21	1	21
Capped leave pay-out on termination of service for 2016	0	0	0
<b>Total</b>	<b>21</b>	<b>1</b>	<b>21</b>

### 3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
DPME officials travel frequently and are therefore at risk.	STI and Condom Awareness
	Condom Distribution
	HIV/AIDS Voluntary Counselling and Testing
	World Aids Day Awareness and speech from the HIV/AIDS activist

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter I of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr N Nomlala, Director: HRM
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		There are three officials in the unit responsible for EHW Programme there is also a service provider Care Ways Contracted for three years.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/ services of this Programme.	X		There are variety of programmes on Wellness offered by the service provider i.e. HRA, TB, eye care and many more.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter I of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Mr T Silawu, Deputy Director: LR EHW &SS Mr W J Victor, Deputy Director: OD, Recruitment & HR Administration Mr O E Skosana, Deputy Director: Risk Management Ms T Matha, Assistant Director: OD, HR Planning, Strategy & Systems Vacant, Assistant Director: LR EHW &SS Mr M Maasdorp, Deputy Director: Internal Control Ms M Subramoney, Deputy Director: Management Performance Ass. Ms X Masala, Assistant Director: Administration Ms P Kambe, Senior Administrative Officer (CBM) Mr M Everett, Deputy Director: Programme Admin Mr M Maluleka, Assistant Director: Data Support Ms A L Crouch, Evaluation Officer Ms XP Dilata, Deputy Director Ms PD Moloto, Assistant Admin Secretary 2 x representatives from each of the recognised Labour Unions



Question	Yes	No	Details, if yes
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		Training and Development Policy Recruitment and Selection Policy Internship Policy To mention but a few
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		The services are offered by Careways the contracted service provider and GEMS they include counselling and the support groups.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		Every quarter the unit conducts a wellness event and HIV testing is part of it, the results are confidential, however the programme is assisting.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		The quarterly statistics received from both GEMS and Care Ways.

### 3.12. Labour Relations

**Table 3.12.1 Collective agreements for the period 1 April 2016 and 31 March 2017**

Subject matter	Date
Communication Tool Policy	10/03/2015
Inconsistent Advertising Policy	10/03/2015
Code of conduct for open plan offices	10/03/2015

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

**Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 and 31 March 2017**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0,0%
Verbal warning	0	0,0%
Written warning	0	0,0%
Final written warning	0	0,0%
Suspended without pay	0	0,0%
Fine	0	0,0%
Demotion	0	0,0%
Dismissal	0	0,0%
Not guilty	0	0,0%
Case withdrawn	0	0,0%
<b>TOTAL</b>	<b>0</b>	<b>0,0%</b>

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 and 31 March 2017**

Type of misconduct	Number	% of total
Financial Misconduct	0	0,0%
Poor work Performance	0	0,0%
TOTAL	0	0,0%

**Table 3.12.4 Grievances logged for the period 1 April 2016 and 31 March 2017**

Grievances	Number	% of Total
Number of grievances resolved	4	66,7%
Number of grievances not resolved	2	33,3%
Total number of grievances lodged	6	100,0%

**Table 3.12.5 Disputes logged with Councils for the period 1 April 2016 and 31 March 2017**

Disputes	Number	% of Total
Number of disputes upheld	0	0,0%
Number of disputes dismissed	2	100,0%
Total number of disputes lodged	2	100,0%

**Table 3.12.6 Strike actions for the period 1 April 2016 and 31 March 2017**

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

**Table 3.12.7 Precautionary suspensions for the period 1 April 2016 and 31 March 2017**

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

### 3.13. Skills development

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

**Table 3.13.1 Training needs identified for the period 1 April 2016 and 31 March 2017**

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	34	0	20	2	22
	Male	42	0	10	7	17
Professionals	Female	77	0	49	8	57
	Male	44	0	56	8	64
Clerks	Female	42	0	43	2	45
	Males	28	0	20	0	20
Service & sales workers	Female	6	0	3	0	3
	Male	11	0	6	0	6
Skilled agriculture & fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft & related trade workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant & machine operators & assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	3	0	3	0	3
	Male	2	0	2	0	2
Interns (0)	Female	12	0	12	0	12
	Male	12	0	4	0	4
Sub Total	Female	171	0	127	12	139
	Male	137	0	96	15	111
Total		308	0	223	27	250

**Table 3.13.2 Training provided for the period 1 April 2016 and 31 March 2017**

Occupational category	Gender	Number of employees as at 1 April 2016	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	34	0	12	4	16
	Male	42	0	8	5	13
Professionals	Female	80	0	63	17	80
	Male	65	0	43	22	65
Clerks	Female	42	0	53	56	109
	Male	28	0	30	23	53
Service & sales workers	Female	6	0	5	10	15
	Male	11	0	5	8	13
Skilled agriculture & fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft & related trade workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant & machine operators & assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	3	0	4	6	10
	Male	2	0	2	3	5
Interns (0)	Female	12	0	43	4	47
	Male	12	0	27	3	30
Sub Total	Female	174	0	180	97	277
	Male	158	0	115	64	179
Total		332	0	295	161	456

### 3.14. Injury on duty

The following tables provide basic information on injury on duty.

**Table 3.14.1 Injury on duty for the period 1 April 2016 and 31 March 2017**

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

### 3.15. Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations “consultant’ means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

**Table 3.13.1 Training needs identified for the period 1 April 2016 and 31 March 2017**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Development of Job descriptions and job evaluation	9	320	1 000 000,00
Researcher housing human settlements	6	62	615 528,75
Enhance APP System	3	15	180 840,00
Analysis and interpretation of evidence map for human settlements	3	100	296 400,00
BI and Data visualisation specialist to strengthen an evidence map	3	65	444 600,00
Youth Labour Market Transitions	12	14	1 258 061,25
Evaluation of government business incentives	15	447	4 393 788,00
Researcher and Governance Specialist in Human Settlements and Housing Environment	3	55	409 200,00
Evaluation of the National Evaluation System	1	360	1 999 218,00
Development of Course Material for planning for implementation programmes	5	60	402 898,00
Research on Limited Success of Entrepreneurial Activity by locals in townships and rural areas	5	181	1 571 490,00
Development of Electronic Quarterly Performance Reporting System	5	94	594 669,60
Evidence synthesis methodology specialist	2	25	99 750,00
Costing of the National Food and Nutrition Security Plan	5	188	1 893 442,00
Diagnostic Evaluation of the Pomfret Relocation / Rehabilitation process	17	144	541 591,00
Development and maintenance of LGMIM tool	7	131	850 000,00

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Implementation evaluation of the National Qualifications Framework Act	13	29	2 981 601,00
Implementation Evaluation of the Integrated Justice System (IJS)	25	550	2 999 926,00
Implementation Evaluation of the Technical and Vocational College Expansion	13	244	1 983 212,40
Implementation Evaluation of the Older Persons Act	15	474	1 557 120,30
Implementation Evaluation of the City Support Programme	14	167	1 967 497,50
Implementation evaluation of the birth registration programme	9	240	2 882 417,00
Peer Review Extension Recovery Programme	1	10	10 000,00
Peer review of Implementation Evaluation of the National Qualifications Framework Act	1	10	10 000,00
Peer review of TVET Colleges evaluation	1	10	10 000,00
Peer review of Env Impact Assessment	1	10	10 000,00
Peer review of CAPS	1	7	7 000,00
Peer review of TVET evaluation	1	10	10 000,00
Peer review: Implementation Evaluation of Cities Support Programme	1	10	10 000,00
Internal Audit co-sourced services	13	400	1 558 277,65
<b>Total number of projects</b>	<b>210</b>	<b>4432</b>	<b>32 548 528,45</b>

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
Evaluation of the National Evaluation System	1	360	1 999 218,00
Peer Review Extension Recovery Programme	1	10	10 000,00
Peer review of Implementation Evaluation of the National Qualifications Framework Act	1	10	10 000,00
Peer review of TVET Colleges evaluation	1	10	10 000,00
Peer review of Env Impact Assessment	1	10	10 000,00
Peer review of CAPS	1	7	7 000,00
Peer review of TVET evaluation	1	10	10 000,00
Peer review: Implementation Evaluation of Cities Support Programme	1	10	10 000,00
<b>Total number of projects</b>	<b>8</b>	<b>427</b>	<b>2066218</b>

**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Development of Job descriptions and job evaluation	33,3%	33,3%	3
Researcher housing human settlements	50,0%	50,0%	3
Analysis and interpretation of evidence map for human settlements	33,3%	33,3%	1
BI and Data visualisation specialist to strengthen an evidence map	66,7%	66,7%	2
Youth Labour Market Transitions	41,7%	41,7%	5
Evaluation of government business incentives	40,0%	40,0%	6
Researcher and Governance Specialist in Human Settlements and Housing Environment	66,7%	66,7%	2
Development of Course Material for planning for implementation programmes	40,0%	40,0%	2
Research on Limited Success of Entrepreneurial Activity by locals in townships and rural areas	100,0%	100,0%	5
Development of Electronic Quarterly Performance Reporting System	60,0%	60,0%	3
Costing of the National Food and Nutrition Security Plan	40,0%	40,0%	2
Diagnostic Evaluation of the Pomfret Relocation / Rehabilitation process	76,5%	76,5%	13
Development and maintenance of LGMIM tool	28,6%	28,6%	2
Implementation evaluation of the National Qualifications Framework Act	38,5%	38,5%	5
Implementation Evaluation of the Integrated Justice System (IJS)	84,0%	84,0%	21
Implementation Evaluation of the Technical and Vocational College Expansion	76,9%	76,9%	10
Implementation Evaluation of the Older Persons Act	60,0%	60,0%	9
Implementation Evaluation of the City Support Programme	35,7%	35,7%	5
Implementation evaluation of the birth registration programme	11,1%	11,1%	1
Internal Audit co-sourced services	92,3%	92,3%	12

Note: On 7 December 2011 the revised PPPFA regulations came into effect and HDI status was replaced by B-BEEE status level contribution for contracts from R30,000. Contracts to Government Departments/entities and universities are excluded from the table above.

**Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2016 and 31 March 2017**

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	0	0	0

**Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	0	0.0%	0

### 3.16. Severance Packages

**Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 and 31 March 2017**

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0





# PART E: FINANCIAL INFORMATION

**5<sup>TH</sup>**

**CONSECUTIVE  
CLEAN AUDIT**



# I. Report of the Auditor-General

## Report of the Auditor-General to Parliament on vote no. 8: Department of Planning, Monitoring and Evaluation

### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of the Department of Planning, Monitoring and Evaluation set out on pages 111 to 162, which comprise the appropriation statement, the statement of financial position as at 31 March 2017 and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Planning, Monitoring and Evaluation as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) as prescribed and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

#### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other matter

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

#### Unaudited supplementary schedules

7. The supplementary information set out on pages 75 to 104 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, I do not express an opinion thereon.

## **Responsibilities of the Accounting Authority**

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with MCS as prescribed by National Treasury and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the Department of Planning Monitoring and Evaluation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention either to liquidate the department or to cease operations, or there is no realistic alternative but to do so.

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

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

## **Report on the audit of the annual performance report**

### **Introduction and scope**

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2017:

Programmes	Pages in the annual performance report
Programme 2 – Outcomes Monitoring and Evaluation	39 - 48
Programme 3 - Institutional Performance, Monitoring and Evaluation	50 - 56
Programme 4 – National Planning	59 - 61

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

16. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2 – Outcomes Monitoring and Evaluation
- Programme 3 Institutional Performance, Monitoring and Evaluation
- Programme 4 National Planning

#### Other matters

17. I draw attention to the matters below.

#### Achievement of planned targets

18. Refer to the annual performance report on page(s) 31 to 65 for information on the achievement of planned targets for the year and explanations provided for the overachievement of a number of targets.

#### Adjustment of material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of all selected programmes. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

## Report on audit of compliance with legislation

### Introduction and scope

20. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
21. I did not identify any instances of material non-compliance with selected specific requirements of applicable legislation, as set out in the general notice issued in terms of the PAA.

### Other information

22. The Department of Planning, Monitoring and Evaluation's accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
23. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
24. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### Internal control deficiencies

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

Auditor - General

Pretoria, 31 July 2017

## 2. Appropriation Statement for the year ended 31 March 2017

Departmental appropriation per programme	2016/17 ('000)						2015/16 ('000)		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure
1. Administration	141 052	-	1 401	142 453	134 299	8 154	94.3%	111 872	111 872
2. Outcomes Monitoring & Evaluation	91 751	-	1 411	93 162	89 749	3 413	96.3%	90 087	89 560
3. Institutional Performance Monitoring & Evaluation	61 955	-	457	62 412	61 897	515	99.2%	60 626	60 626
4. National Planning	91 508	-	(3 275)	88 233	84 216	4 017	95.4%	75 632	70 736
5. National Youth Development Agency	411 396	-	6	411 402	411 085	317	99.9%	415 983	415 983
Subtotal	797 662	-	-	797 662	781 246	16 416	97.9%	754 200	748 777
Statutory Appropriation	-	-	-	-	-	-	0.0%	-	-
<b>TOTAL</b>	<b>797 662</b>	<b>-</b>	<b>-</b>	<b>797 662</b>	<b>781 246</b>	<b>16 416</b>	<b>97.9%</b>	<b>754 200</b>	<b>748 777</b>
Reconciliation with Statement of Financial Performance									
ADD				1 215				417	
Departmental receipts				7 396				34 021	
Aid assistance				806 273	781 246			788 638	748 777
Actual amounts per statement of financial performance (total revenue)					9 175				26 692
ADD									
Aid assistance					790 421				775 469
Actual amount per statement of financial performance (expenditure)									

Departmental appropriation per economic classification	2016/17 ('000)						2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	
Current payments	382 916	(135)	-	382 781	367 618	15 163	96.0%	330 387	324 964	
Compensation of employees	216 495	(126)	-	216 369	202 190	14 179	93.4%	177 437	176 910	
Salaries and wages	190 000	1 154	-	191 154	181 197	9 957	94.8%	158 758	158 334	
Social contributions	26 495	(1 280)	-	25 215	20 993	4 222	83.3%	18 679	18 576	
Goods and services	166 421	(9)	-	166 412	165 428	984	99.4%	152 950	148 054	
Administrative fees	874	794	-	1 668	1 668	-	100.0%	1 271	1 271	
Advertising	5 305	684	-	5 989	5 204	785	86.9%	1 598	1 598	
Minor assets	1 008	(522)	-	486	486	-	100.0%	752	752	
Audit costs: External	2 800	(507)	-	2 293	2 293	-	100.0%	2 168	2 168	
Bursaries: Employees	500	100	-	600	600	-	100.0%	464	464	
Catering: Departmental activities	1 617	1 581	-	3 198	3 198	-	100.0%	2 607	2 607	
Communication	5 075	(130)	-	4 945	4 945	-	100.0%	5 585	5 585	
Computer services	25 188	(682)	-	24 506	24 506	-	100.0%	23 485	23 485	
Consultants: Business & advisory services	66 870	(2 840)	(2 439)	61 591	61 591	-	100.0%	53 941	51 168	
Contractors	1 836	(14)	-	1 822	1 822	-	100.0%	1 561	1 561	
Agency & support / outsourced services	1 128	(131)	-	997	997	-	100.0%	879	879	
Entertainment	155	(126)	-	29	29	-	100.0%	39	39	
Fleet services	712	77	-	789	789	-	100.0%	879	879	
Consumable supplies	208	186	-	394	394	-	100.0%	360	360	
Consumable: Stationery printing office suppl.	1 727	(253)	-	1 474	1 474	-	100.0%	1 535	1 535	
Operating leases	7 056	(153)	-	6 903	6 903	-	100.0%	6 655	6 655	
Property payments	2 332	231	-	2 563	2 563	-	100.0%	2 225	2 225	
Travel and subsistence	30 714	3 050	1 982	35 746	35 588	158	99.6%	35 286	33 163	
Training and development	2 300	(628)	-	1 672	1 672	-	100.0%	894	894	
Operating payments	5 813	(1 041)	-	4 772	4 731	41	99.1%	6 264	6 264	
Venues and facilities	3 198	(160)	457	3 495	3 495	-	100.0%	4 342	4 342	
Rental and hiring	5	475	-	480	480	-	100.0%	160	160	



Transfers and subsidies	405 922	130	-	406 052	406 052	-	100.0%	410 062	410 062
Provinces and municipalities	1	4	-	5	5	-	100.0%	2	2
Departmental agencies and accounts	405 766	-	-	405 766	405 766	-	100.0%	409 789	409 789
Non-profit institutions	100	-	-	100	100	-	100.0%	-	-
Households	55	126	-	181	181	-	100.0%	271	271
Payments for capital assets	8 824	-	-	8 824	7 571	1 253	85.8%	13 751	13 751
Buildings and other fixed structures	117	12	-	129	129	-	100.0%	435	435
Transport equipment	970	1	-	971	971	-	100.0%	-	-
Other machinery and equipment	6 337	(183)	(495)	5 659	4 530	1 129	80.0%	11 892	11 892
Intangible assets	1 400	170	495	2 065	1 941	124	94.0%	1 424	1 424
Payments for financial assets: Thefts and losses	-	5	-	5	5	-	100.0%	-	-
Total for Department	797 662	-	-	797 662	781 246	16 416	97.9%	754 200	748 777

Programme I: Administration Appropriation per sub-programme and economic classification	2016/17 ('000)					2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure
Departmental Management	17 843	1 816	-	19 659	17 140	2 519	87.2%	8 217	8 217
Corporate and Financial Services	53 474	(3 183)	(581)	49 710	45 969	3 741	92.5%	38 466	38 466
Information Technology Support	28 919	(2 229)	-	26 690	25 014	1 676	93.7%	26 006	26 006
Internal Auditing	3 668	(101)	-	3 567	3 424	143	96.0%	3 138	3 138
Ministerial Support	37 148	3 697	1 982	42 827	42 752	75	99.8%	36 045	36 045
Total for Sub-programmes	141 052	-	1 401	142 453	134 299	8 154	94.3%	111 872	111 872
Current payments	134 034	(42)	1 982	135 974	128 857	7 117	94.8%	103 543	103 543
Compensation of employees	72 218	(33)	-	72 185	65 853	6 332	91.2%	52 757	52 757
Salaries and wages	63 420	254	-	63 674	58 217	5 457	91.4%	46 530	46 530
Social contributions	8 798	(287)	-	8 511	7 636	875	89.7%	6 227	6 227
Goods and services	61 816	(9)	1 982	63 789	63 004	785	98.8%	50 786	50 786
Administrative fees	278	457	-	735	735	-	100.0%	449	449
Advertising	5 155	588	-	5 743	4 958	785	86.3%	1 062	1 062
Minor assets	1 008	(523)	-	485	485	-	100.0%	751	751
Audit costs: External	2 800	(507)	-	2 293	2 293	-	100.0%	2 168	2 168
Bursaries: Employees	500	100	-	600	600	-	100.0%	464	464
Catering: Departmenta activities	925	1 007	-	1 932	1 932	-	100.0%	801	801
Communication	1 803	505	-	2 308	2 308	-	100.0%	2 561	2 561
Computer services	13 905	(2 231)	-	11 674	11 674	-	100.0%	10 591	10 591
Consultants: Business & advisory services	1 300	(841)	-	459	459	-	100.0%	1 371	1 371
Contractors	1 786	13	-	1 799	1 799	-	100.0%	1 096	1 096
Agency & support / outsourced services	1 127	(130)	-	997	997	-	100.0%	879	879
Entertainment	84	(58)	-	26	26	-	100.0%	35	35
Fleet services	687	43	-	730	730	-	100.0%	789	789

Consumable supplies	154	168	-	322	322	-	100.0%	288	288
Consumable: Stationery printing office suppl.	1 241	(366)	-	875	875	-	100.0%	1 188	1 188
Operating leases	7 056	(211)	-	6 845	6 845	-	100.0%	6 626	6 626
Property payments	2 332	231	-	2 563	2 563	-	100.0%	2 225	2 225
Travel and subsistence	14 621	2 334	1 982	18 937	18 937	-	100.0%	15 286	15 286
Training and development	1 600	58	-	1 658	1 658	-	100.0%	785	785
Operating payments	2 181	(448)	-	1 733	1 733	-	100.0%	848	848
Venues and facilities	1 268	(536)	-	732	732	-	100.0%	495	495
Rental and hiring	5	338	-	343	343	-	100.0%	28	28
Transfers and subsidies	32	37	-	69	69	-	100.0%	129	129
Provinces and municipalities	1	4	-	5	5	-	100.0%	2	2
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	-	-
Households: Social Benefits	31	33	-	64	64	-	100.0%	127	127
Payments for capital assets	6 986	-	(581)	6 405	5 368	1 037	83.8%	8 200	8 200
Buildings and other fixed structures	117	12	-	129	129	-	100.0%	435	435
Transport equipment	970	1	-	971	971	-	100.0%	-	-
Other machinery and equipment	5 899	(94)	(581)	5 224	4 187	1 037	80.1%	7 765	7 765
Intangible assets	-	81	-	81	81	-	100.0%	-	-
Payments for financial assets: Thefts and losses	-	5	-	5	5	-	100.0%	-	-
<b>Total for Programme</b>	<b>141 052</b>	<b>-</b>	<b>1 401</b>	<b>142 453</b>	<b>134 299</b>	<b>8 154</b>	<b>94.3%</b>	<b>111 872</b>	<b>111 872</b>

Sub-programme I.1: Departmental Management	2016/17 ('000)						2015/16 ('000)		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure
Current payments	17 723	1 667	-	19 390	16 871	2 519	87.0%	7 945	7 945
Compensation of employees	8 938	(1 262)	-	7 676	5 942	1 734	77.4%	4 329	4 329
Goods and services	8 785	2 929	-	11 714	10 929	785	93.3%	3 616	3 616
Transfers and subsidies	-	7	-	7	7	-	100.0%	-	-
Households: Social Benefits	-	7	-	7	7	-	100.0%	-	-
Payments for capital assets	120	142	-	262	262	-	100.0%	272	272
Other machinery and equipment	120	142	-	262	262	-	100.0%	272	272
Total	17 843	1 816	-	19 659	17 140	2 519	87.2%	8 217	8 217

Sub-programme I.2: Corporate and Financial Services	2016/17 ('000)						2015/16 ('000)		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure
Current payments	51 978	(3 068)	-	48 910	45 493	3 417	93.0%	37 441	37 441
Compensation of employees	31 373	(22)	-	31 351	27 934	3 417	89.1%	21 799	21 799
Goods and services	20 605	(3 046)	-	17 559	17 559	-	100.0%	15 642	15 642
Transfers and subsidies	19	27	-	46	46	-	100.0%	70	70
Provinces and municipalities	-	5	-	5	5	-	100.0%	2	2
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	-	-
Households: Social Benefits	19	22	-	41	41	-	100.0%	68	68
Payments for capital assets	1 477	(142)	(581)	754	430	324	57.0%	955	955
Buildings and other fixed structures	117	12	-	129	129	-	100.0%	435	435
Transport equipment	-	-	-	-	-	-	0.0%	-	-
Other machinery and equipment	1 360	(154)	(581)	625	301	324	48.2%	520	520
Total	53 474	(3 183)	(581)	49 710	45 969	3 741	92.5%	38 466	38 466

Sub-programme 1.3: Information Technology Support	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	24 919	(2 229)	-	22 690	21 651	1 039	95.4%	19 351	19 351	-	100.0%	
Compensation of employees	9 506	-	-	9 506	8 467	1 039	89.1%	7 203	7 203	-	100.0%	
Goods and services	15 413	(2 229)	-	13 184	13 184	-	100.0%	12 148	12 148	-	100.0%	
Transfers and subsidies	-	-	-	-	-	-	0.0%	32	32	-	0.0%	
Households: Social Benefits	-	-	-	-	-	-	0.0%	32	32	-	0.0%	
Payments for capital assets	4 000	-	-	4 000	3 363	637	84.1%	6 623	6 623	-	0.0%	
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	-	-	-	0.0%	
Other machinery and equipment	4 000	(81)	-	3 919	3 282	637	83.7%	6 623	6 623	-	0.0%	
Intangible assets	-	81	-	81	81	-	100.0%	-	-	-	0.0%	
<b>Total</b>	<b>28 919</b>	<b>(2 229)</b>	<b>-</b>	<b>26 690</b>	<b>25 014</b>	<b>1 676</b>	<b>93.7%</b>	<b>26 006</b>	<b>26 006</b>	<b>-</b>	<b>93.7%</b>	

Sub-programme 1.4: Internal Auditing	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	3 638	(101)	-	3 537	3 395	142	96.0%	3 092	3 092	-	100.0%	
Compensation of employees	2 612	-	-	2 612	2 470	142	94.6%	1 783	1 783	-	100.0%	
Goods and services	1 026	(101)	-	925	925	-	100.0%	1 309	1 309	-	0.0%	
Transfers and subsidies	-	-	-	-	-	-	0.0%	17	17	-	0.0%	
Households: Social Benefits	-	-	-	-	-	-	0.0%	17	17	-	0.0%	
Payments for capital assets	30	-	-	30	29	1	96.7%	29	29	-	0.0%	
Other machinery and equipment	30	-	-	30	29	1	96.7%	29	29	-	0.0%	
<b>Total</b>	<b>3 668</b>	<b>(101)</b>	<b>-</b>	<b>3 567</b>	<b>3 424</b>	<b>143</b>	<b>96.0%</b>	<b>3 138</b>	<b>3 138</b>	<b>-</b>	<b>96.0%</b>	

Sub-programme 1.5: Ministry	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	35 776	3 689	1 982	41 447	41 447	-	100.0%	35 714	35 714	-	100.0%	
Compensation of employees	19 789	1 251	-	21 040	21 040	-	100.0%	17 643	17 643	-	100.0%	
Goods and services	15 987	2 438	1 982	20 407	20 407	-	100.0%	18 071	18 071	-	100.0%	
Transfers and subsidies	13	3	-	16	16	-	100.0%	10	10	-	100.0%	
Provinces and municipalities	1	(1)	-	-	-	-	0.0%	-	-	-	0.0%	
Households: Social Benefits	12	4	-	16	16	-	100.0%	10	10	-	100.0%	
Payments for capital assets	1 359	-	-	1 359	1 284	75	94.5%	321	321	-	100.0%	
Transport equipment	970	1	-	971	971	-	100.0%	-	-	-	100.0%	
Other machinery and equipment	389	(1)	-	388	313	75	80.7%	321	321	-	100.0%	
Payments for financial assets: Thefts and Losses	-	5	-	5	5	-	100.0%	-	-	-	100.0%	
Total	37 148	3 697	1 982	42 827	42 752	75	99.8%	36 045	36 045	-	99.8%	

Programme 2: Outcomes M&E Appropriation per sub-programme and economic classification	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final A appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Programme Management for OME	1 218	(35)	-	1 183	813	370	68.7%	2 390	2 390	-	100.0%	
Outcomes Support	66 066	(1 098)	-	64 968	62 095	2 873	95.6%	64 228	63 701	527	99.2%	
Evaluation and Research	24 467	1 133	1 411	27 011	26 841	170	99.4%	23 469	23 469	-	100.0%	
Total for Sub-programmes	91 751	-	1 411	93 162	89 749	3 413	96.3%	90 087	89 560	527	99.3%	

Current payments	90 459	(2)	1 411	91 868	88 661	3 207	96.5%	88 959	88 432	527	99.3%
Compensation of employees	66 551	(2)	-	66 549	63 342	3 207	95.2%	61 865	61 338	527	99.2%
Salaries and wages	58 329	210	-	58 539	57 280	1 259	97.8%	55 859	55 435	424	99.3%
Social contributions	8 222	(212)	-	8 010	6 062	1 948	75.7%	6 006	5 903	103	98.3%
Goods and services	23 908	-	1 411	25 319	25 319	-	100.0%	27 094	27 094	-	100.0%
Administrative fees	248	145	-	393	393	-	100.0%	314	314	-	100.0%
Advertising	-	50	-	50	50	-	100.0%	191	191	-	100.0%
Minor assets	-	1	-	1	1	-	100.0%	1	1	-	100.0%

Catering: Departmental activities	352	275	-	627	627	-	100.0%	973	973
Communication	762	80	-	842	842	-	100.0%	962	962
Computer services	-	239	-	239	239	-	100.0%	93	93
Consultants: Business & advisory services	13 020	(1 007)	1 411	13 424	13 424	-	100.0%	14 514	14 514
Contractors	-	10	-	10	10	-	100.0%	113	113
Agency & support / outsourced services	1	(1)	-	-	-	-	0.0%	-	-
Entertainment	46	(45)	-	1	1	-	100.0%	4	4
Fleet services	-	17	-	17	17	-	100.0%	14	14
Consumable supplies	10	22	-	32	32	-	100.0%	45	45
Consumable: Stationery printing office suppl.	339	147	-	486	486	-	100.0%	209	209
Operating leases	-	34	-	34	34	-	100.0%	17	17
Travel and subsistence	6 550	1 023	-	7 573	7 573	-	100.0%	7 709	7 709
Training and development	700	(700)	-	-	-	-	0.0%	56	56
Operating payments	1 130	(531)	-	599	599	-	100.0%	983	983
Venues and facilities	750	185	-	935	935	-	100.0%	864	864
Rental and hiring	-	56	-	56	56	-	100.0%	32	32
Transfers and subsidies	14	2	-	16	16	-	100.0%	24	24
Households: Social Benefits	14	2	-	16	16	-	100.0%	24	24
Payments for capital assets	1 278	-	-	1 278	1 072	206	83.9%	1 104	1 104
Other machinery and equipment	178	36	-	214	132	82	61.7%	150	150
Intangible assets	1 100	(36)	-	1 064	940	124	88.3%	954	954
Total for Programme	91 751	-	1 411	93 162	89 749	3 413	96.3%	90 087	89 560

Sub-programme 2.1: Programme Management for OME	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	1 218	(35)	-	1 183	813	370	68.7%	2 390	2 390			
Compensation of employees	1 045	-	-	1 045	675	370	64.6%	1 986	1 986			
Goods and services	173	(35)	-	138	138	-	100.0%	404	404			
Total	1 218	(35)	-	1 183	813	370	68.7%	2 390	2 390			

Sub-programme 2.2: Outcomes Support	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	64 841	(1 098)	-	63 743	61 054	2 689	95.8%	63 129	62 602	527	99.2%	
Compensation of employees	54 688	-	-	54 688	51 999	2 689	95.1%	50 679	50 152	527	99.2%	
Goods and services	10 153	(1 098)	-	9 055	9 055	-	100.0%	12 450	12 450			
Transfers and subsidies	2	-	-	2	2	-	100.0%	5	5			
Households: Social Benefits	2	-	-	2	2	-	100.0%	5	5			
Payments for capital assets	1 223	-	-	1 223	1 039	184	85.0%	1 094	1 094			
Other machinery and equipment	123	36	-	159	99	60	62.3%	140	140			
Intangible assets	1 100	(36)	-	1 064	940	124	88.3%	954	954			
Total	66 066	(1 098)	-	64 968	62 095	2 873	95.6%	64 228	63 701	527	99.2%	

Sub-programme 2.3: Evaluation and Research	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	24 400	1 131	1 411	26 942	26 794	148	99.5%	23 440	23 440			
Compensation of employees	10 818	(2)	-	10 816	10 668	148	98.6%	9 200	9 200			
Goods and services	13 582	1 133	1 411	16 126	16 126	-	100.0%	14 240	14 240			
Transfers and subsidies	12	2	-	14	14	-	100.0%	19	19			
Households: Social Benefits	12	2	-	14	14	-	100.0%	19	19			
Payments for capital assets	55	-	-	55	33	22	60.0%	10	10			
Other machinery and equipment	55	-	-	55	33	22	60.0%	10	10			
Total	24 467	1 133	1 411	27 011	26 841	170	99.4%	23 469	23 469			



Programme 3: Institutional Performance M&E Appropriation per sub-programme and economic classification	2016/17 ('000)					2015/16 ('000)				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	
Programme Management for IPM&E	2 995	(112)	-	2 883	2 858	25	99.1%	2 086	2 086	
Management Performance Monitoring & Support	11 511	379	457	12 347	12 195	152	98.8%	13 054	13 054	
Presidential FSDM & Support	41 038	(690)	-	40 348	40 010	338	99.2%	38 759	38 759	
M&E Policy and Capacity Building	6 411	423	-	6 834	6 834	-	100.0%	6 727	6 727	
Total for Sub-programmes	61 955	-	457	62 412	61 897	515	99.2%	60 626	60 626	
Current payments	61 515	(91)	457	61 881	61 376	505	99.2%	59 931	59 931	
Compensation of employees	41 951	(91)	-	41 860	41 355	505	98.8%	38 067	38 067	
Salaries and wages	36 561	316	-	36 877	36 797	80	99.8%	33 840	33 840	
Social contributions	5 390	(407)	-	4 983	4 558	425	91.5%	4 227	4 227	
Goods and services	19 564	-	457	20 021	20 021	-	100.0%	21 864	21 864	
Administrative fees	207	66	-	273	273	-	100.0%	280	280	
Advertising	-	137	-	137	137	-	100.0%	91	91	
Minor assets	-	-	-	-	-	-	0.0%	-	-	
Catering: Departmental activities	125	31	-	156	156	-	100.0%	312	312	
Communication	2 010	(606)	-	1 404	1 404	-	100.0%	1 749	1 749	
Computer services	11 283	915	-	12 198	12 198	-	100.0%	11 490	11 490	
Consultants: Business & advisory services	850	(707)	-	143	143	-	100.0%	598	598	
Contractors	-	-	-	-	-	-	0.0%	-	-	
Entertainment	10	(10)	-	-	-	-	0.0%	-	-	
Fleet services	25	16	-	41	41	-	100.0%	76	76	
Consumable supplies	7	3	-	10	10	-	100.0%	19	19	

Consumable: Stationery printing office suppl.	50	2	-	52	52	-	100.0%	58	58
Operating leases	-	24	-	24	24	-	100.0%	12	12
Travel and subsistence	4 290	(310)	-	3 980	3 980	-	100.0%	5 994	5 994
Training and development	-	14	-	14	14	-	100.0%	53	53
Operating payments	347	155	-	502	502	-	100.0%	532	532
Venues and facilities	360	256	457	1 073	1 073	-	100.0%	564	564
Rental and hiring	-	14	-	14	14	-	100.0%	36	36
Transfers and subsidies	10	91	-	101	101	-	100.0%	85	85
Households: Social Benefits	10	91	-	101	101	-	100.0%	55	55
Households: Other transfers to households	-	-	-	-	-	-	0.0%	30	30
Payments for capital assets	430	-	-	430	420	10	97.7%	610	610
Other machinery and equipment	130	(25)	-	105	95	10	90.5%	140	140
Intangible assets	300	25	-	325	325	-	100.0%	470	470
Payments for financial assets: Thefts and losses	-	-	-	-	-	-	0.0%	-	-
<b>Total for Programme</b>	<b>61 955</b>	<b>-</b>	<b>457</b>	<b>62 412</b>	<b>61 897</b>	<b>515</b>	<b>99.2%</b>	<b>60 626</b>	<b>60 626</b>

Sub-programme 3.1: Programme Management for IPM&E	2016/17 ('000)				2015/16 ('000)				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure
Current payments	2 955	(111)	-	2 844	2 829	15	99.5%	2 057	2 057
Compensation of employees	2 326	-	-	2 326	2 311	15	99.4%	1 328	1 328
Goods and services	629	(111)	-	518	518	-	100.0%	729	729
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Households: Social Benefits	-	-	-	-	-	-	0.0%	-	-
Payments for capital assets	40	(1)	-	39	29	10	74.4%	29	29
Other machinery and equipment	40	(1)	-	39	29	10	74.4%	29	29
<b>Total</b>	<b>2 995</b>	<b>(112)</b>	<b>-</b>	<b>2 883</b>	<b>2 858</b>	<b>25</b>	<b>99.1%</b>	<b>2 086</b>	<b>2 086</b>

Sub-programme 3.2: Management Performance Monitoring & Support	2016/17 ('000)						2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	
Current payments	11 181	302	457	11 940	11 788	152	98.7%	12 510	12 510	
Compensation of employees	9 853	(80)	-	9 773	9 621	152	98.4%	9 382	9 382	
Goods and services	1 328	382	457	2 167	2 167	-	100.0%	3 128	3 128	
Transfers and subsidies	-	80	-	80	80	-	100.0%	48	48	
Households: Social Benefits	-	80	-	80	80	-	100.0%	48	48	
Payments for capital assets	330	(3)	-	327	327	-	100.0%	496	496	
Other machinery and equipment	30	(28)	-	2	2	-	100.0%	26	26	
Intangible assets	300	25	-	325	325	-	100.0%	470	470	
Total	11 511	379	457	12 347	12 195	152	98.8%	13 054	13 054	

Sub-programme 3.3: Presidential Frontline Service Delivery Performance Monitoring & Support	2016/17 ('000)						2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	
Current payments	40 968	(672)	-	40 296	39 958	338	99.2%	38 666	38 666	
Compensation of employees	24 117	(320)	-	23 797	23 459	338	98.6%	21 539	21 539	
Goods and services	16 851	(352)	-	16 499	16 499	-	100.0%	17 127	17 127	
Transfers and subsidies	10	7	-	17	17	-	100.0%	37	37	
Non-profit institutions	-	-	-	-	-	-	0.0%	-	-	
Households: Social Benefits	10	7	-	17	17	-	100.0%	37	37	
Payments for capital assets	60	(25)	-	35	35	-	100.0%	56	56	
Other machinery and equipment	60	(25)	-	35	35	-	100.0%	56	56	
Payments for financial assets: Thefts and losses	-	-	-	-	-	-	0.0%	-	-	
Total	41 038	(690)	-	40 348	40 010	338	99.2%	38 759	38 759	

Sub-programme 3.4: M&E Policy and Capacity Building	2016/17 ('000)							2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appt.	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
Current payments	6 411	390	-	6 801	6 801	-	100.0%	6 698	6 698	6 698	6 698
Compensation of employees	5 655	309	-	5 964	5 964	-	100.0%	5 818	5 818	5 818	5 818
Goods and services	756	81	-	837	837	-	100.0%	880	880	880	880
Transfers and subsidies	-	4	-	4	4	-	100.0%	-	-	-	-
Households: Social Benefits	-	4	-	4	4	-	100.0%	-	-	-	-
Payments for capital assets	-	29	-	29	29	-	100.0%	29	29	29	29
Other machinery and equipment	-	29	-	29	29	-	100.0%	29	29	29	29
<b>Total</b>	<b>6 411</b>	<b>423</b>	<b>-</b>	<b>6 834</b>	<b>6 834</b>	<b>-</b>	<b>100.0%</b>	<b>6 727</b>	<b>6 727</b>	<b>6 727</b>	<b>6 727</b>

Programme 4: National Planning Appropriation per sub-programme and economic classification	2016/17 ('000)							2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appt.	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
Programme Management for National Planning	18 719	627	(576)	18 770	18 770	-	100.0%	20 347	17 451	20 347	17 451
Research and Policy Services	64 140	(727)	(2 334)	61 079	57 111	3 968	93.5%	49 655	47 655	49 655	47 655
Government Performance Information	8 649	100	(365)	8 384	8 335	49	99.4%	5 630	5 630	5 630	5 630
<b>Total for Sub-programmes</b>	<b>91 508</b>	<b>-</b>	<b>(3 275)</b>	<b>88 233</b>	<b>84 216</b>	<b>4 017</b>	<b>95.4%</b>	<b>75 632</b>	<b>70 736</b>	<b>75 632</b>	<b>70 736</b>

Current payments	91 308	-	(3 850)	87 458	83 441	4 017	95.4%	71 798	66 902
Compensation of employees	33 043	-	-	33 043	29 026	4 017	87.8%	22 667	22 667
Salaries and wages	29 264	358	-	29 622	26 461	3 161	89.3%	20 588	20 588
Social contributions	3 779	(358)	-	3 421	2 565	856	75.0%	2 079	2 079
Goods and services	58 265	-	(3 850)	54 415	54 415	-	100.0%	49 131	44 235
Administrative fees	136	88	-	224	224	-	100.0%	220	220
Advertising	150	(91)	-	59	59	-	100.0%	254	254
Minor assets	-	-	-	-	-	-	0.0%	-	-
Catering: Departmental activities	165	253	-	418	418	-	100.0%	332	332
Communication	460	(112)	-	348	348	-	100.0%	282	282
Computer services	-	395	-	395	395	-	100.0%	1 311	1 311
Consultants: Business & advisory services	51 700	(285)	(3 850)	47 565	47 565	-	100.0%	37 458	34 685
Contractors	50	(38)	-	12	12	-	100.0%	175	175
Entertainment	15	(13)	-	2	2	-	100.0%	-	-
Fleet services	-	1	-	1	1	-	100.0%	-	-
Consumable supplies	37	(9)	-	28	28	-	100.0%	8	8
Consumable: Stationery printing office suppl.	77	(16)	-	61	61	-	100.0%	80	80
Operating leases	-	-	-	-	-	-	0.0%	-	-
Travel and subsistence	4 120	45	-	4 165	4 165	-	100.0%	5 828	3 705
Training and development	-	-	-	-	-	-	0.0%	-	-
Operating payments	555	(217)	-	338	338	-	100.0%	1 700	1 700
Venues and facilities	800	(67)	-	733	733	-	100.0%	1 419	1 419
Rental and hiring	-	66	-	66	66	-	100.0%	64	64
Transfers and subsidies	100	-	-	100	100	-	100.0%	35	35
Non-profit institutions	100	-	-	100	100	-	100.0%	-	-
Households: Social Benefits	-	-	-	-	-	-	0.0%	35	35
Payments for capital assets	100	-	575	675	675	-	100.0%	3 799	3 799
Other machinery and equipment	100	(100)	80	80	80	-	100.0%	3 799	3 799
Intangible assets	-	100	495	595	595	-	100.0%	-	-
Total for Programme	91 508	-	(3 275)	88 233	84 216	4 017	95.4%	75 632	70 736

Sub-programme 4.1: Programme Management for National Planning	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	18 719	627	(656)	18 690	18 690	-	100.0%	20 226	17 330	-	100.0%	
Compensation of employees	8 870	627	-	9 497	9 497	-	100.0%	7 018	7 018	-	100.0%	
Goods and services	9 849	-	(656)	9 193	9 193	-	100.0%	13 208	10 312	-	100.0%	
Transfers and subsidies	-	-	-	-	-	-	0.0%	7	7	-	0.0%	
Households: Social Benefits	-	-	-	-	-	-	0.0%	7	7	-	0.0%	
Payments for capital assets	-	-	80	80	80	-	100.0%	114	114	-	100.0%	
Other machinery and equipment	-	-	80	80	80	-	100.0%	114	114	-	100.0%	
Total	18 719	627	(576)	18 770	18 770	-	100.0%	20 347	17 451	-	100.0%	

Sub-programme 4.2: Research and Policy Services	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	63 940	(627)	(2 334)	60 979	57 011	3 968	93.5%	45 942	43 942	3 968	93.5%	
Compensation of employees	17 695	(627)	-	17 068	13 100	3 968	76.8%	10 912	10 912	3 968	76.8%	
Goods and services	46 245	-	(2 334)	43 911	43 911	-	100.0%	35 030	33 030	-	100.0%	
Transfers and subsidies	100	-	-	100	100	-	100.0%	28	28	-	100.0%	
Non-profit institutions	100	-	-	100	100	-	100.0%	-	-	-	0.0%	
Households: Social Benefits	-	-	-	-	-	-	0.0%	28	28	-	0.0%	
Payments for capital assets	100	(100)	-	-	-	-	0.0%	3 685	3 685	-	0.0%	
Other machinery and equipment	100	(100)	-	-	-	-	0.0%	3 685	3 685	-	0.0%	
Total	64 140	(727)	(2 334)	61 079	57 111	3 968	93.5%	49 655	47 655	3 968	93.5%	

Sub-programme 4.3: Government Performance Information	2016/17 ('000)						2015/16 ('000)					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	
Current payments	8 649	-	(860)	7 789	7 740	49	99.4%	5 630	5 630	49	99.4%	
Compensation of employees	6 478	-	-	6 478	6 429	49	99.2%	4 737	4 737	49	99.2%	
Goods and services	2 171	-	(860)	1 311	1 311	-	100.0%	893	893	-	100.0%	
Payments for capital assets	-	100	495	595	595	-	100.0%	-	-	-	0.0%	
Intangible assets	-	100	495	595	595	-	-	-	-	-	-	
Total	8 649	100	(365)	8 384	8 335	49	99.4%	5 630	5 630	49	99.4%	

Programme 5: National Youth Development Appropriation per sub-programme and economic classification	2016/17 ('000)						2015/16 ('000)		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure
Youth Development	5 630	-	6	5 636	5 319	317	94.4%	6 194	6 194
NYDA Transfers	405 766	-	-	405 766	405 766	-	100.0%	409 789	409 789
Total for Sub-programmes	411 396	-	6	411 402	411 085	317	99.9%	415 983	415 983
Current payments	5 600	-	-	5 600	5 283	317	94.3%	6 156	6 156
Compensation of employees	2 732	-	-	2 732	2 614	118	95.7%	2 081	2 081
Salaries and wages	2 426	16	-	2 442	2 442	-	100.0%	1 941	1 941
Social contributions	306	(16)	-	290	172	118	59.3%	140	140
Goods and services	2 868	-	-	2 868	2 669	199	93.1%	4 075	4 075
Administrative fees	5	38	-	43	43	-	100.0%	8	8
Advertising	-	-	-	-	-	-	0.0%	-	-
Catering: Departmental activities	50	15	-	65	65	-	100.0%	189	189
Communication	40	3	-	43	43	-	100.0%	31	31
Consultants: Business & advisory services	-	-	-	-	-	-	0.0%	-	-
Contractors	-	1	-	1	1	-	100.0%	177	177
Consumable supplies	-	2	-	2	2	-	100.0%	-	-
Consumable: Stationery printing office suppl.	20	(20)	-	-	-	-	0.0%	-	-
Travel and subsistence	1 133	(42)	-	1 091	933	158	85.5%	469	469
Training and development	-	-	-	-	-	-	0.0%	-	-
Operating payments	1 600	-	-	1 600	1 559	41	97.4%	2 201	2 201
Venues and facilities	20	2	-	22	22	-	100.0%	1 000	1 000
Rental and hiring	-	1	-	1	1	-	100.0%	-	-
Transfers and subsidies	405 766	-	-	405 766	405 766	-	100.0%	409 789	409 789
Departmental agencies and accounts	405 766	-	-	405 766	405 766	-	100.0%	409 789	409 789
Payments for capital assets	30	-	6	36	36	-	100.0%	38	38
Other machinery and equipment	30	-	6	36	36	-	100.0%	38	38
Payments for financial assets: Thefts and losses	-	-	-	-	-	-	0.0%	-	-
Total for Programme	411 396	-	6	411 402	411 085	317	99.9%	415 983	415 983

Sub-programme 5.1: Youth Development	2016/17 ('000)						2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	
Current payments	5 600	-	-	5 600	5 283	317	94.3%	6 156	6 156	
Compensation of employees	2 732	-	-	2 732	2 614	118	95.7%	2 081	2 081	
Goods and services	2 868	-	-	2 868	2 669	199	93.1%	4 075	4 075	
Payments for capital assets	30	-	6	36	36	-	100.0%	38	38	
Other machinery and equipment	30	-	6	36	36	-	100.0%	38	38	
Payments for financial assets: Thefts and losses	-	-	-	-	-	-	0.0%	-	-	
<b>Total</b>	<b>5 630</b>	<b>-</b>	<b>6</b>	<b>5 636</b>	<b>5 319</b>	<b>317</b>	<b>94.4%</b>	<b>6 194</b>	<b>6 194</b>	

Sub-programme 5.2: NYDA Transfers	2016/17 ('000)						2015/16 ('000)			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Exp. as % of final appr.	Final Appropriation	Actual Expenditure	
Transfers and subsidies	405 766	-	-	405 766	405 766	-	100.0%	409 789	409 789	
Departmental agencies and accounts	405 766	-	-	405 766	405 766	-	100.0%	409 789	409 789	
<b>Total</b>	<b>405 766</b>	<b>-</b>	<b>-</b>	<b>405 766</b>	<b>405 766</b>	<b>-</b>	<b>100.0%</b>	<b>409 789</b>	<b>409 789</b>	



### 3. Notes to the Appropriation Statement

1. **Detail of transfers and subsidies as per Appropriation Act (after virement):**  
Details of these transactions can be viewed in the note on Transfers and Subsidies and Annexure I to the Annual Financial Statements.
2. **Detail of specifically and exclusively appropriated amounts voted (after virement):**  
None
3. **Detail on payments for financial assets**  
Detail of these transactions (if any) per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.
4. **Explanations of material variances from Amounts Voted (after virement):**

4.1 Per Programme (R'000)	Final Appropriation	Actual Expenditure	Variance	Variance as % of Final Appr.
Administration	142 453	134 299	8 154	5.7%
Outcomes Monitoring and Evaluation	93 162	89 749	3 413	3.7%
Institutional Performance Monit. & Evaluation	62 412	61 897	515	0.8%
National Planning	88 233	84 216	4 017	4.6%
Youth Development	411 402	411 085	317	0.1%
<b>TOTAL</b>	<b>797 662</b>	<b>781 246</b>	<b>16 416</b>	<b>2.1%</b>

4.2 Per Economic classification (R'000)	Final Appropriation	Actual Expenditure	Variance	Variance as % of Final Appr.
Current Expenditure	382 781	367 618	15 163	4.0%
Compensation of employees	216 369	202 190	14 179	6.6%
Goods and services	166 412	165 428	984	0.6%
Transfers and subsidies	406 052	406 052	-	0.0%
Provinces and municipalities	5	5	-	0.0%
Departmental agencies and accounts	405 766	405 766	-	0.0%
Non-profit institutions	100	100	-	0.0%
Households: Social Benefits	181	181	-	0.0%
Payments for capital assets	8 824	7 571	1 253	14.2%
Buildings and other fixed structures	129	129	-	0.0%
Transport equipment	971	971	-	0.0%
Other machinery and equipment	5 659	4 530	1 129	20.0%
Intangible assets	2 065	1 941	124	6.0%
Payments for financial assets	5	5	-	0.0%
<b>TOTAL</b>	<b>797 662</b>	<b>781 246</b>	<b>16 416</b>	<b>2.1%</b>

Under-expenditure on compensation of employees was due to delays in implementing the revised structure of the Department. Under-expenditure on payments for capital assets was due to delays in securing additional office accommodation for the Department.

## 4. Statement of Financial Performance

(R'000)	Note	2016/17	2015/16
<b>REVENUE</b>			
Annual appropriation	1	797 662	754 200
Departmental revenue	2	1 215	417
Aid assistance	3	7 396	34 021
<b>TOTAL REVENUE</b>		<b>806 273</b>	<b>788 638</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>		<b>376 776</b>	<b>349 709</b>
Compensation of employees	4	202 190	176 910
Goods and services	5	165 428	148 054
Aid assistance	3	9 158	24 745
<b>Transfers and subsidies</b>		<b>406 052</b>	<b>410 123</b>
Transfers and Subsidies	7	406 052	410 062
Aid Assistance	3	-	61
Expenditure on capital assets		<b>7 588</b>	<b>15 637</b>
Tangible capital assets	8	5 630	12 508
Software and other intangible assets	8	1 958	3 129
Payments for financial assets	6	<b>5</b>	-
<b>TOTAL EXPENDITURE</b>		<b>790 421</b>	<b>775 469</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>15 852</b>	<b>13 169</b>
<b>Reconciliation of Net Surplus/ (Deficit) for the year</b>			
Voted funds: Annual appropriation		16 416	5 423
Departmental revenue and NRF Receipts	2	1 215	417
Aid assistance	3	(1 779)	7 329
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>15 852</b>	<b>13 169</b>

## 5. Statement of Financial Position

(R'000)	Note	2016/17	2015/16
<b>ASSETS</b>			
<b>Current assets</b>		<b>16 785</b>	<b>12 777</b>
Cash and cash equivalents	9	11 630	7 624
Prepayments and advances	10	1 958	223
Receivables	11	1 358	4 870
Aid assistance receivable	3	1 839	60
<b>Non-current assets</b>		<b>28</b>	<b>88</b>
Receivables		28	88
<b>TOTAL ASSETS</b>		<b>16 813</b>	<b>12 865</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>16 636</b>	<b>12 757</b>
Voted funds to be surrendered to the Revenue Fund	12	16 416	5 423
Departmental revenue / NRF Receipts to be surrendered to Revenue Fund	13	199	28
Payables	14	21	48
Aid assistance repayable	3	-	2 438
Aid assistance unutilised	3	-	4 820
<b>TOTAL LIABILITIES</b>		<b>16 636</b>	<b>12 757</b>
<b>NET ASSETS</b>		<b>177</b>	<b>108</b>
<b>Represented by:</b> Recoverable revenue		<b>177</b>	<b>108</b>

## 6. Statement of Changes in Net Assets

(R'000)	Note	2016/17	2015/16
Recoverable revenue			
Opening balance		108	19
Transfers: Debts raised		69	89
Closing Balance		<b>177</b>	<b>108</b>

## 7. Cash Flow Statement

(R'000)	Note	2016/17	2015/16
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		<b>806 113</b>	<b>788 622</b>
Annual appropriated funds received	1	797 662	754 200
Departmental revenue received	2	1 032	359
Interest received		23	42
Aid assistance received	3	7 396	34 021
Net (increase)/decrease in working capital		1 810	(1 829)
Surrendered to Revenue Fund		(6 467)	(25 094)
Surrendered to RDP Fund/Donor		(7 258)	(13 946)
Current payments		(376 776)	(349 709)
Payments for financial assets		(5)	-
Transfers and subsidies paid	7	(406 052)	(410 123)
<b>Net cash flow available from operating activities</b>	<b>15</b>	<b>11 365</b>	<b>(12 079)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(7 588)	(15 637)
Proceeds from sale of capital assets	2	160	16
<b>Net cash flows from investing activities</b>		<b>(7 428)</b>	<b>(15 621)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		69	89
<b>Net cash flows from financing activities</b>		<b>69</b>	<b>89</b>
Net increase/(decrease) in cash and cash equivalents		4 006	(27 611)
Cash and cash equivalents at beginning of period		7 624	35 235
<b>Cash and cash equivalents at end of period</b>	<b>16</b>	<b>11 630</b>	<b>7 624</b>

## 8. Statement of Accounting Policies and Related matters

### Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies which have been applied consistently in all material aspects unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information. The historical cost convention has been used except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA) Act 1 of 1999 (as amended by Act 29 of 1999) and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. **Basis of preparation:** The financial statements have been prepared in accordance with the Modified Cash Standard.
2. **Going concern:** The financial statements have been prepared on a going concern basis.
3. **Presentation currency:** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4. **Rounding:** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5. **Foreign currency translation:** Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment / receipt.

### 6. Comparative information

**Prior period comparative information:** Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

**Current year comparison with budget:** A comparison between the approved final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

### 7. Revenue

- 7.1 **Appropriated funds:** Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
- 7.2 **Departmental revenue:** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue: Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably.
- The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.

## 8 Expenditure

### 8.1 Compensation of employees

8.1.1 **Salaries and wages:** Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 **Social contributions:** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 **Other expenditure:** Other expenditure (such as goods and services transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3 **Accrued expenditure payable:** Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or in the case of services when they are rendered to the department or in the case of transfers and subsidies when they are due and payable. Accrued expenditure payable is measured at cost.

### 8.4 Leases

8.4.1 **Operating leases:** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.

8.4.2 **Finance leases:** Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost being the fair value of the asset; or
- the sum of the minimum lease payments made including any payments made to acquire ownership at the end of the lease term excluding interest.

**8.5 Payments for financial assets:** Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements.

## **9 Aid Assistance**

**9.1 Aid assistance received:** Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

**9.2 Aid assistance paid:** Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

**10 Cash and cash equivalents:** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement cash and cash equivalents comprise cash on hand deposits held other short-term highly liquid investments and bank overdrafts.


**11 Prepayments and advances:** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost and are only expensed when invoices / interdepartmental claims are received.

**12 Loans and receivables:** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest where interest is charged less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

**13 Investments:** Investments are recognised in the statement of financial position at cost.

## **14 Financial Assets**

**14.1 Financial assets (not covered elsewhere):** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial. At the reporting date a department shall measure its financial assets at cost less amounts already settled or written-off except for recognised loans and receivables which are measured at cost plus accrued interest where interest is charged less amounts already settled or written-off.

- 14.2 Impairment of financial assets:** Where there is an indication of impairment of a financial asset an estimation of the reduction in the recorded carrying value to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset is recorded in the notes to the financial statements.
- 15 Payables:** Loans and payables are recognised in the statement of financial position at cost.
- 16 Capital Assets**
- 16.1 Immovable capital assets:** Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined reliably the immovable capital assets are measured at R I unless the fair value of the asset has been reliably estimated in which case the fair value is used. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R I. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.
- 16.2 Movable capital assets:** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R I. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R I. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.
- 16.3 Intangible assets:** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R I. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R I. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.
- 



## 17 Provisions and Contingents

**17.1 Provisions:** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

**17.2 Contingent liabilities:** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

**17.3 Contingent assets:** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

**17.4 Commitments:** Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

**18 Unauthorised expenditure:** Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

**19 Fruitless and wasteful expenditure:** recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

- 20 Irregular expenditure:** Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine in which case reasons therefor are provided in the note. Irregular expenditure is removed from the note when it is either condoned by the relevant authority transferred to receivables for recovery or not condoned and is not recoverable. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
- 21 Changes in accounting estimates:** Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets liabilities and net assets for the earliest period for which retrospective restatement is practicable.
- 22 Events after the reporting date:** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
- 23 Agent-Principal arrangements**
- When the department is the principal it will recognise any payment made to the agent in the statement of financial performance. When the department is the agent it will recognise any fees received as departmental revenue in the statement of financial performance.
- 24 Departures from the MCS requirements:** Management has concluded that the financial statements present fairly the department's primary and secondary information and has not departed from the Standard.
- 25 Capitalisation reserve:** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

- 26 Recoverable revenue:** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
- 27 Related party transactions:** A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.
- 28 Inventories (Effective from 1 April 2017):** At the date of acquisition inventories are recorded at cost price in the notes to the financial statements. Where inventories are acquired as part of a non-exchange transaction the cost of inventory is its fair value at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.
- 29 Public private partnerships**
- Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement the parties to the agreement and the date of commencement thereof together with the description and nature of the concession fees received the unitary fees paid rights and obligations of the department are recorded in the notes to the financial statements.
- 30 Key management personnel**
- Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

## 9. Notes to the Annual Financial Statements (R'000)

### I. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act and the Adjustments Appropriation Act:

Programme	2016/17			2015/16	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received
Administration	141 052	141 052	-	104 185	104 185
Outcomes Monit. and Evaluation	91 751	91 751	-	92 324	92 324
Institutional Performance M&E	61 955	61 955	-	60 431	60 431
National Planning	91 508	91 508	-	82 197	82 197
Youth Development	411 396	411 396	-	415 063	415 063
<b>TOTAL</b>	<b>797 662</b>	<b>797 662</b>	<b>-</b>	<b>754 200</b>	<b>754 200</b>

### 2. Departmental revenue

	Note	2016/17	2015/16
Sales of goods and services other than capital assets	2.1	82	88
Interest dividends and rent on land	2.2	23	42
Sales of capital assets	2.3	160	16
Transactions in financial assets and liabilities	2.4	950	271
<b>Departmental revenue collected</b>		<b>1 215</b>	<b>417</b>

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

Sales of goods and services produced by the department	Note 2	2016/17	2015/16
Sales by market establishment		26	26
Other sales		56	62
<b>Total</b>		<b>82</b>	<b>88</b>

## 2.2. Interest, dividends and rent on land

Interest	Note 2	2016/17	2015/16
		<b>23</b>	<b>42</b>

## 2.3. Sales of capital assets

Machinery and Equipment	Note 2	2016/17	2015/16
		<b>160</b>	<b>16</b>

## 2.4. Transactions in financial assets and liabilities

Receivables	Note 2	2016/17	2015/16
Other Receipts including Recoverable Revenue		58	38
		892	233
<b>Total</b>		<b>950</b>	<b>271</b>

## 3. Aid Assistance

Opening Balance		2016/17	2015/16
Transferred from statement of financial performance		7 198	13 815
Paid during the year		(1 779)	7 329
<b>Total</b>		<b>(1 839)</b>	<b>7 198</b>
Analysis of balance by source			
Aid assistance from RDP		(1 839)	7 198
<b>Closing balance</b>		<b>(1 839)</b>	<b>7 198</b>
Analysis of balance			
Aid assistance receivable		(1 839)	(60)
Aid assistance unutilised		-	4 820
Aid assistance repayable		-	2 438
<b>Closing balance</b>		<b>(1 839)</b>	<b>7 198</b>

#### 4. Compensation of employees

	2016/17	2015/16
<b>Salaries and Wages</b>	<b>181 197</b>	<b>158 334</b>
Basic salary	136 402	118 926
Performance award	2 853	2 503
Service Based	104	101
Compensative/circumstantial	3 290	2 615
Periodic payments	3 188	2 201
Other non-pensionable allowances	35 360	31 988
	<b>20 993</b>	<b>18 576</b>
<b>Social contributions (Employer)</b>		
Pension	16 810	14 790
Medical	4 161	3 767
Bargaining council	22	19
<b>Total compensation of Employees</b>	<b>202 190</b>	<b>176 910</b>
Average number of employees	308	265

#### 5. Goods and services

	Note	2016/17	2015/16
Administrative fees		1 668	1 271
Advertising		5 204	1 598
Minor Assets	5.1	486	752
Audit cost – external	5.2	2 293	2 168
Bursaries (employees)		600	464
Catering		3 198	2 607
Communication		4 945	5 585
Computer services	5.3	24 506	23 485
Consultants: Business and advisory services		61 591	51 168
Contractors		1 822	1 561
Agency and support/outsourced services		997	879
Entertainment		29	39
Fleet services		789	879
Consumables	5.4	1 868	1 894
Operating leases		6 903	6 655
Property payments	5.5	2 563	2 225
Travel and subsistence	5.6	35 588	33 163
Training and development		1 672	894
Venues and facilities		3 495	4 342
Rental and hiring		480	160
Other operating expenditure	5.7	4 731	6 265
<b>Total</b>		<b>165 428</b>	<b>148 054</b>

### 5.1. Minor Assets

	Note 5	2016/17	2015/16
Tangible assets			752
Machinery and equipment	28	486	752
Transport assets		-	-
Intangible assets		-	-
<b>Total</b>		<b>486</b>	<b>752</b>

### 5.2. Audit cost – External

	Note 5	2016/17	2015/16
Regularity audits		2 293	2 168
Performance audits		-	-
<b>Total</b>		<b>2 293</b>	<b>2 168</b>

### 5.3. Computer services

	Note 5	2016/17	2015/16
SITA computer services		16 275	16 073
External computer service providers		8 231	7 412
<b>Total</b>		<b>24 506</b>	<b>23 485</b>

### 5.4. Consumables

	Note 5	2016/17	2015/16
Consumable supplies		394	359
Uniform and clothing		136	53
Household supplies		189	201
Building material and supplies		15	8
Communication accessories		-	6
IT consumables		37	71
Other consumables		17	20
Stationery printing and office supplies		1 474	1 535
<b>Total</b>		<b>1 868</b>	<b>1 894</b>

### 5.5 Property Payments

	Note 5	2016/17	2015/16
Municipal services		456	340
Property maintenance and repairs		68	5
Other		2 039	1 880
<b>Total</b>		<b>2 563</b>	<b>2 225</b>

## 5.6. Travel and subsistence

	Note 5	2016/17	2015/16
Local		27 236	24 550
Foreign		8 352	8 613
<b>Total</b>		<b>35 588</b>	<b>33 163</b>

## 5.7. Other operating expenditure

	Note 5	2016/17	2015/16
Professional bodies membership and subscription fees*		1 644	2 153
Resettlement costs		416	387
Other		2 671	3 725
<b>Total</b>		<b>4 731</b>	<b>6 265</b>

\* Note: Includes payment to Commonwealth Youth Programme

## 6. Payments for financial assets

	Note	2016/17	2015/16
Debts written off i.t.o. Departmental Policy		4	-
Forex Losses		1	-
<b>Total</b>		<b>5</b>	<b>-</b>

## 7. Transfers and subsidies

	Note	2016/17	2015/16
Provinces and municipalities	Annex IA	5	2
Departmental agencies and accounts	Annex IB	405 766	409 789
Non-profit institutions	Annex ID	100	-
Households	Annex IC	181	271
<b>Total</b>		<b>406 052</b>	<b>410 062</b>



## 8. Expenditure on capital assets

	Note	2016/17	2015/16
<b>Tangible assets</b>		<b>5 630</b>	<b>12 508</b>
Buildings and other fixed structures	29	129	435
Machinery and equipment	26	5 501	12 073
<b>Software and other intangible assets</b>			
Computer software	28	1 958	3 129
<b>Total</b>		<b>7 588</b>	<b>15 637</b>

### 8.1. Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Aid assistance	Total
Tangible assets	5 630	-	5 630
Buildings and other fixed structures	129	-	129
Machinery and equipment	5 501	-	5 501
Intangible assets - Software	1 941	17	1 958
<b>Total</b>	<b>7 571</b>	<b>17</b>	<b>7 588</b>

### 8.2. Analysis of funds utilised to acquire capital assets – 2015/16

	Voted funds	Aid assistance	Total
Tangible assets	12 327	181	12 508
Buildings and other fixed structures	435	-	435
Machinery and equipment	11 892	181	12 073
Intangible assets			
Software	1 424	1 705	3 129
<b>Total</b>	<b>13 751</b>	<b>1 886</b>	<b>15 637</b>

### 8.3. Finance lease expenditure in expenditure for capital assets

	Note	2016/17	2015/16
Tangible assets			
Machinery and equipment	26	1 005	1 036
<b>Total</b>		<b>1 005</b>	<b>1 036</b>

## 9. Cash and cash equivalents

	Note	2016/17	2015/16
Consolidated Paymaster General Account		11 597	7 604
Cash on hand		33	20
<b>Total</b>		<b>11 630</b>	<b>7 624</b>

## 10. Prepayments and Advances

	Note	2016/17	2015/16
Advances for Travel and subsistence		4	23
Advances paid: National Departments	Annex 4	1 954	200
<b>Total</b>		<b>1 958</b>	<b>223</b>

## 11. Receivables

	Note	2016/17		2015/16			
		Current	Non-current	Total	Current	Non-current	Total
Claims recoverable	11.1 Annex 2	1 091	-	1 091	4 543	-	4 543
Recoverable expenditure	11.2	247	28	275	202	88	290
Staff debt	11.3	1	-	1	-	-	-
Fruitless and wasteful expenditure	11.5	5	-	5	-	-	-
Other debtors	11.4	14	-	14	125	-	125
<b>Total</b>		<b>1 358</b>	<b>28</b>	<b>1 386</b>	<b>4 870</b>	<b>88</b>	<b>4 958</b>

### 11.1. Claims recoverable

	Note 11	2016/17	2015/16
National departments		1 052	4 532
Provincial departments		39	-
Local governments		-	11
<b>Total</b>		<b>1 091</b>	<b>4 543</b>

## 11.2 Recoverable expenditure (disallowance accounts)

	Note 11	2016/17	2015/16
Private expenses		26	83
Contractual debt (Bursaries and salary overpayments)		249	207
<b>Total</b>		<b>275</b>	<b>290</b>

## 11.3. Staff debt

	Note 11	2016/17	2015/16
Tax debt		1	-

## 11.4. Other debtors

	Note 11	2016/17	2015/16
SARS – VAT		14	125

## 11.5. Fruitless and wasteful expenditure

	Note 11	2016/17	2015/16
Opening balance		-	3
Less amounts recovered		-	(3)
Less amounts written off		-	-
Transfers from note 23: Fruitless and Wasteful Expenditure		5	-
<b>Total</b>		<b>5</b>	<b>-</b>

## 12. Voted funds to be surrendered to the Revenue Fund

	Note	2016/17	2015/16
Opening balance		5 423	24 695
Transfer from statement of financial performance		16 416	5 423
Paid during the year		(5 423)	(24 695)
Closing balance		<b>16 416</b>	<b>5 423</b>

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

	Note	2016/17	2015/16
Opening balance		28	10
Transfer from statement of financial performance		1 215	417
Paid during the year		(1 044)	(399)
<b>Closing balance</b>		<b>199</b>	<b>28</b>

### 14. Payables - Current

	Note	2016/17	2015/16
Clearing accounts – Salary related accounts		20	48
Other payables – Travel credits		1	-
<b>Total</b>		<b>21</b>	<b>48</b>

### 15. Net cash flow available from operating activities

	Note	2016/17	2015/16
Net surplus/(deficit) as per Statement of Financial Performance		15 852	13 169
Add back non cash/cash movements not deemed operating activities		(4 487)	(25 248)
(Increase)/decrease in receivables – current	11	3 572	(1 716)
(Increase)/decrease in prepayments and advances	10	(1 735)	(124)
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current	14	(27)	11
Proceeds from sale of capital assets		(160)	(16)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets	8	7 588	15 637
Surrenders to Revenue Fund	12 13	(6 467)	(25 094)
Surrenders to RDP Fund/Donor		(7 258)	(13 946)
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
<b>Net cash flow generated by operating activities</b>		<b>11 365</b>	<b>(12 079)</b>

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

	Note	2016/17	2015/16
Consolidated Paymaster General account		11 597	7 604
Cash on hand		33	20
<b>Total</b>		<b>11 630</b>	<b>7 624</b>

## 17. Contingent liabilities and contingent assets

### 17.1. Contingent liabilities

Liable to	Nature	Note	2016/17	2015/16
Other departments	Interdept.- unconfirmed balances	Annex 3	1 756	62
			<b>1 756</b>	<b>62</b>

## 18. Commitments

	Note	2016/17	2015/16
Current expenditure		114 921	162 983
Approved and contracted		107 562	162 983
Approved but not yet contracted		7 359	-
Capital expenditure (Including transfers)		21	398
Approved and contracted		21	398
Approved but not yet contracted		-	-
<b>Total Commitments</b>		<b>114 942</b>	<b>163 381</b>

Notes: Excludes operating and finance lease commitments disclosed under note 21. Excludes commitments for payments related to evaluations that will be recovered from other government departments in terms of co-funding agreements or commitments on donor funding. Material commitments longer than 12 months include the National Income Dynamics Study (R76.9 million over two years).

## 19. Accruals and payables not recognised

Listed by economic classification	2016/17		2015/16	Total
	<30 Days	30+ Days	Total	
Goods and services	2 412	1 129	3 541	6 258
Capital assets	9	-	9	50
<b>Total</b>	<b>2 421</b>	<b>1 129</b>	<b>3 550</b>	<b>6 308</b>
Listed by programme level				
Administration	2 195		3 873	
Outcomes Monitoring and Evaluation	723		1 298	
Institutional Performance Monitoring and Evaluation	292		455	
National Planning	249		240	
Youth Development	91		442	
<b>Total</b>	<b>3 550</b>		<b>6 308</b>	
Confirmed balances with other departments included above	Annex 3	56	1 867	
Confirmed balances with other government entities included above	Annex 3	131	-	
<b>Total</b>		<b>187</b>	<b>1 867</b>	

Note: Includes accruals for operating and finance leases. Excludes accruals related to evaluations that will be recovered from other government departments in terms of co-funding agreement and accruals on projects that are donor funded. Accruals older than 30 days refer to good/services received but invoices not yet received (mostly travel related expenditure).

## 20. Employee benefits (Provisions)

	Note	2016/17	2015/16
Leave entitlement*		7 295	5 753
Service bonus (Thirteenth cheque)		4 722	3 880
Performance awards		3 247	2 884
Capped leave commitments		1 959	1 962
Other		40	56
<b>Total</b>		<b>17 263</b>	<b>14 535</b>

Note: Includes negative leave credits amounting to R190 000.

## 21. Lease commitments

### 21.1. Operating leases commitments

	2016/17	2015/16
<b>Not later than 1 year</b>	<b>7 257</b>	<b>6 138</b>
Buildings & other fixed structures	6 413	6 050
Machinery and equipment	844	88
<b>Later than 1 year not more than 5 years</b>	<b>12 521</b>	<b>17 920</b>
Buildings & other fixed structures	11 507	17 920
Machinery and equipment	1 014	-
<b>TOTAL</b>	<b>19 778</b>	<b>24 058</b>

Note: Projected expenditure on lease of photocopiers, rent of additional office accommodation as well as vehicle leases.

### 21.2. Finance leases commitments

	2016/17	2015/16
Machinery and Equipment		
Not later than 1 year	869	868
Later than 1 year not more than 5 years	652	874
<b>TOTAL</b>	<b>1 521</b>	<b>1 742</b>

Note: Projected expenditure on lease of photocopiers

## 22. Irregular expenditure

### 22.1. Reconciliation of irregular expenditure

	Note	2016/17	2015/16
Opening balance		26	-
Prior period error		-	-
As restated		26	-
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year	22.2	40	146
Less: Prior year amounts condoned		-	-
Less: Current year amounts condoned	22.3	(3)	(120)
Less: Amounts not condoned and recoverable		-	-
Less: Amounts not condoned and not recoverable		-	-
<b>Closing Balance</b>		<b>63</b>	<b>26</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		37	26
Prior years		26	-
<b>Total</b>		<b>63</b>	<b>26</b>

## 22.2. Details of irregular expenditure – current year

Incident	Disciplinary steps /criminal proceedings	2016/17
Procurement procedures not followed	Warning letter issued	3
Failure to specify minimum local content requirements	Disciplinary process in progress	37
<b>Total</b>		<b>40</b>

## 22.3. Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2016/17
Procurement procedures not followed	Loss Control Committee	3
<b>Total</b>		<b>3</b>

## 23. Fruitless and wasteful expenditure

### 23.1. Reconciliation of fruitless and wasteful expenditure

	Note	2016/17	2015/16
Opening balance		340	2
Prior period error		-	-
As restated		340	2
Fruitless and wasteful expenditure – relating to prior years		77	17
Fruitless and wasteful expenditure – relating to current year	23.3	273	330
Less: Amounts resolved		(521)	(9)
Less: Amounts transferred to receivables for recovery		(5)	-
<b>Fruitless and wasteful expenditure awaiting resolution</b>	<b>23.2</b>	<b>164</b>	<b>340</b>

### 23.2. Analysis of awaiting resolution per economic classification

	Note	2016/17	2015/16
<b>Current</b>		<b>164</b>	<b>340</b>



### 23.3. Analysis of current year's fruitless and wasteful expenditure

Incident	Disciplinary steps/criminal proceedings	2016/17
Cancellation fees – conference venue	Under investigation	83
No Show / Cancellation – Travel	Officials held liable in cases of negligence	52
Damages to rented vehicles	Officials held liable in cases of negligence	138
<b>Total</b>		<b>273</b>

### 24. Related party transactions

All departments and public entities in the national sphere of government are related parties. The value of transactions is disclosed when these transactions are not undertaken at arm's length. National Youth Development Agency (NYDA) are reported under transfer payments. The Department of Public Works (DPW) provides the Presidency who in turn provides DPME with office accommodation at the Union Buildings at no cost to DPME. DPW leases office accommodation on behalf of DPME on a cost recovery basis.

### 25. Key management personnel

	No. of Individuals	2016/17	2015/16
Political office bearers (Minister and Deputy Minister)	2	4 229	4 098
Officials:			
Level 15 to 161	16	21 279	23 271
Level 141	20	20 596	14 796
Family members of key management personnel		-	-
<b>Total</b>		<b>46 104</b>	<b>42 165</b>

Note 1: Remuneration only includes amounts expensed during the financial year. Figures include key management personnel and specialists at salary levels 14/15 and above (including contract / seconded personnel) as well as other staff members at lower levels

## 26. Movable Tangible Capital Assets

### 26.1. Movable Tangible Capital Assets: Movement for 2016/17

Movement in movable tangible capital assets per asset register for the year ended 31 March 2017

MACHINERY AND EQUIPMENT	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
Transport assets	2 470	-	1 375	-	3 845
Computer equipment	34 646	34	2 000	(2 390)	34 290
Furniture and office equipment	5 535	-	38	(28)	5 545
Other machinery and equipment	4 701	(34)	1 486	(24)	6 129
<b>TOTAL</b>	<b>47 352</b>	<b>-</b>	<b>4 899</b>	<b>(2 442)</b>	<b>49 809</b>

### 26.2. Movable Tangible Capital Assets: Additions for 2016/17

Additions to movable tangible capital assets per asset register for the year ended 31 March 2017

MACHINERY AND EQUIPMENT	Cash	Non-cash	(Finance lease payments)	Rcd. current not paid (Paid current rcd. prior)	Total
Transport assets	971	404	-	-	1 375
Computer equipment	2 000	-	-	-	2 000
Furniture and office equipment	38	-	-	-	38
Other machinery and equipment	2 491	-	(1 005)	-	1 486
<b>TOTAL</b>	<b>5 500</b>	<b>404</b>	<b>(1 005)</b>	<b>-</b>	<b>4 899</b>

### 26.3. Movable Tangible Capital Assets: Disposals for 2016/17

Disposals of movable tangible capital assets per asset register for the year ended 31 March 2017

MACHINERY AND EQUIPMENT	Sold for cash	Non-cash disposal*	Total disposals	Cash Received Actual
Transport assets	-	-	-	-
Computer equipment	2 145	245	2 390	160
Furniture and office equipment	-	28	28	-
Other machinery and equipment	-	24	24	-
<b>TOTAL</b>	<b>2 145</b>	<b>297</b>	<b>2 442</b>	<b>160</b>

\* Includes assets written off due to theft / Losses

225

## 26.4. Movable Tangible Capital Assets: Movement for 2015/16

Movement in movable tangible capital assets per asset register for the year ended 31 March 2016

MACHINERY AND EQUIPMENT	Opening balance	Prior period error	Additions	Disposals	Closing Balance
Transport assets	833	-	2 728	(1 091)	2 470
Computer equipment	24 658	-	10 581	(593)	34 646
Furniture and office equipment	5 046	-	638	(149)	5 535
Other machinery and equipment	4 138	-	629	(66)	4 701
<b>TOTAL</b>	<b>34 675</b>	<b>-</b>	<b>14 576</b>	<b>(1 899)</b>	<b>47 352</b>

## 27. Minor Assets

### 27.1 Minor assets: Movement for 2016/17

Movement in minor assets per asset register for the year ended 31 March 2017

	Intangible assets	Machinery and equipment	TOTAL
Opening Balance	333	7 496	7 829
Value adjustments	-	5	5
Additions	-	486	486
Disposals	-	(115)	(115)
<b>TOTAL</b>	<b>333</b>	<b>7 872</b>	<b>8 205</b>
Number of RI minor assets	-	-	-
Number of minor assets at cost	325	4 580	4 905
<b>TOTAL</b>	<b>325</b>	<b>4 580</b>	<b>4 905</b>

### 27.2. Minor assets: Movement for 2015/16

Movement in minor assets per asset register for the year ended 31 March 2016

	Intangible assets	Machinery and equipment	TOTAL
Opening Balance	333	6 390	6 723
Value adjustments	-	26	26
Additions	-	1 146	1 146
Disposals	-	(66)	(66)
<b>TOTAL</b>	<b>333</b>	<b>7 496</b>	<b>7 829</b>
Number of RI minor assets	-	-	-
Number of minor assets at cost	325	4 475	4 800
<b>TOTAL</b>	<b>325</b>	<b>4 475</b>	<b>4 800</b>

## 28. Intangible Capital Assets

### 28.1. Intangible Capital Assets: Movement for 2016/17

Movement in intangible capital assets per asset register for the year ended 31 March 2017

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
Software	11 180	-	1 958	(79)	13 059
<b>TOTAL</b>	<b>11 180</b>	<b>-</b>	<b>1 958</b>	<b>(79)</b>	<b>13 059</b>

### 28.2. Intangible Capital Assets: Additions for 2016/17

Additions to intangible capital assets per asset register for the year ended 31 March 2017

	Cash	Non-cash	(Finance lease payments)	Rcd. current not paid (Paid current rcd. prior)	Total
Software	1 958	-	-	-	1 958
<b>TOTAL</b>	<b>1 958</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 958</b>

### 28.3. Intangible Capital Assets: Disposals for 2016/17

Disposals of intangible capital assets per asset register for the year ended 31 March 2017

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
Software	-	79	79	-
<b>TOTAL</b>	<b>-</b>	<b>79</b>	<b>79</b>	<b>-</b>

### 28.4. Intangible Capital Assets: Movement for 2015/16

Movement in intangible capital assets per asset register for the year ended 31 March 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
Software	8 051	-	3 129	-	11 180
<b>TOTAL</b>	<b>8 051</b>	<b>-</b>	<b>3 129</b>	<b>-</b>	<b>11 180</b>

## 29. Immovable Tangible Capital Assets

### 29.1. Immovable Tangible Capital Assets: Movement for 2016/17

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2017

	Opening balance	Value adjustments	Additions*	Disposals	Closing Balance
Non-residential buildings	9 111	-	129	-	9 240
<b>TOTAL</b>	<b>9 111</b>	<b>-</b>	<b>129</b>	<b>-</b>	<b>9 240</b>

### 29.2. Immovable Tangible Capital Assets: Additions for 2016/17

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2017

	Cash*	Non-cash	(Finance lease payments)	Rcd. current not paid (Paid current rcd. prior)	Total
Non-residential buildings	129	-	-	-	129
<b>TOTAL</b>	<b>129</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129</b>

\*Note: Payments made for improvements to office accommodation leased by the Department of Public Works for DPME.

### 29.3. Immovable Tangible Capital Assets: Movement for 2015/16

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2016

	Opening balance	Value a djustments	Additions*	Disposals	Closing Balance
Non-residential buildings	8 676	-	435	-	9 111
<b>TOTAL</b>	<b>8 676</b>	<b>-</b>	<b>435</b>	<b>-</b>	<b>9 111</b>

\*Note: Payments made for upgrades/additions at office accommodation leased by the Department of Public Works for DPME.

## 10. Annexures to the Financial Statements (R'000)

### ANNEXURE IA: STATEMENT OF TRANSFERS TO MUNICIPALITIES

Department/ Agency / Account	Transfer Allocation Expenditure					
	Adjusted Approp. Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred
Tshwane Metro*	-	-	5	5	5	100%

\*Note: Vehicle license fees

### ANNEXURE IB: STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/ Agency / Account	Transfer Allocation Expenditure 2015/16						
	Adjusted Approp. Act	Roll Overs	Ad- just- ments	Total Avail- able	Actual Transfer	% of Available funds Trans- ferred	Final Appropriation
NYDA	405 766	-	-	405 766	405 766	100%	409 789
	405 766	-	-	405 766	405 766	100%	409 789

### ANNEXURE IC: STATEMENT OF TRANSFERS TO HOUSEHOLDS

Transfers to Households	Transfer Allocation Expenditure 2015/16						
	Adjusted Approp. Act	Roll Overs	Ad- just- ments	Total Available	Actual Trans- fer	% of Available funds Transferred	Final Appropriation
Leave Gratuities	55	-	126	181	181	100%	241
Claims against the state	-	-	-	-	-	-	30
<b>TOTAL</b>	<b>55</b>	<b>-</b>	<b>126</b>	<b>181</b>	<b>181</b>	<b>100%</b>	<b>271</b>

## ANNEXURE ID: STATEMENT OF TRANSFERS TO NON-PROFIT ORGANISATIONS

Transfers to Households	Transfer Allocation Expenditure 2015/16						
	Adjusted Approp. Act	Roll Overs	Adjust-ments	Total Avail-able	Actual Trans-fer	% of Available funds Trans-ferred	Final Appropria-tion
SA Planning Institute	100	-	-	100	100	100%	-
<b>TOTAL</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>100</b>	<b>100%</b>	<b>-</b>

## ANNEXURE IE: STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of Organisation	Nature of Gift Donation or Sponsorship	2016/17	2015/16
Received in cash		-	-
Received in kind		190	922
PSPPD	DPME Institutionalisation Workshops	81	-
DFID	AFREA Conference	42	-
Sustainable Livelihoods Foundation	Travel - Conference - Creating Inclusive & Resilient Cities	67	-
Broad Reach	Experts skill and materials provided for the War Room	-	886
M4Health Summit	Travel and Accommodation in Washington	-	36
<b>TOTAL</b>		<b>190</b>	<b>922</b>

## ANNEXURE IF: STATEMENT OF AID ASSISTANCE RECEIVED

Name of Donor	Purpose	Opening Balance	Revenue	Expenditure	Closing Balance
Received in cash					
UK Government (DFID)	Non-budget support financial aid to support strengthening performance monitoring and evaluation for the poor in SA	2 438	2 438	(4 876)	-
Canadian Government (CIDA / DFA-TD)2, 3	Supporting the implementation of building a capable state project	-	1 645	(1 733)	(88)
GIZ3	Governance Support Programme	(60)	860	(808)	(8)
EU4	Programme to Support Pro Poor Development Phase II	4 820	4 890	(11 453)	(1 743)
<b>TOTAL</b>		<b>7 198</b>	<b>9 833</b>	<b>(18 870)</b>	<b>(1 839)</b>

Note:

1 Revenue and expenditure in terms of donor agreements. Excludes RDP funding amounting to R2,676 million received on behalf of and paid over to the National Youth Development Agency.

2 Received via Government Technical Advisory Centre

3 Receivables will be reimbursed in 2017/18

4 Receivables mainly related to staff salaries incurred while waiting for transfer of funds from the EU. Funds will be received in 2017/18



## ANNEXURE 2: CLAIMS RECOVERABLE

Government Entity: Outstanding Balances	Confirmed		Unconfirmed		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
<b>Government Departments</b>						
Dep. Higher Education & Training	-	-	163	-	163	-
Dep. Justice & Constitutional Dev*	200	-	-	-	200	-
Dep. Small Business Development*	689	-	-	-	689	-
Dep. Agriculture & Rural Dev – KZN	39	-	-	-	39	-
Department of Cooperative Governance	-	92	-	-	-	92
The Presidency	-	-	-	16	-	16
Department of Social Development	-	432	-	704	-	1 136
GCIS	-	1	-	-	-	1
Economic Development	-	-	-	207	-	207
Basic Education	-	3 000	-	-	-	3 000
Water and Sanitation	-	-	-	3	-	3
Public Works	-	6	-	-	-	6
Office of the Chief Justice	-	71	-	-	-	71
<b>SUB-TOTAL</b>	<b>928</b>	<b>3 602</b>	<b>163</b>	<b>930</b>	<b>1 091</b>	<b>4 532</b>
Other Government Entities						
CIDA	88	-	-	-	88	-
SARS	-	-	14	125	14	125
GIZ	7	-	1	60	8	60
MISA	-	-	-	11	-	11
SUB-TOTAL	95	-	15	196	110	196
<b>TOTAL</b>	<b>1 023</b>	<b>3 602</b>	<b>178</b>	<b>1 126</b>	<b>1 201</b>	<b>4 728</b>

\*Paid before financial year end but received after 31 March 2017


### ANNEXURE 3: INTER-GOVERNMENT PAYABLES

Government Entity: Outstanding Balances	Confirmed		Unconfirmed		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
<b>Departments (Current)</b>						
Office of the Premier – Northern Cape	56	-	-	-	56	-
City of Mbombela	131	-	-	-	131	-
GCIS	-	-	1 128	-	1 128	-
The Presidency	-	583	-	58	-	641
Government Printing Works	-	-	-	4	-	4
DIRCO	-	1 249	628	-	628	1 249
Parliament	-	4	-	-	-	4
IPID	-	22	-	-	-	22
Home Affairs	-	9	-	-	-	9
<b>Other Government Entities (Current)</b>	-	-	-	-	-	-
<b>TOTAL</b>	<b>187</b>	<b>1 867</b>	<b>1 756</b>	<b>62</b>	<b>1 943</b>	<b>1 929</b>

### ANNEXURE 4: INTER-ENTITY ADVANCES PAID

Government Entity: Outstanding Balances	Confirmed		Unconfirmed		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
<b>National Departments</b>						
GCIS	1 754	-	-	-	1 754	-
DIRCO	-	-	200	200	200	200
<b>TOTAL</b>	<b>1 754</b>	<b>-</b>	<b>200</b>	<b>200</b>	<b>1 954</b>	<b>200</b>





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