



**DEPARTMENT OF
PERFORMANCE MONITORING
AND EVALUATION**

ANNUAL REPORT

**For the Period
1 April 2012 to 31 March 2013**

**DEPARTMENT OF
PERFORMANCE MONITORING
AND EVALUATION**

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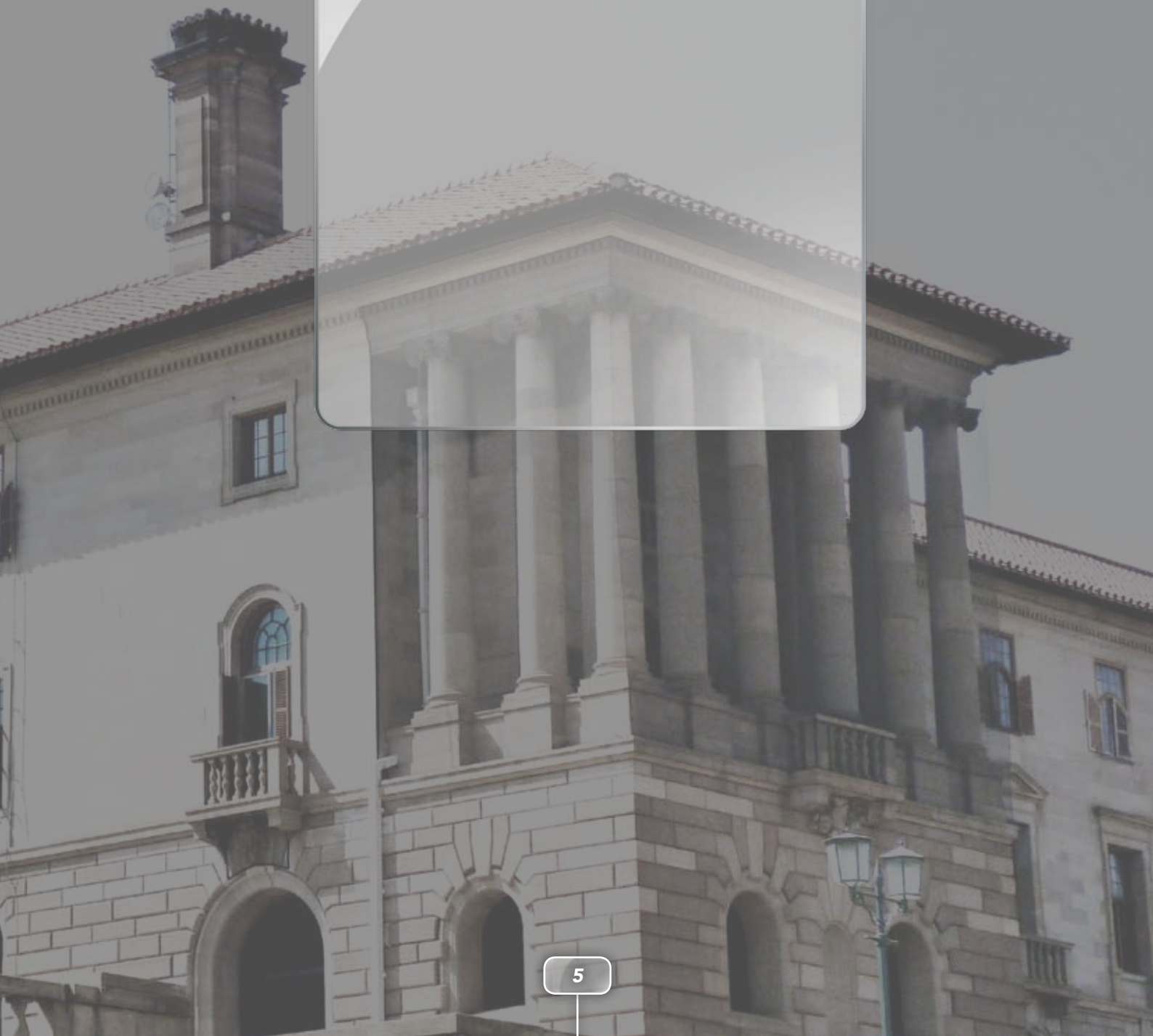
Web: www.thepresidency-dpme.gov.za

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**PART A:
GENERAL
INFORMATION**



Part A: General Information

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1. Department general information

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List of abbreviations/acronyms

AGSA	Auditor General of South Africa
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
DIRCO	Department of International Relations and Cooperation
DPME	Department of 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
MAT	Municipal Assessment Tool
MEC	Member of Executive Council
MPAT	Management Performance Assessment Tool
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
OPSC	Office of the Public Service Commission
PCC	President's Coordinating Council
PFMA	Public Finance Management Act
PoA	Programme of Action
PPPFA	Preferential Procurement Policy Framework Act
SAMEA	South African Monitoring and Evaluation Association
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
TR	Treasury Regulations

3. Strategic overview

Vision To strive for continuous improvement in service delivery through performance monitoring and evaluation.

Mission Our mission is to work with partners to improve government performance in achieving desired outcomes and to improve service delivery through changing the way government works. We will do this through priority setting; robust monitoring and evaluation related to the achievement of priority outcomes; monitoring of the quality of management practices; and monitoring of frontline service delivery.

Values We shall at all times be exemplary in all respects. This includes being client-focused (the President, Deputy President, government, and the public) and listening to our clients and treating them with dignity, courtesy, responsiveness and respect. It also includes being a learning organisation and not doing the same things over and over when they are clearly not working.

We will strive to have progressive management practices as well as to be compliant with all prescripts. We will also pay attention to the basics, such as not being late for meetings, running meetings efficiently, checking spelling and grammar in documents, and responding to e-mails, phone messages and all other requests timeously. We will pursue quality management practices in order to achieve value for money, efficiency and effectiveness. We will be accountable and transparent.

3.1 Strategic outcome orientated goals

3.1.1 Programme 1: Administration

Strategic Outcome-oriented goal
An efficient and effective department that complies with legislation, policies and good corporate governance principles
Goal statement
The outcomes of internal audit and MPAT assessments revealed some administrative weaknesses and internal policy gaps in DPME that requires continuous improvements in order achieve the goal of an effective and efficient department.

Strategic Objective	An efficient and effective department
Objective statements	<ul style="list-style-type: none"> ◆ Provide effective leadership based on the values of the department and good corporate governance principles ◆ Establish and communicate internal policies and procedures ◆ Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls ◆ Implement effective HR management practices to ensure that adequate and appropriately skilled human resources are in place ◆ Establish an IT governance framework and systems that enable the department to deliver on its mandates
Baseline	Basic processes, policies and procedures are in place for the effective administration of the department. However, there are some gaps that need to be addressed and some improvements need to be made
Justification	Good management practices and corporate governance are prerequisites for effective and effective service delivery
Links	Outcome 12 delivery agreement

3.1.2. Outcomes Monitoring and Evaluation (OME)

Strategic Outcome-oriented goal
To advance the strategic agenda of government through the development and implementation of the delivery agreements for the outcomes, monitoring and reporting on progress and evaluating impact
Goal statement

- ◆ Government has an integrated and coordinated approach to planning , implementation, performance monitoring and evaluation in order to achieve prioritised outcomes
- ◆ Delivery agreements are developed by Implementation Forums and there is regular reporting and monitoring of implementation of the delivery agreements
- ◆ Departments, spheres of government, clusters and cabinet committees are supported to identify problems of delivery and assisted to find possible solutions and manage change
- ◆ President assisted to put in place and monitor performance agreements with Ministers
- ◆ President and Deputy President advised and supported on strategic matters including on Cabinet memoranda and other key issues and initiatives
- ◆ Key government programmes evaluated to enable improvement and strengthen impact on citizens

Strategic Objective 1	Outcomes planning, monitoring and evaluation
Objective statement	Facilitate development of plans (delivery agreements) for priority outcomes, monitor and evaluate implementation of the delivery agreements and make recommendations for corrective actions
Baseline	Twelve whole of government priorities approved at January 2010 Cabinet Lekgotla
Justification	In order to have an impact on service delivery, it is important to identify and adopt prioritised outcomes, with precise outputs and targets and lines of accountability
Links	MTSF, MTEF and departmental strategic plans

Strategic Objective 2	Support to political principals in the Presidency
Objective statement	Provide advice and technical support to the political principals in the Presidency, such as developing and monitoring Ministerial performance agreements, supporting executive monitoring visits and other initiatives
Baseline	Ministerial Performance Agreements in place
Justification	The political principals in the Presidency require detailed advice and technical support in order to carry out their functions
Links	Cabinet

Strategic Objective 3	Evaluation and research
Objective statement	Establish and support an effective national evaluation system to inform government's work
Baseline	No National Evaluation Policy Framework in place
Justification	Evaluation is applied sporadically and not informing planning, policy making and budgeting sufficiently, so we are missing the opportunity to improve government's effectiveness, efficiency, impact and sustainability
Links	Government-wide Monitoring and Evaluation Policy Framework

3.1.3 Programme3: M&E systems co-ordination and support

Strategic Objective 3.1	Coordinate M&E system
Objective statement	To create the policy platform for M&E and to coordinate its implementation
Baseline	Cabinet-approved Policy Framework for the Government-wide Monitoring and Evaluation System Incipient coordination measures
Justification	M&E is generally weak and not coordinated across government and a concerted drive is required to improve it
Links	Linked to other centre of Government departments' work in promoting efficiency and effectiveness of the public service

Strategic Objective 3.2	M&E capacity building
Objective statement	To provide leadership and coordination in creating M&E capacity across government
Baseline	PALAMA courses in place Various uncoordinated and inadequate M&E capacity building activities underway across government
Justification	Need capacitated M&E practitioners in departments for the system to be effective
Links	Linked to other centre of Government departments' work in promoting capacity building in the public service and to PALAMA training programmes

Strategic Objective 3.3	Data improvement
Objective statement	Improvement in data access, data coverage, data quality and data analysis across government Within DPME, data collection, collation and analysis in support of the outcomes, monitoring of management practices in departments, and monitoring of front-line service delivery
Baseline	Weak and unreliable data sources across government
Justification	Data improvement is a prerequisite for improving the performance of government
Links	National Treasury guidelines and regulations for performance planning and reporting, Stats SA data products and National Statistics System, Auditor General audits of performance against predetermined objectives, administrative data systems of departments

3.1.4 Public Sector Oversight (PSO)

Strategic Objective 4.1	Institutional Performance Monitoring
Objective statement	Annual monitoring of compliance and quality of management practices in all (currently 40) national and provincial (currently 104) departments
Baseline	Concept for tool for assessing management practices developed and tool piloted in one department. No assessments of alignment of strategic plans and APPs to delivery agreements. No monitoring and reporting of key indicators of the performance of the public service to FOSAD
Justification	Weak management and administrative practices in government pose an obstacle to service delivery improvement. When coupled with improvement plans, monitoring of management practices can contribute to improving service delivery
Links	Outcomes 9 and 12- effective and efficient public service

Strategic Objective 4.2	Monitoring of frontline service delivery
Objective statement	On-site monitoring of the quality of frontline service delivery at 260 sites over the MTEF, and report on findings. Develop the Presidential Hotline as an effective monitoring and evaluation tool and strengthen government-wide citizens based monitoring.
Baseline	No programme plan in place for unannounced monitoring visits to service sites (new project). Presidential Hotline existed but was not part of DPME (was transferred to DPME on 1 October 2011). No plan in place for citizen-based monitoring
Justification	There is a need to improve the quality of services as experienced by citizens. When coupled with improvement plans, monitoring of frontline service delivery can contribute to improving service delivery
Links	Outcomes 9 and 12-effective and efficient public service and local government

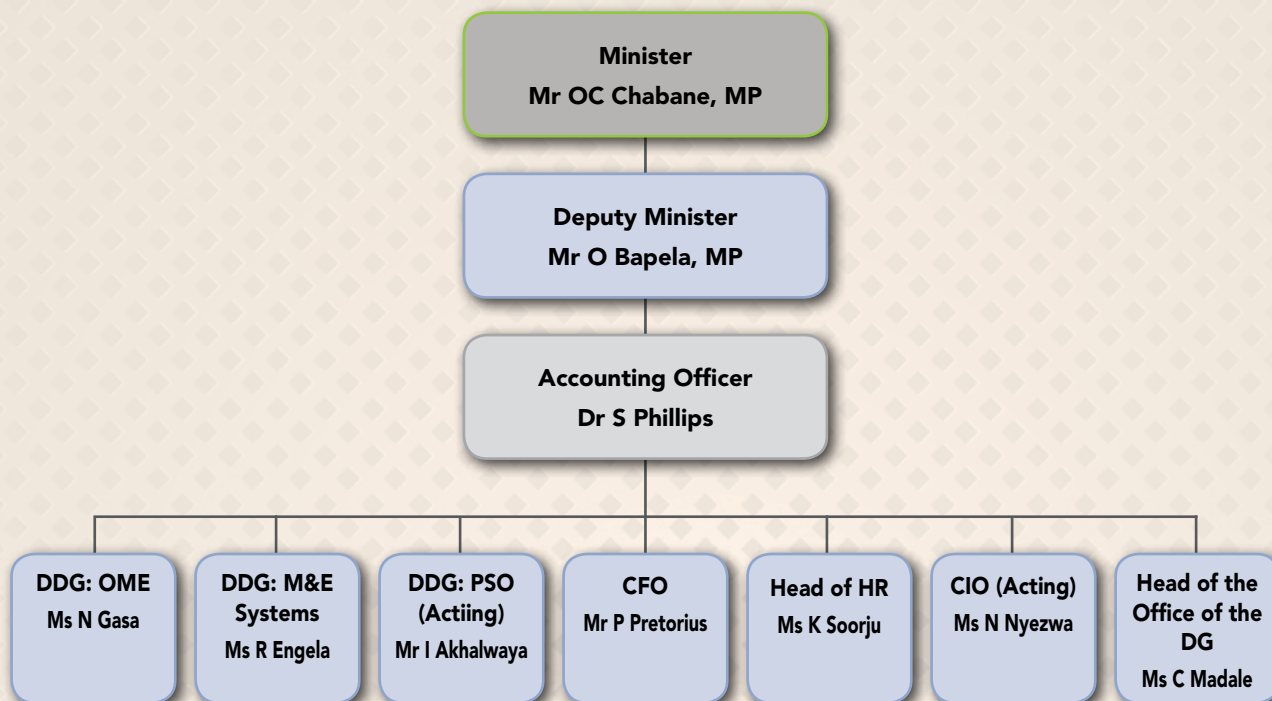
4. Legislative and other mandates

The mandate of the department is derived from Section 85(2) (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 coordinating the functions of state departments and administrations. This mandate has been further elaborated by the President in his 2010 and 2011 State of the Nation Addresses as well as various Cabinet decisions; and by the Minister for Performance Monitoring and Evaluation through the "Policy Framework on Performance Monitoring and Evaluation-Our Approach" document. Based on these sources, DPME has the following key mandates (the details of these mandates are provided in Section B):

- ◆ Facilitate the development of plans or delivery agreements for the cross cutting priorities or outcomes of government and monitor and evaluate the implementation of these plans
- ◆ Monitor the performance of individual national and provincial government departments and municipalities
- ◆ Monitor frontline service delivery
- ◆ Manage the Presidential Hotline
- ◆ Carry out evaluations of major and strategic government programmes
- ◆ Promote good M&E practices in government.

5. Organisational structure

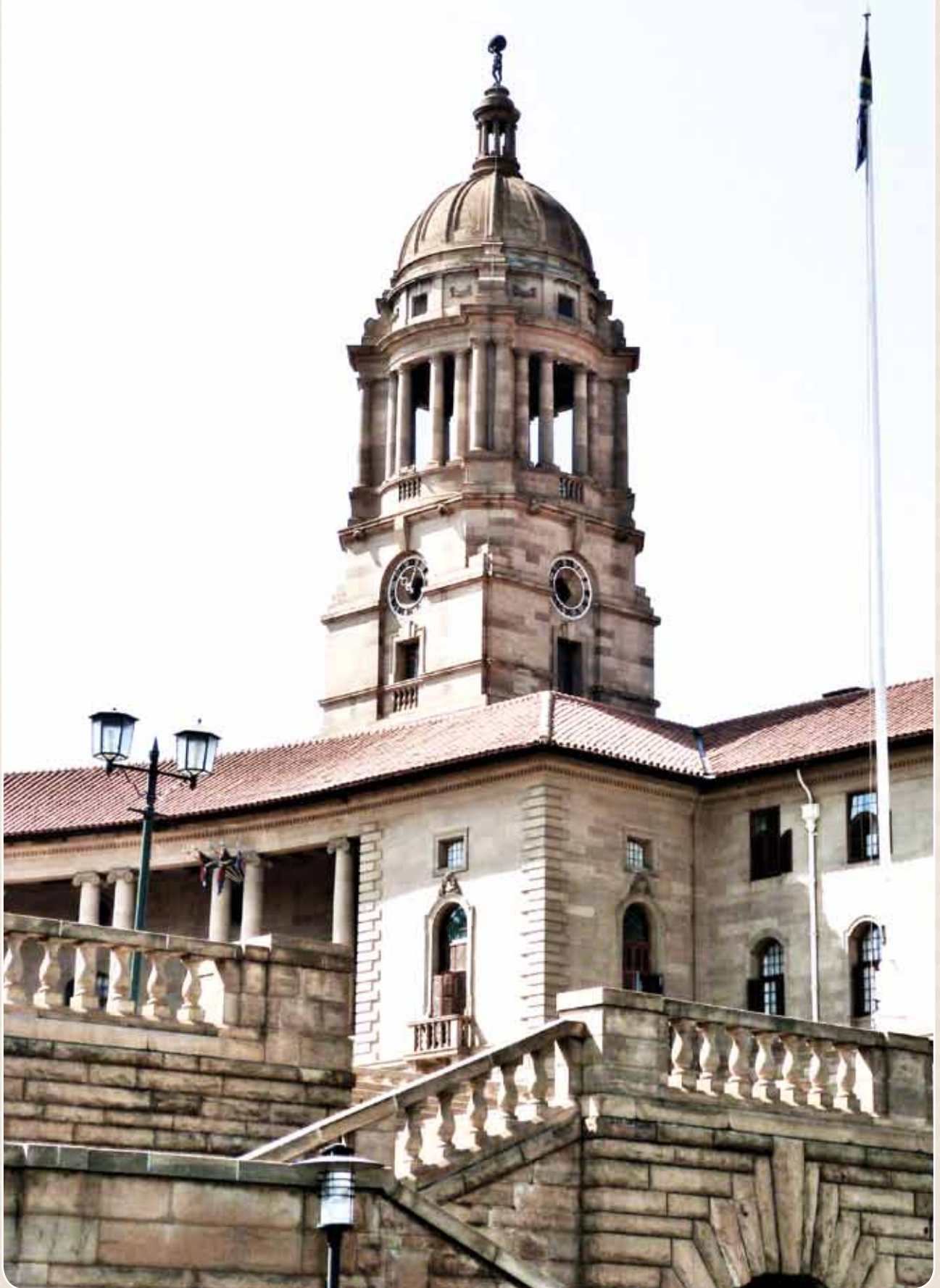
Approved organisational structure (as at 31 March 2013):



6. Entities reporting to the Minister

The table below indicates the entities, in addition to the Presidency, that report to the Minister. These entities are either voted funds directly or are funded through the Presidency (Vote 1). 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
Government Communications and Information Systems (GCIS)	Established as a national department in terms of section 7(5) of the Public Service Act	None	GCIS provides strategic communication support to all of government
National Youth Development Agency (NYDA)	National Youth Development Agency Act	None	The agency's mandate is drawn from the act, which resulted in the merging of Umsobomvu Youth Fund and the National Youth Commission to form the NYDA
Brand South Africa (BSA)	Established as a trust in 2002 and gazetted as a schedule 3A public entity in accordance with the PFMA	None	Formerly known as the International Marketing Council of South Africa, was established as a trust in 2002, and gazetted as a schedule 3A public entity in accordance with the Public Finance Management Act (1999) in October 2006
Media Development and Diversity Agency (MDDA)	Media Development and Diversity Agency Act of 2002 (Act No.14 of 2002)	None	It enables historically disadvantaged communities and individuals inadequately served by the media to gain access to the media. Its beneficiaries are community media and small commercial media



Foreword by the Minister

I am privileged to present the second Annual Report for the Department of Performance Monitoring and Evaluation. This report provides a high level overview of the activities carried out by the department in the past three years of its existence but, most importantly, the performance of the department from 1 April 2012 to 31 March 2013. Through the good will and contributions made by other departments and spheres of government, we have been successful in a number of areas but also, we were less so in others.

Since we introduced the outcomes system, we have been able to focus on the key priorities that we believed would make a difference to the development of our country. We have been monitoring progress on the implementation of the delivery agreements for the 12 outcomes related to the five key priority areas as well as facilitating quarterly reporting to Cabinet. Through these quarterly reports, we were able to appraise Cabinet about progress made, challenges encountered and improvements required in pursuit of targets sets in the 12 delivery agreements.

Our monitoring activities have revealed that good progress is being made to achieve our intended outcomes. Coordination between government departments and amongst the three spheres of government, particularly in the important concurrent functions of basic education and health has improved. As a result, we have seen improvements both in the education and health outcomes. For example, in health, life expectancy improved from 56.5 years in 2009 to 60 years in 2012. The infant and under-5 mortality rates have been reduced from 40 and 56 per 1000 live births respectively in 2009 to 30 and 42 per 1000 live births respectively in 2012. The mother to child HIV transmission rate has declined from 3.5% in 2009 to 2.7% in 2012. The TB cure rate increased from 63% in 2009 to 74% in 2012. Patient satisfaction measured through the Stats SA General Household Survey has also improved from 54% in 2009 to 64% in 2011.

The results of our monitoring activities also points to areas where we are less successful for instance, in reducing unemployment. Our current growth rate remains low and

well below the targeted growth levels to create the number of jobs required to reduce unemployment. Implementation of the National Infrastructure Plan, New Growth Path and Industrial Policy Action Plan will be critical for increasing investments and supporting industry in creating more employment.

In the past year, we have started doing research work towards the production of the 20 year review of the country's progress towards improving the living standards of our society. As at March 2013, 23 research papers were submitted to the department for review. We have set ourselves a target to publish the 20 year review report by the end of the year.

In the past three years of its existence, the department has made good progress in collaboration with our sister departments in developing, piloting and implementing monitoring and evaluation systems to contribute to the building of a capable and developmental state. On the evaluation front, we developed a National Evaluation Plan which was approved by Cabinet in December 2012, and 24 evaluations are currently in various stages of preparation or implementation. In the past financial year, 156 national and provincial departments participated in the MPAT annual assessments. This represents a substantial increase over the 103 departments which participated in the 2011/12 MPAT assessment cycle. The results of the 2012 MPAT assessments indicate that 64% of departments improved their scores against the MPAT standards compared to the 2011 self-assessment result. The report will be presented to Cabinet in July 2013.

Last year we started to develop a similar but unique tool to assess the quality of management practices and basic service delivery in municipalities in collaboration with the Department of Cooperative Governance and National Treasury. During this year, we will be piloting the implementation of the Municipal Assessment Tool (MAT) in 10 municipalities. We hope to learn from these pilots and then assess more municipalities in the following financial year. We have taken these steps because we believe that MPAT and MAT



assessments will lead and drive a process of improvements in management practices and audit results over time.

The success of the department is achieved through the personal contributions by its members. I would like to thank the Deputy Minister, Director General and staff for their tireless efforts and contributions to the work of the department.

A handwritten signature in black ink, appearing to be 'OKJ', written over a horizontal line.

Mr. Collins Ohm Chabane (MP)
Minister in The Presidency for Performance Monitoring and Evaluation as well as Administration
Date:

Statement by the Deputy Minister

I am proud to report that our on-site monitoring activities of citizen's experiences when they receive government services are beginning to bear fruits. The Presidential Hotline initiative is proving to be an invaluable tool to gauge the quality of services that government, through its various institutions, provides to its citizens. From its inception in October 2009 to 31 March 2013, the Presidential Hotline received a total of 160 914 cases, of which 90% had been resolved.

From March 2012 to March 2013, the case resolution rate increased from 82.2% to 90.2% for national departments and from 49.8% to 71% for provincial departments. In the year under review, we have been sending regular reports on case resolution to the Forum of South African Directors General (FOSAD), the President's Coordinating Council (PCC) and Cabinet to ensure that Departments attend to citizens' grievances and complaints.

To improve the quality of service provided by the Hotline, we have been conducting customer service interviews to gauge the level of satisfaction of our citizens whose cases have been resolved since October 2012. Between October and December 2012, we called 3 211 citizens who had logged calls to survey their views about the Hotline, and 64% of respondents rated the service as satisfactory.

Our front-line service delivery monitoring programme is also proving to be a critical component of our monitoring initiatives that support the outcomes. The programme involves unannounced visits to service delivery sites in order to assess the quality of services being offered to citizens and to encourage institutions to act on the findings of these monitoring visits. During the year under review, officials from the department and the Offices of the Premier have conducted more than 215 visits to service delivery sites. These ranged from police stations to schools and clinics. Of these sites, 81 were found to have significant problems with the quality of service rendered to the public. These sites are being revisited, and will continue to be revisited until the problems are addressed.

The on-site visits are acting as a catalyst for service delivery

departments to start doing this kind of monitoring themselves to ensure that the quality of service delivery to the public improves. In the 2013/14 financial year, we have set ourselves a target of monitoring at least 140 facilities in all provinces.

As our approach to monitoring matures, we recognise the need to strengthen the involvement of citizens in monitoring government service delivery. The voice of the citizens is a critical component to understanding and improving service delivery. In the past year, we developed a citizen-based monitoring framework which was approved by the Minister. During this financial year, the department will be working with the South African Police Service and the Departments of Health and Social Development to give practical expression to this concept through learning by doing. We look forward to learning from this initiative and in order to develop it further.

Through the Presidential Hotline, frontline service delivery monitoring and the citizen-based monitoring programmes, the department is making a contribution to improving the performance of government and service delivery.

I would like to thank the Minister and staff of the department for their support in ensuring that we succeed in our efforts to improve the government performance and service delivery.



Mr Obed Bapela (MP)

Deputy Minister in The Presidency for Performance Monitoring and Evaluation

Date:



Overview by the Accounting Officer

The department completed its 2013/14 Annual Performance Plan and submitted and presented it to Parliament on time. We have improved the quality of our indicators and targets in the latest APP. This will enable the APP to be a more useful management tool for the department. This year, we will be focusing on improving our quarterly progress reviews against the targets in the plan.

We have also effected some revisions to our organisational structure by amalgamating certain functions to eliminate inefficiencies and streamline operations. These revisions have been referred to the Minister of Public Service and Administration for consultation purposes. National Treasury has accordingly also approved our revised budget structure with effect from April 2014.

In the last financial year, we presented the first audited annual report for DPME. The Auditor General South Africa (AGSA) expressed an unqualified audit opinion. Receiving a clean audit report for the 2012/13 financial year was the result of hard work and dedication, especially in Programme 1.

The M&E Systems Coordination and Support branch has been continuing to run the provincial and national M&E Forums with the aim of ensuring mutual understanding, and sharing of knowledge regarding M&E between DPME, the provinces, and national departments. The M&E Learning Network programme has been institutionalised - each month there is a seminar or workshop where public sector managers, academics and private sector practitioners meet to share knowledge on one subject or another related to M&E.

As part of the Learning Network programme, we have formalised a partnership with the South African Monitoring and Evaluation Association (SAMEA) via a memorandum of understanding. As part of this partnership, DPME played a key role in the establishment of the provincial associations in KwaZulu-Natal and the Eastern Cape. The launches of these associations were coupled with large M&E training workshops. The branch has also been continuing to develop and refine the various M&E guidelines on the DPME website.

We have been monitoring a range of indicators of the performance of national and provincial administrations for FOSAD. This has stimulated a number of debates within FOSAD Manco, and as a result FOSAD Manco is examining some of the main problematic areas in depth, including service delivery improvement planning, management of discipline, and combating corruption.

In the 2013/14 financial year we will be carrying out two major assignments:

- a) Drafting of the 2014/2019 MTSF as the first five year building block of the National Development Plan, and negotiations with departments in this regard; and
- b) Completing the 20 year review

Both of these assignments are being carried out in collaboration with the Secretariat of the National Planning Commission and National Treasury.

In the year ahead, we will also be focusing on putting in place and implementing improvement plans for weaknesses that have been identified through our audit processes, AGSA findings and our own MPAT results.

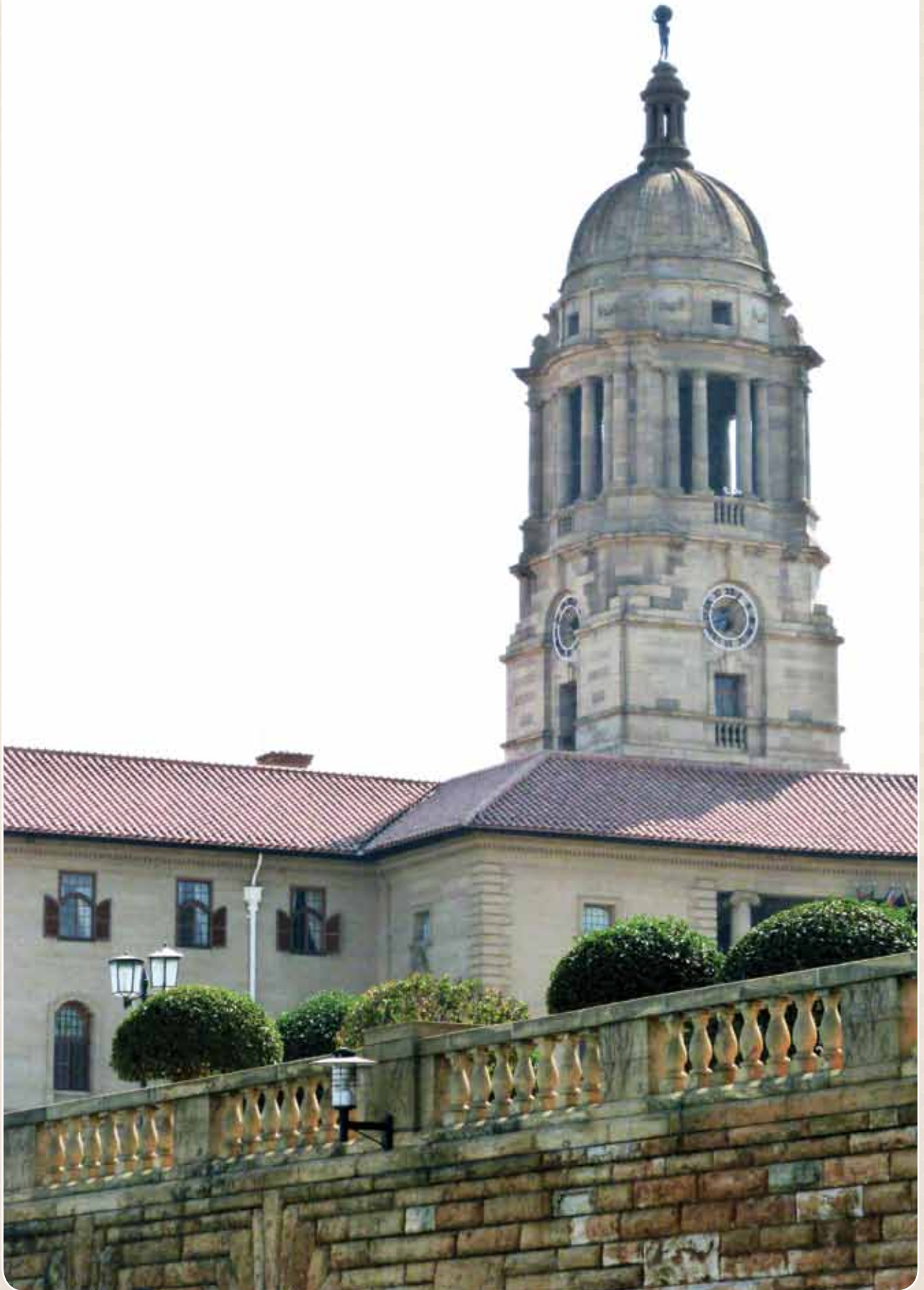
I thank the Minister and the Deputy Minister for their support. I also would like to thank the executive team and staff of DPME for their contribution to the success of the department over the past three years.



Dr Sean Phillips

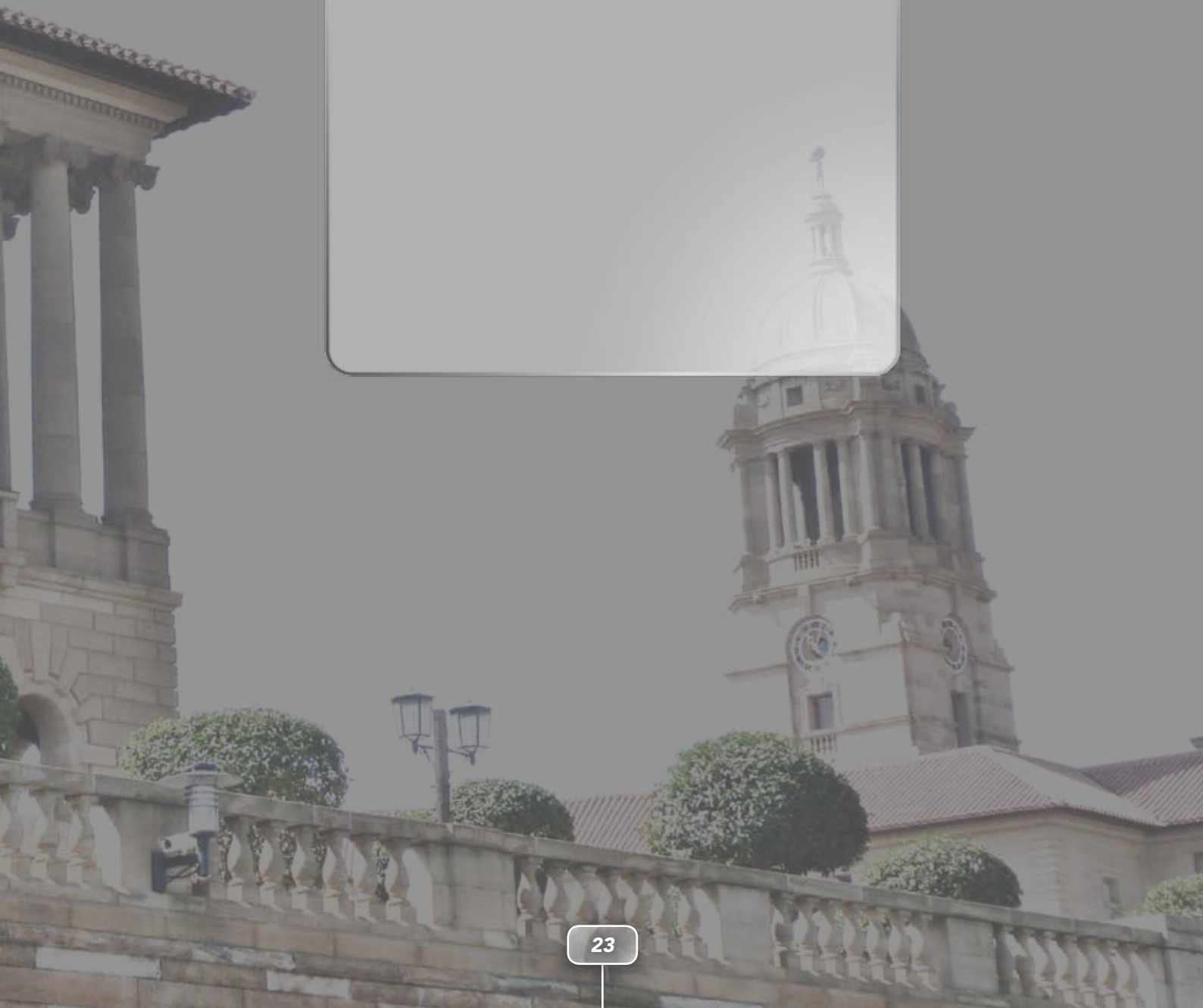
Director General

Date: 30 July 2013





**PART B:
PERFORMANCE
INFORMATION**



PART B: PERFORMANCE INFORMATION

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Statement of responsibility for performance information

The Accounting Officer is responsible for the preparation of the department's performance information and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance information of the department for the financial year ended 31 March 2013.



Sean Phillips
Accounting Officer
Date: 30 May 2013

Auditor General's report: Predetermined objectives

The AGSA currently performs the necessary audit procedures on 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 General's report.

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

3. Overview of departmental performance

3.1. Service Delivery Environment

The Departmental Strategic Plan for 2011 to 2015 outlines four key strategic objectives and the outputs related to the attainment of those objectives. Year-on-year, we have made steady progress since 2010 in relation to the pursuit of these objectives. We set ourselves targets to do robust monitoring and evaluation related to the achievement of priority outcomes; monitoring of the quality of management practices; and monitoring of frontline service delivery. The outputs and targets for achieving these outcomes are captured in the Annual Performance Plan (APP) of the department for the 2012/13 financial year. In this regard, good progress has been made in achieving our targets as outlined in the APP.

The outcomes system has now been institutionalised, with quarterly reporting on progress with implementing the delivery agreements to Cabinet. We also compiled and published a mid-term review report to assess the progress made up to the middle of the planning cycle. Both the mid-term and quarterly reports point to good progress having been made against the delivery agreements, but also highlight challenges and include recommendations for what need to be done to improve.

Many departments have adopted the new approach of focusing on measurable results and impacts and the government as a whole is starting to achieve a number of the targets which we set for ourselves. There is improved coordination between government departments and between the three spheres of government, particularly in the impor-

tant concurrent functions of basic education and health. In both of these sectors the national and provincial departments are now working together more effectively to improve service delivery. This is particularly so in the health sector, where the national department has been able to successfully oversee a range of improvements in the delivery of health services at provincial level.

However, there are still a number of challenges to be overcome to strengthen monitoring and evaluation practices in government. Many of the plans for the programmes of departments are not yet sufficiently rigorous in terms of measuring baseline data and clearly explaining how the programme will achieve its intended objectives. There is not yet enough measurement of outcomes and impacts and some departments do not yet have the necessary information management systems in place to do this. We need to do more to build a culture of continuous improvement as opposed to keeping on doing things in the same way because they have always been done that way.

The biggest challenge facing the department is to ensure that other departments and municipalities act on M&E information. In the past Members of Parliament have proposed that DPME should be given "teeth" to enable it to enforce its recommendations. The argument for giving DPME teeth has also been one of the arguments for enabling legislation for performance monitoring and evaluation. In this regard, the department had planned to develop and submit a Results Bill to Cabinet for approval in the past financial year. This has not been fully achieved. The draft Bill was developed but consultations with other administrative centre of government departments did not result in agreement. The department is continuing to explore this issue with other departments at the administrative centre of government, and will submit an initial policy document to the Standing Committee on Appropriations in the coming months.

3.2 Service Delivery Improvement Plan

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

Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
<i>Programme</i>	<i>Outcomes Monitoring and Evaluation</i>			
Briefing notes	President Deputy President Ministers Secretariat of Cabinet	N/A	Briefing notes submitted 1 day (Monday) before cabinet committee meeting	Achieved
Cab memos	Minister	N/A	Cabinet memos are submitted 7 days before cabinet committee meetings	Achieved
Briefing notes for Presidential visits	President Deputy President Ministers	N/A	Compiled within 30 days before visit	Achieved
Quarterly implementation reports on Outcomes	President Deputy President Ministers	N/A	Quarterly reports are prepared within 30 days of end of each quarter	Achieved
<i>Programme</i>	<i>Public Sector Oversight</i>			
Presidential Hotline cases	All complainants President Deputy President Ministers FOSAD Manco	N/A	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	N/A	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
MPAT assessments	All national and provincial departments President Deputy President Ministers Secretariat of Cabinet	N/A	Assessment reports are produced within 20 days of the finalisation of the assessment	Achieved
<i>Programme</i>	<i>M&E Systems Coordination and Support</i>			

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Well-functioning Data Forums and M&E forums	All outcomes co-ordinating departments All national departments and Offices of the Premier	New Ministers and departments for the 2 additional outcomes envisaged in the NDP	Data forums are convened on a quarterly basis for 10 Outcomes M&E forums for national and provincial departments convened quarterly	Achieved

Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
M&E forum	National and provincial departments	N/A	Achieved
Visits to service delivery sites	Members of the public	N/A	Achieved

Service delivery access strategy

Access Strategy	Actual achievements
DPME website	Site developed and deployed for access by members of the public and client departments
Presidential Hotline	Members of the public can access us through the Presidential Hotline

Service information tool

Types of information tool	Actual achievements
Management Performance Assessment Tool	Achieved
Presidential Hotline	Achieved

Complaints mechanism

Complaints Mechanism	Actual achievements
Members of the public can access us through the Presidential Hotline by telephone, facsimile, e-mail and written correspondence	Achieved

3.3 Organisational environment

There have been no organisational shocks in the period under review. However, to streamline its operations, the department made some revisions to its organisational structure during the year under review. Some of the functions of the sub-programme M&E Data Support were relocated to the Outcomes Monitoring and Evaluation branch in order to improve accountability and integration of functions and to support the attainment of the outcomes.

3.4 Key policy developments and legislative changes

There were no changes in legislation and there were no major shifts in policy from the strategic choices we made and published through our Strategic Plan and Annual Performance Plan.

4. Strategic outcome oriented goals

In the strategic plan of the department the following high level goals were set:

- ◆ An efficient and effective department that complies with legislation, policies and good corporate government principles
- ◆ To advance the strategic agenda of government through the development and implementation of delivery agreements for the outcomes, monitoring and reporting on progress and evaluating impact
- ◆ To promote monitoring and evaluation practice through a coordinated policy platform, quality capacity building and credible data systems
- ◆ To monitor the quality of management practices in departments and the quality of front line service delivery.

Details of progress against these goals are contained in the performance information (see section 5 below) and in the statements by the Minister, the Deputy Minister and the Director General contained in this annual report.

5. Performance information by programme

The activities of the department are organized according to the following programmes:

Programme 1: Administration

Programme 2: Outcomes Monitoring and Evaluation (OME)

Programme 3: Monitoring and Evaluation Systems Coordination and Support (M&E Systems)

Programme 4: Public Sector Oversight (PSO)

5.1 Programme 1: Administration

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

Sub-programmes:

- ◆ Departmental Management
- ◆ Internal Audit
- ◆ Corporate & Financial Services
- ◆ Information Technology Support

Strategic objectives: An efficient and effective department that complies with legislation, policies and good corporate government principles

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme: Departmental Management							
Strategic plan, APPs, quarterly and annual reports	Strategic Plan developed according to National Treasury guidelines and approved by Executing Authority and submitted to Parliament on time according to deadlines set by Parliament	Annual report Four quarterly reports Revised APP and strategic plan	Achieved	Strategic Plan and Annual Report approved and submitted on time	Achieved Final Strategic Plan was tabled to Parliament by due date		
	APP and quarterly reports developed according to National Treasury guidelines and signed off by Executing Authority and submitted to National Treasury on time in terms of deadlines set by National Treasury	Four quarterly reports Revised APP and strategic plan	Achieved	APP and quarterly reports submitted on time	Achieved APP was tabled to Parliament by due date and all quarterly reports were submitted		
Communication plan	Communication plan in place and approved by Director General by end August 2012	Communication strategy and plan developed and implemented	Partially achieved A draft Communication strategy was developed but not finalised and not implemented	Plan finalised and approved by Director General by end August 2012	Achieved Plan approved by the Director General and quarterly progress reports produced		

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Risk management policy, strategy and quarterly reports	Risk management policy, strategy, and risk register approved by Risk Management Committee by 31 March of each financial year	Risk management strategy and plan developed and implemented	Partially achieved Risk management strategy developed Strategic risk assessment conducted	Risk management policy, strategy, and risk register approved by Risk Management Committee by 31 March of each financial year	Achieved Risk register was approved		
		N/A	N/A	Quarterly risk management reports approved by risk management committee within one month after the end of the financial year	Partially achieved	Risk assessment process for 2 programmes were not finalized	Risk management committee did not meet regularly as planned. This has since been addressed by linking the timing of the risk management committee to the timing of other management meetings

Sub-programme expenditure

Sub-Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Departmental Management	9,010	9,007	3	6,308	6,206	102

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme: Internal Audit							
3-year rolling internal audit plan and quarterly reports	3-year rolling Internal Audit plan approved by Audit Committee by 31 May of each year	N/A	N/A	3-year rolling Internal Audit plan approved by Audit Committee by 31 May of each year	Achieved	3-year rolling Internal Audit plan was approved by Audit Committee	
	Quarterly internal audit reports compiled and submitted to the Audit Committee and Management within a month after end of the quarter	N/A	N/A	All performance indicators met	Achieved	All planned audits were conducted	

Sub-programme expenditure

Sub-Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Internal Audit	1,485	1,348	137	3,454	3,233	221

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme: Corporate & financial services							
Departmental delegations, policies and procedures to ensure compliance and enhance effectiveness and efficiency of operations	HR and financial delegations in line with DPSA and National Treasury guidelines approved by Executive Authority and Director General respectively by 31 March	Delegations and critical policies approved and implemented by 1 April 2011	Achieved	All remaining recommended (but not mandatory) policies as per regulatory frameworks and collective agreements approved by Director General by 1 May 2012	Achieved All remaining policies approved and delegations reviewed		
	Required changes to policies approved by Director General within 3 months after relevant regulatory changes	All HR-related policies in place by August 2011	Achieved	Required changes to policies approved by the Director general within 3 months after relevant regulatory changes	Achieved All policies were reviewed but no changes were required		
	Unqualified or clean audit report by Auditor General for annual report	N/A	N/A	Unqualified or clean audit report	Achieved Department achieved an unqualified audit opinion		
	Annual MPAT self-assessment completed by management and signed off by Director General by 30 September of each year	N/A	N/A	Annual assessment indicator met	Achieved		
		N/A	N/A	Score at least 3 on every MPAT performance area	Partially Achieved Department received an overall score of 3 in most standards	Department scored less than 3 in 6 out of 30 standards	Plans to address these deviations will be included in the SDIP in the current financial year

Sub-programme expenditure

Sub-Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Corporate & Financial Services	19,552	18,093	1,459	12,276	11,931	345

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub- programme: ICT							
ICT governance arrangements that meet DPSA requirements	ICT governance instruments required by DPSA regulations developed and approved by Director General on a once-off basis	Information / data management component of Information Strategy developed and implemented	Partially Achieved Draft Information Strategy completed	All required governance instruments approved by October 2012, including Enterprise Architecture Plan	Achieved Enterprise Architecture approved (including Information Strategy)		
		N/A	N/A		Achieved IT governance framework approved		
		N/A	N/A		Not Achieved Security Plan in draft form and not approved	Plan only in draft form not yet approved	To be completed as part of IT governance implementation plan in the next financial year
		N/A	N/A		Achieved IT Procurement Policy approved (Integrated into departmental procurement policy)		
		N/A	N/A		Achieved Data Management Policy approved		
		File plan completed and implemented	Partially Achieved Plan approved by Heritage and Services Council. Implementation delayed.		Achieved Record Management Policy and File Plan approved		
			N/A		Achieved Internet and email policy approved		
		Hardware component of strategy completed and implemented	Partially achieved Draft document on hardware component completed		Achieved Hardware policy approved		
		N/A	N/A		Achieved IT Asset Management Policy approved (integrated into departmental Assets policy)		

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Effective and secure ICT infrastructure	Required ICT infrastructure in place that meets DPSA security standards and that meets needs of department as described in the Architectural Plan approved by the Director General	N/A	N/A	Architectural design approved by Director General by end June 2012	Achieved Architectural design approved by Director General		
		Data centre built	Partially achieved Phase 1 completed and cabinets installed in basement of Union Buildings	Data Centre Network Installed by end of March 2013	Achieved DPME successfully migrated to its own IT system by the end of March 2013		
		N/A	N/A	Secure connection established (VPN) in place by end of March 2013	Achieved DPME VPN established by end March 2013		
	System availability as per monthly health reports signed by CIO	N/A	N/A	Average system availability of at least 90%	Achieved 98% system availability achieved		

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Effective business applications	Required business applications that meet needs of department as described in the Enterprise Architectural Plan approved by the Director General put in place	N/A	N/A	MPAT information management tool developed and being used by both DPME staff in PSO Branch who are responsible for the MPAT programme and by staff of Offices of the Premier which are implementing MPAT with their provincial departments and by national departments which carry out MPAT assessments by November 2012	Achieved MPAT system was put in place and used by DPME staff, staff in Offices of the Premier, and staff in national departments		
		N/A	N/A	Departmental events calendar developed and available for use by all staff in DPME by June 2012	Achieved Calendar developed and made available for use		
		N/A	N/A	Development Indicators application developed and in use by Data Systems Branch staff in DPME who are responsible for the Development Indicators	Not achieved		Project sponsor in the department deferred the project to next financial year
		N/A	N/A	Frontline Service Delivery monitoring information management tool developed and in use by staff who manage the FSDM programme in DPME by November 2012	Achieved System was put in place and was used.		
		N/A	N/A	Plan for maintenance of business applications developed and approved by CIO by June 2012	Achieved		
		N/A	N/A	Departmental events Calendar fully operational	Achieved		
		N/A	N/A	Help desk service application developed	Partially achieved Processes mapped		Incorporated into a broader project to develop a system for corporate services
		Integrated DPME project dashboard	Not Achieved	Departmental Projects dashboard application developed	Partially Achieved System developed. Skeletal Intranet sites have been deployed and are operational. One component is incomplete		The APP module on the application is still in testing phase

Sub-programme expenditure

	2012/2013			2011/2012		
Sub-Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
ICT Support	29,793	25,373	4,420	12,983	11,717	1,266

5.2 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

Sub-programmes:

- ◆ Programme Management for OME
- ◆ Outcomes Support
- ◆ Evaluation and Research

Strategic objectives: To advance the strategic agenda of government through the development and implementation of delivery agreements for the outcomes, monitoring and reporting on progress and evaluating impact

Sub-programme expenditure

	2012/2013			2011/2012		
Sub-Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management for OME	3,561	3,353	208	2,408	2,047	361

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme: Outcomes Support							
Delivery agreements developed and monitored	Delivery Agreements for all 12 outcomes adopted by relevant Implementation Forums by 31 March of each year		N/A	Delivery agreements reviewed and revised where necessary by the Implementation Forums, supported by DPME, by March 2013	Achieved Delivery agreements reviewed and where necessary, changes were effected		
	Guidelines for departments on planning and monitoring delivery agreements approved by Director General and put on DPME website		N/A	Two new guidelines produced by end March 2013	Achieved 1 guideline on new reporting format developed 1 guideline on Municipal Assessment		
	Report on the functioning of all implementation forums by 31 March of each year (Additional indicator included in the quarterly section of the APP)		N/A	Monitor functioning of implementation forums and report to Cabinet by March 2013 Submit one report on the functioning of all implementation forums and report to Cabinet by March 2013 (target against additional indicator in the quarterly section of APP)	Achieved Report on functioning of Implementation Forums was submitted to Cabinet by the end of March 2013	The report on the functioning of all implementation forums was submitted in time to serve in Cabinet on 26 March 2013. However, the Cabinet meeting of 26 March was postponed to 17 April, when the memo served.	
	Quarterly monitoring reports on each outcome submitted by DPME to relevant Cabinet Committees at least one day before the Cabinet Committee meetings which focus on quarterly POA reports	Quarterly progress on update on POA and quarterly reporting on progress	Partially Achieved	Submit four quarterly monitoring reports per outcome to Cabinet Committees	Achieved 48 quarterly reports submitted		
	Summary outcomes report covering all outcomes submitted by DPME to Cabinet within two Cabinet meetings after the Cabinet Committee meetings which focus on quarterly POA reports	N/A	N/A	Submit one summary outcomes quarterly monitoring report to Cabinet within two Cabinet meetings after the Cabinet Committee meetings which focus on quarterly POA reports	Achieved Summary outcomes monitoring reports on four quarters compiled and submitted to Cabinet before end March 2013	The summary outcomes report was submitted in time to serve in Cabinet on 26 March 2013. However, the Cabinet meeting of 26 March was postponed to 17 April, when the memo served.	

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Support and advice to political principals	Briefing notes on Cabinet memoranda provided to political principals at least the day before Cabinet or Cabinet Committee meeting	Provide advice through at least 48 briefing notes	Achieved More than 200 briefing notes produced, providing advice to Presidency principals on Cabinet memoranda	Briefing notes on Cabinet memoranda provided to political principals at least the day before Cabinet or Cabinet Committee meeting	Achieved Total of 233 briefing notes were compiled		
	Briefing notes or reports on executive monitoring and evaluation initiatives provided to the President, Deputy President or Minister of PME as per request and within the timeframe set by the political principals for each specific task	12 initiatives facilitated to investigate and unblock delivery bottlenecks and improve implementation of the outcomes facilitated 10 Presidential sites monitored for service delivery improvements Initiatives from FLSD and MPAT supported	Achieved 23 initiatives to unblock bottlenecks 31 assessment reports produced 6 initiatives supported	All requests met within timeframes	Achieved Total of 115 briefing notes were compiled		

Sub-programme expenditure

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Outcomes Support	28,176	27,165	1,011	24,932	24,909	23

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
<p>Sub-programme: Evaluation and Research</p> <p>Evaluation reports on government policies, plans, programme and projects</p>	<p>National Evaluation Framework approved by Cabinet and national and provincial evaluation plans approved by Cabinet and Provincial Executive Councils respectively</p>	<p>Evidence base for outcomes monitoring researched and strengthened and tools developed and refined</p>	<p>Research Unit established</p> <p>National Evaluation Policy Framework approved by Cabinet in 23 November 2011</p>	<p>National Evaluation Plan approved by Cabinet by December 2012</p>	<p>Achieved</p> <p>Annual Plan for 2013 approved by Cabinet</p> <p>Three-year plan for 2013-16 approved by Cabinet</p>		
	<p>Guidelines to support evaluations across government produced and approved by Director General and put on DPME website</p>	<p>Evidence base for outcomes monitoring researched and strengthened and tools developed and refined</p>	<p>Partially achieved</p> <p>Guidelines for evaluations developed</p>	<p>10 new guidelines produced</p>	<p>Achieved</p> <p>12 guidelines for evaluations produced and published on the website</p>		
	<p>Minimum competency standards for government staff related to evaluation developed and approved by Director General and put on website</p>	<p>N/A</p>	<p>N/A</p>	<p>One competency standard for government evaluation staff to manage evaluations, one competency standard for government programme management staff, one competency standard for people who do evaluations</p>	<p>Achieved</p> <p>Evaluation and competency standard produced and put on website</p>		
	<p>Numbers of government staff completing at least one course commissioned by DPME and approved by head of DPME evaluation unit</p>	<p>N/A</p>	<p>N/A</p>	<p>200 government staff trained</p>	<p>Achieved</p> <p>237 government officials completed training on 12 courses</p>		

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
	Number of evaluation reports approved by evaluation steering committees in which DPME is a member	N/A	1 evaluation undertaken but not completed	10 evaluation reports approved by evaluation steering committees in which DPME is a member by March 2013	Partially achieved 1 approved (ECD)	Only 8 proposals for evaluations were recommended to and approved by Cabinet. Two reports were approved by the evaluation steering committees in May 2013. Two will be approved in July 2013 and one in August 2013. One will be approved in December 2013 and one in January 2014. One has been withdrawn by the department responsible (National School Nutrition Programme).	The target was ambitious and the evaluation process has proven to be more complex than anticipated by the targets. The process of getting departments on board also took longer than anticipated
	Percentage of evaluations managed by evaluation steering committees in which DPME is a member which produce improvement plans within three months of the final evaluation reports being accepted by the Evaluation Steering Committees	N/A	N/A	100%	Achieved 100% (1 of 1) Improvement Plan for ECD evaluation produced		
	Twenty Year Review of government published before end of March 2014	N/A	N/A	Governance structures put in place and research contracted as per plan approved by Director General in Presidency by end of July 2012 and first drafts of research papers completed by March 2013	Achieved Governance structures put in place and 22 research papers were received by the end of the financial year. The remaining research paper was received in May 2013.		

Sub-programme expenditure

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Evaluation and Research	20,852	18,125	2,727	2,171	1,971	200

5.3. Programme 3: M&E Systems Coordination and Support (M&E Systems)

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

Sub-programmes:

- ◆ Programme Management for M&E Systems
- ◆ M&E Policy and Capacity Building
- ◆ M&E Data Support

Strategic objectives: To promote monitoring and evaluation practice through a coordinated policy platform, quality capacity building and credible data systems

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
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Sub- programme: Programme Management for M&E Systems

Improved M&E systems in national and provincial departments	Percentages of national and provincial departments (which have carried out management performance assessments (MPAT) for two consecutive years) improving their score level for the M&E MPAT performance area indicator against their scores from the previous year	N/A	N/A	Baseline to be established from first MPAT assessment report submitted to Cabinet by May 2012	Achieved Baseline established and technical support programme put in place and engagements took place with national departments and Offices of the Premier regarding departments which scored 1 and 2 for this performance area indicator		
	Audits of various elements of M&E system in national and provincial departments undertaken	N/A	N/A	Carry out HR capacity diagnostic audit to establish baseline of M&E capacity across government by March 2013	Achieved HR diagnostic audit conducted and an improvement plan developed		
		N/A	N/A	Plan for further audits approved by Director General or top management meeting by March 2013	Achieved Concept and project plan for the system audit developed and implemented		

PART B: PERFORMANCE INFORMATION

Sub-programme expenditure

Sub-Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management for M&E Systems	2,652	2,512	140	2,154	2,097	57

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
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Sub-programme: M&E Policy and Capacity Building

Results Act	Results Act conceptualised consulted and approved by Parliament by March 2015	Position paper developed and consulted with relevant stakeholders	Achieved Position paper developed and consulted with relevant stakeholders	Draft Results Bill submitted to Cabinet for approval by March 2013	Partially achieved Draft Bill developed but consultations with other administrative centre of government departments did not result in agreement		There are different views on the need for a Result Bill amongst the key administrative centre of government departments
M&E policies and/ or guidelines developed and promoted across government	The Government-Wide M&E (GWME) policy framework reviewed and approved by Cabinet by March 2013	N/A	N/A	Submit revised GWME framework to Cabinet for approval by March 2013	Partially achieved Draft GWM&E framework completed, but was not ready for submission to Cabinet		The document requires extensive development through a series of iterations as well as wide consultation with key stakeholders
	At least five guidelines supporting GWM&E and capacity development across government developed by March 2013	N/A	N/A	At least 5 new or revised guidelines developed and approved by Director General by March 2013	Achieved 5 guidelines were completed and approved		
	National M&E Forum and the Provincial M&E forum meetings held quarterly	Quarterly M&E Forums with provinces	Achieved	Four National M&E Forum meetings and four Provincial M&E forum meetings	Achieved Four National and four Provincial meetings held		

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Integrated M&E human capacity development programme developed and implemented	Preliminary Integrated Human Capacity Development Programme approved by DG by May 2012	PALAMA M&E curriculum revised and capacity building programme developed in consultation with stakeholders	Achieved Seven PALAMA courses were reviewed and revised and an eighth course was developed M&E Capacity Development Programme developed and implemented	Preliminary Integrated Capacity Development Programme implemented	Achieved Preliminary Integrated Capacity Development Programme signed by DG and four M&E capacity core group held		
M&E learning network of government officials and communities of practice established and functional	Numbers of M&E Learning Networks workshops and seminar series held	M&E learning networks established and operational African M&E workshop run with six countries participating	Achieved	M&E Learning Network workshops and seminar series organised according to the approved annual plan	Achieved 10 M&E Learning networks events were held		

Sub-programme expenditure

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
M&E Policy and Capacity Building	6,272	5,984	288	937	937	-

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme: M&E Data Support							
Operational data forums	Number of data forum meetings held	10 data forums	Achieved	4 quarterly data forums held for ten outcomes	Achieved 27 and 1 combined data forums held		
	Percentage of data sets with acceptable meta-data descriptions (according to a meta-data description assessment scale set by DPME)	N/A	N/A	50 new data-sets assessed by end March 2013	Achieved 52 new datasets fully assessed		
				10% improvement against baseline for datasets which are reassessed (sample size for reassessment still to be determined)	Achieved Data sources with acceptable metadata description increased by 18%		
Development Indicators	Annual Development Indicators document approved by Director General or top management meeting and published by December of each year		Achieved	Development Indicator report produced and published annually	Partially achieved Development Indicators report produced but was not published by end of financial year		Cabinet requested some additional work to be done
Monitoring of content of POA	Quarterly reports on quality and completeness of indicators and related performance data captured on PoA	N/A	N/A	Quarterly reports presented to data forums and top management meetings of DPME within six month of end of each financial quarter	Achieved Quarterly reports were presented to data forums and top management meetings within specified time frames		

Sub-programme expenditure

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
M&E Data Support	4,454	4,111	343	-	-	-

5.4 Programme 4: Public Sector Oversight (PSO)

Purpose: To monitor the quality of management practices in departments and the quality of front line service delivery

Sub-programmes:

- ◆ Programme Management for PSO
- ◆ Institutional Performance Monitoring
- ◆ Frontline Service Delivery Monitoring

Strategic objectives: To monitor the quality of management practices in departments and the quality of front line service delivery.

Sub-programme expenditure

Sub- Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management for PSO	1,265	543	722	2,338	1,747	591

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme: Institutional Performance Monitoring							
Cabinet-approved Management Performance Assessment Tool (MPAT)	MPAT updated and approved by Director General or Top Management Meeting by the end of August of each year	Develop and pilot the tool	Achieved	MPAT updated and approved by Director General or Top Management Meeting by the end of August 2012	Achieved MPAT 1.2 released on 28 and 29 August 2012 to all national departments and the Premiers' Offices		
Management performance assessments	Numbers of provincial and national departments that complete management performance assessments signed by their Director Generals and submit these to DPME or the Office of the Premier by the end of each financial year	20 provincial departments and 20 national departments	Achieved 60 provincial departments and 27 national departments	32 national departments and 80 provincial departments	Achieved 156 (42 national departments and 114 provincial departments) completed their MPAT assessments before the end of the financial year. 21 national DGs and 79 provincial HoDs provided electronic sign-off on their assessments. Furthermore, DPME wrote to all the 156 national and provincial DGs and HODs in February 2013, providing them with their moderated scores, and indicating to them that it would be taken that they agree with the scores if they do not challenge them.		
	Annual national overview report on MPAT results produced and submitted to provincial M&E Forum, G&A Cluster and Cabinet	N/A	N/A	Report to Cabinet by May 2012 (after having been through provincial M&E Forum and G&A Cluster)	Achieved MPAT result report compiled and submitted to Cabinet		

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
	Percentages of national and provincial departments (which have carried out management performance assessments for two consecutive years) improving their score level for each of the four MPAT KPAs against their scores from the previous year	N/A	N/A	50% of department improve MPAT scores in each of the key performance areas by the end of the financial year	Achieved 65% of departments showed an improvement in at least one of the standards in each of the 4 KPAs on the comparison between the MPAT 1.1 and 1.2 self-assessments		
Planning alignment assessment letters	Percentage of draft APPs of national departments (which are key contributors to the outcomes) which are sent to DPME by National Treasury for comment, which are assessed and for which letters signed by the Director General are sent to Directors General of those departments within three weeks of the receipt of the draft APP from National Treasury	45 APP assessments	Partially Achieved 33 departments submitted APPs for assessment and all of these were assessed	100%	Achieved 100%. 15 departments who submitted their APP on time were assessment and letters were sent to the 15 departments which submitted their 2nd draft APP to DPME by due date		

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Monitoring reports to FOSAD Manco	10 monitoring reports compiled and submitted to FOSAD secretariat as per FOSAD Manco meeting schedule	N/A	N/A	10 monitoring reports submitted to FOSAD	Achieved 7 FOSAD reports were prepared and presented to FOSAD Manco meetings		FOSAD Manco meetings were rescheduled to take place bi-monthly instead of monthly
	Number of FOSAD deliverables (22) for which FOSAD targets for improvements are achieved (as spelt out in FOSAD-approved action plan)	N/A	N/A	Planned improvements achieved for 10 deliverables	Achieved Improvements were achieved for 12 deliverables		

Sub-programme expenditure

Sub-Programme Name	2012/2013		2011/2012		(Over)/Under Expenditure
	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	
Institutional Performance Monitoring	15,389	14,396	3,816	3,497	319

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme: Frontline Service Delivery Monitoring							
Frontline service delivery monitoring (FSDM) framework	Implementation tools and guidelines finalised and presented to provincial M&E Forum meeting for use in the implementation of the programme	Develop a framework for DPME FSD monitoring by June 2011	Partially Achieved Draft framework completed by January 2012	FSDM implementation tools and guidelines reviewed (updated) by 30 June 2012 and published on the web portal	Achieved FSDM implementation tool and guidelines published on the DPME website		
Frontline service delivery monitoring visits	Number of sites visited resulting in a site monitoring report filed at DPME	At least 100 FSD offices monitored per year, starting with 60 in 2011/12	Achieved 122 offices monitored.	100 sites visited with site monitoring reports captured on the web-based portal for the programme	Achieved National visit scheduled was finalized and 215 site visits were conducted		
National overview reports on monitoring visits	Annual national overview report produced and submitted to provincial M&E Forum, G&A Cluster and Cabinet	N/A	N/A	National Overview Report produced and submitted to Cabinet by end of the financial year	Achieved The annual report was completed and submitted to provincial M&E forum 7th March and G&A implementation forum on the 14th March 2013	The annual national overview report was submitted in time to serve in Cabinet on 26 March 2013. However, the Cabinet meeting of 26 March was postponed to 17 April, when the memo served.	
FSDM reports produced for sector departments on the findings from the monitoring visits	Annual findings reports produced for 5 sector departments on the findings from the monitoring visits (the indicator is contained in the quarterly section of the APP)	At least 100 FSD offices monitored per year, starting with 60 in 2011/12	All findings of all 2011 visits are summarised in 7 sector reports produced for DoT, Health, Education, SAPS, Justice, SASSA, and Home Affairs	Annual findings reports produced for 5 sector departments on the findings from the monitoring visits (the target is contained in the quarterly section of the APP)	Achieved Consultations done with 8 departments on the 8 sector findings reports. Annual findings reports compiled		

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Improvements in the quality of frontline service delivery	The percentage of service delivery sites which have been visited at least twice, at which there has been an improvement in scores for at least two of the seven assessment areas. (The criteria for choosing sites for second visits are explained in the programme framework)	N/A	N/A	50% of service delivery sites which have been visited at least twice have an improvement in scores for a least two of the seven assessment areas	Achieved Return monitoring on 27 facilities were conducted and reports produced on the 27 monitored sites for improvements as per agreed schedule. 65% of service delivery sites which were visited at least twice had an improvement in scores for a least two of the seven assessment areas		
Citizen-based monitoring programme	Citizen-based monitoring programme designed, approved and implemented	N/A	N/A	Policy framework for the citizen-based monitoring programme submitted to Cabinet by 31/03/2013	Partially achieved The citizen based monitoring framework was signed off by Minister and tabled at the G&A cluster	Approved by Minister but not yet by Cabinet	The G&A Cluster Working Committee requested various recommendations to be incorporated before presentation to Cluster and Cabinet
Presidential hotline cases resolution performance reports	Number of DPME case resolution reports submitted to FOSAD Minco and to G&A Cluster per annum	N/A	N/A	Monthly resolution reports to FOSAD MANCO and twice per year to G&A cluster	Achieved 6 case resolution reports were submitted to FOSAD Manco and 2 G&A cluster reports were submitted		FOSAD Manco meetings were rescheduled to take place bi-monthly instead of monthly

PART B: PERFORMANCE INFORMATION

2012/13 Outputs	2012/13 Performance Indicator	2011/2012 Annual Target (where applicable)	Actual Achievement 2011/2012 (where applicable)	Planned Annual Target 2012/2013	Actual Achievement 2012/2013	Deviation from Planned Target to Actual Achievement for 2012/2013	Comment on deviations
Presidential hotline performance improvement programme	Improvement plan developed and approved by Director General or top management meeting	N/A	N/A	Improvement Plan (approved by March 2012) implemented	Achieved Implementation plan approved 4 progress reports against implementation were produced		
	Technical support to the five national departments and three provinces with the highest case loads and low resolution and low resolution rates (calculated as per criteria in improvement plan)	N/A	N/A	Technical support plan implemented	Achieved Quarterly reports were tabled to top management meetings on the progress against approved technical support plan		
	Number of call centre operators	N/A	N/A	30 call centre operators (15 per shift) by end of the financial year	Achieved 30 call centre agents are in place		
	National average case resolution rate (average national and provincial resolution rate)	N/A	N/A	80% at end March 2013	Achieved Case resolution rate was at 90.20% by 31 March 2013		

Sub-programme expenditure

Sub-Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Frontline Service Delivery Monitoring	31,698	30,226	1,472	22,425	22,549	(124)

6. Summary of financial information**6.1 Departmental receipts**

The Department does not provide services for which fees are charged. The Department received R28,000 in administrative revenue for staff parking and staff bus.

6.2 Programme Expenditure

Programme Name	2012/2013			2011/2012		
	Final Appropriation	Actual/Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	59,840	53,821	6,019	35,021	33,087	1,934
OME	52,589	48,643	3,946	29,511	28,927	584
M&E Systems	13,378	12,607	771	3,091	3,034	57
PSO	48,352	45,165	3,187	28,579	27,793	786
Total	174,159	160,236	13,923	96,202	92,841	3,361

6.3 Transfer payments, excluding public entities

The Department made no transfer payments to other departments, entities or municipalities. Transfer payments amounting to R219, 000 to Households were for leave gratuities paid to 3 employees who left the service of the department. Details are available under Part E: Financial Information, Annexure 1.

6.4 Public Entities

None

6.5 Conditional grants and earmarked funds paid

None

6.6 Conditional grants and earmarked funds received

None

6.7. Donor Funds

Fund	Donor GIZ
Name of donor	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) – German Government
Full amount of the funding	R 950,000
Period of the commitment	2012/13 Financial Year
Purpose of the funding	Strengthen capacity of the South African Government in Performance Monitoring and Evaluation
Expected outputs	Evaluation Competencies Standards Diagnostic of M&E HR Capacity
Actual outputs achieved	All outputs were achieved
Amount received in current period (R'000)	R 428,000 was received by the Department R 516,000 will be transferred to the Department after the end of the reporting period
Amount spent by the department	R 944,000
Reasons for the funds unspent	Projects completed under budget
Monitoring mechanism by the donor	Reports by department

6.8 Capital investment, maintenance and asset management plan

Expenditure on capital assets during the 2012/13 financial year related to computer hardware, office furniture and equipment and computer software. The department does not control any fixed capital assets. Details about the acquisition and disposal of assets are contained in Part E: Financial Information.





PART C: GOVERNANCE



PART C: GOVERNANCE

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Introduction

The Department of Performance of Monitoring commits to upholding 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 Governance as well as to safeguard the department against any kind of misconduct or fraud.

Risk management

The department has an approved Risk Management Policy and Risk Management Strategy. A comprehensive workshop-based risk assessment was conducted where strategic and operational risks were considered for all departmental programmes. A control improvement plan was developed and risk owners were allocated responsibilities and timeframes. Monitoring of the improvement plan has not yet been conducted as the process of identification was completed in the 4th quarter of 2012/13. The department has adopted mitigating and acceptance strategies on risks identified.

Fraud and corruption

The Fraud Prevention Policy, Fraud Prevention and Response Strategy as well as Whistle Blowing Policy were developed and approved. The processes for communicating and rolling out programmes for both Fraud Prevention and Response Strategy and Whistle-blowing Policy have been conducted but more needs to be done to raise awareness. Both the Strategy and Policy contain guidelines which provide mechanisms for dealing with suspected fraud and corruption should staff become aware of it.

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.

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 to be honest in their dealing with matters that have the potential to create conflicts of interest. Secondly, appointed members 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 a verification process to determine if any de-

partmental officials have any association with the service providers, through the Companies and Intellectual Property Registration Office.

Also, 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.

Code of conduct

The department develops the awareness of all new employees of the Code of Conduct for the Public Service during induction programmes which happens on a quarterly basis. All employees have signed the Departmental code of Ethics and Conduct. A SCM code of conduct has also been signed by officials in the supply chain management unit as well as by all Bid Adjudication Committee members. So far, the department has not experienced any breaches to the code. 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.

Health, safety and environmental issues

The department is housed at the Union Buildings which is under the care of The Presidency and the Department of Public Works. The current office space allocated to the Department is limited and unable to accommodate the full establishment of the department. The department is in the process of acquiring additional office space through the Department of Public Works to alleviate the situation.

Internal Audit Unit

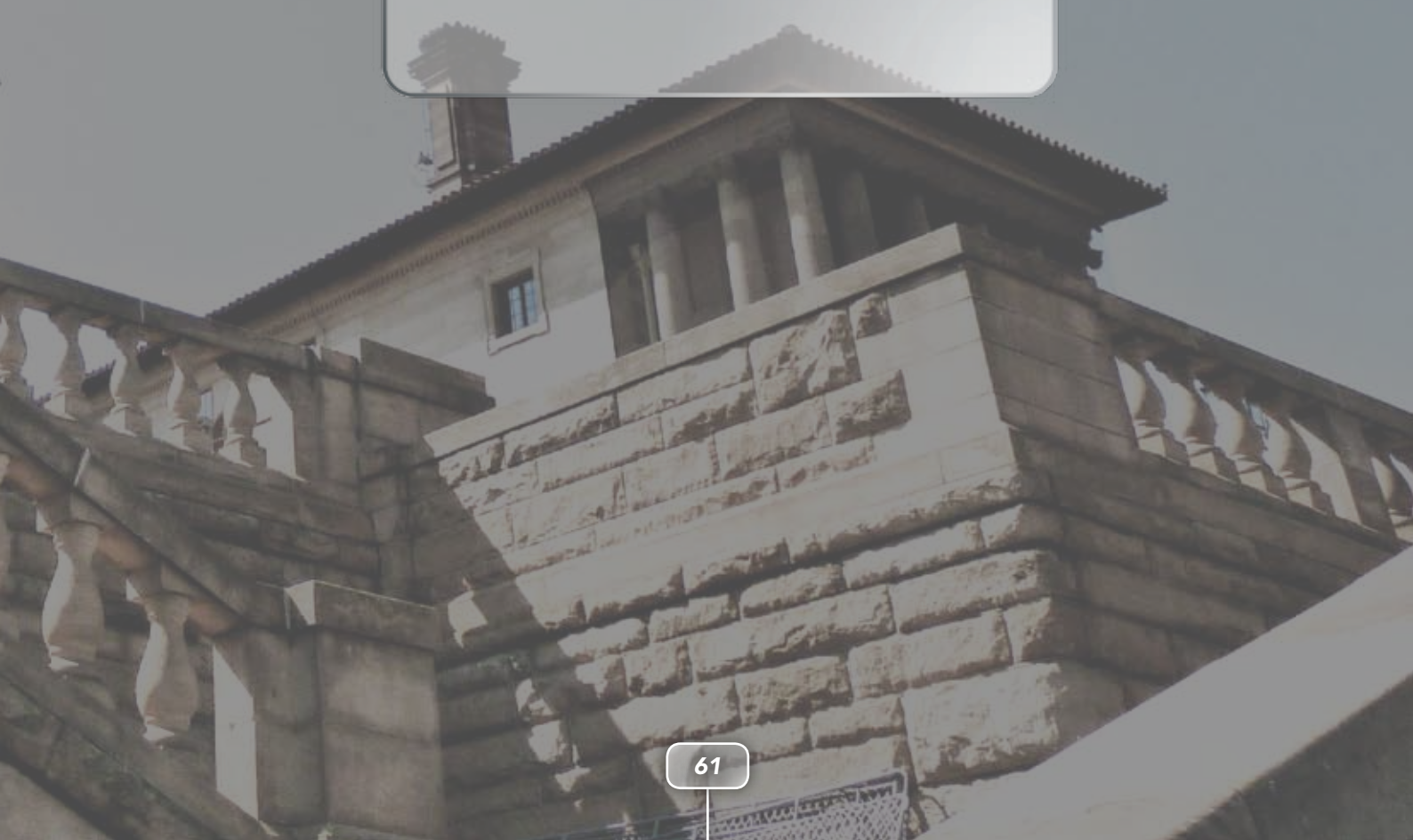
Due to its size, the department uses the model of co-sourcing to perform its internal audit function. In the year under review, Sekela/Xabiso was contracted to perform the internal audit function with the assistance of the head of internal audit in the department. Regular reports were provided to management and to the Audit Committee on the status of internal controls and compliance by the department with laws and regulations. No major findings were made during the audits conducted. A new service provider will be appointed for a period of three years from 2013/14.

The Audit Committee Report

The Audit Committee report is included under Part E: Financial Information



**PART D:
HUMAN
RESOURCE
MANAGEMENT**



Part D: Human Resource Management

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LEGISLATURE THAT GOVERN HR MANAGEMENT

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

INTRODUCTION

In the last financial year the department placed emphasis on ensuring that at least 90% of all funded posts were filled, and that the work force of the department was skilled, competent and representative of the demographics of the country. Emphasis was also placed on ensuring that an Employee Health and Wellness unit was established in the department.

At the end of the 2012/13 financial year the department had 197 funded posts of which 173 were filled (vacancy rate was 12% or 24 posts). The reasons for the non-achievement of the 10% vacancy rate include:

Normal staff turnover

- ◆ Time taken to complete compulsory pre-employment screening (2 to 3 months delay in some cases)
- ◆ Delay in DPSA directive on implementing PSCBC resolution 1 of 2012 related to salary levels 9/10 and 11/12

- ◆ Difficulties in recruiting appropriately skilled officials in certain high level skilled positions due to competitiveness in the labour market.

In the 12 month period from 1 April 2012 to 31 March 2013 the department had 17 exits (this included 3 changes in employment capacities). The main reason for the exits was officials leaving due to promotions or pursuing other career opportunities.

The employment equity statistics at the end of the 2012/13 financial year were, with respect to people with disability: 2%, African: 79%, and Women at SMS level: 44%. The main challenge experienced is recruiting people with disability in the SMS cadre.

The Employee Health and Wellness Unit was capacitated but one official exited the department due to better prospects in the public service. The department however did manage to roll out Employee Health and Wellness programmes in the Department.

The PMDS policy was implemented in the department, and assessments for the 2012/13 were finalised in the second quarter of the financial year in question.

3. HUMAN RESOURCE OVERSIGHT STATISTICS

3.1 Personnel related expenditure

The following tables summarise the final audited personnel related expenditure by programme and by salary bands. In particular they provide 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

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	53,821	21,661	615	825	40.2%	328
Outcomes Monitoring and Evaluation	48,643	26,933	733	13,835	55.4%	641
Macro M&E System Co-ordination and Support	12,607	9,597	117	1,211	76.1%	738
Public Sector Oversight	45,164	24,819	144	2,730	55.0%	477
Total	160,235	83,010	1,609	18,601	51.8%	480

Table 3.1.2 Personnel costs by salary band

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)	568	0.7%	3	189
Skilled (level 3-5)	1,502	1.8%	7	215
Highly skilled production (levels 6-8)	7,686	9.3%	36	214
Highly skilled supervision (levels 9-12)	36,106	43.5%	90	401
Senior and Top management (levels 13-16)	37,148	44.7%	37	734
Total	83,010	100%	173	480

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme

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	18,211	84.1%	53	0.2%	612	2.8%	906	4.05%
Outcomes Monitoring and Evaluation	22,578	83.8%	-	-	317	1.2%	501	1.9%
Macro M&E System Coordination and Support	8,341	86.9%	-	-	174	1.8%	247	2.6%
Public Sector Oversight	21,863	88.1%	-	-	341	1.0%	566	3.2%
Total	70,993	85.5%	53	0.07%	1,443	1.7%	2,219	2.7%

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band

Salary Bands	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
Lower Skilled (level 1-2)	452	79.5%	4	0.70%	24	4,05%	50	8.8%
Skilled (level 3-5)	1,101	73,3%	12	0.80%	100	6,7%	97	6.4%
Highly skilled production (levels 6-8)	5,655	73,6	18	0.23%	323	4,2%	439	5.7%
Highly skilled supervision (levels 9-12)	28,502	78,9	19	0.05%	530	1,5%	1 162	3.2%
Senior management (level 13-16)	35,223	94,8	0	0.00%	468	1,3%	454	1.2%
Total	70,993	85.5%	53	0.06%	1,443	1.7%	2,219	2.7%

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

Table 3.2.1 Employment and vacancies by programme

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate %	Number of employees additional to the establishment
Administration	71	66	7%	2
Outcomes Monitoring and Evaluation	54	42	22%	1
Macro M&E System Coordination and Support	14	13	7%	1
Public Sector Oversight	58	52	10%	2
Total	197	173	12%	6

Table 3.2.2 Employment and vacancies by salary band

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)	3	3	-	-
Skilled(3-5)	8	7	13%	-
Highly skilled production (6-8)	42	37	12%	1
Highly skilled supervision (9-12)	99	90	9%	1
Senior management (13-16)	45	36	20%	4
Total	197	173	12%	6

Table 3.2.3 Employment and vacancies by critical occupations

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Top Management	4	3	25	0
Specialists	13	10	23	0
Senior Managers: Corporate Services	3	2	33	0
TOTAL	20	15	25	0

3.3 Job Evaluation

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

Table 3.3.1 Job Evaluation by Salary band

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)	3	-	-	-	-	-	-
Skilled (Levels 3-5)	8	3	38%	2	67	-	-
Highly skilled production (Levels 6-8)	42	6	14%	3	50	-	-
Highly skilled supervision (Levels 9-12)	99	87	88%	26	30	-	-
Senior Management Service Band A	24	6	25%	-	24	-	-
Senior Management Service Band B	4	2	50%	1	50	-	-
Senior Management Service Band C	16	-	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
Total	197	104	53	32	31	-	-

Note: High percentage due to PSCBC Resolution 1 of 2012 (grading of jobs/posts on salary level 9/10 and 11/12).

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 3.3.2 Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiary	African	Asian	Coloured	White	Total
Female	17	1	1	2	21
Male	8	-	1	2	11
Total	25	1	2	4	32
Employees with a disability					1

There were no employees whose salary level exceed the grade determined by JE (Tables 3.3.3 and 3.3.4 are therefore omitted)

3.4 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.

Table 3.4.1 Annual turnover rates by salary band

Salary Band	Number of employees at beginning of period-April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Lower skilled (Levels 1-2)	3	-	-	-
Skilled (Levels3-5)	8	1	2	25%
Highly skilled production (Levels 6-8)	28	12	3	11%
Highly skilled supervision (Levels 9-12)	72	25	6	8%
Senior Management Service Bands A	15	7	2	13%
Senior Management Service Bands B	4	-	2	50%
Senior Management Service Bands C	12	2	2	17%
Senior Management Service Bands D	1	-	-	-
Total	143	47	17	12

Note: Turnover rate displays % of service termination for the period in relation to the total number of employees at beginning of period April 2012 (i.e. (Terminations and Transfers out of the department) / (Number of employees at beginning of period April 2012) x 100). Appointments and terminations include changes to employment capacity.

Table 3.4.2 Annual turnover rates by critical occupation

Critical Occupation	Number of employees at beginning of period-April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Top Management	2	1	-	-
Specialists	11	1	2	18%
Senior Managers: Corporate Services	3	-	1	33%
TOTAL	16	2	2	13%

Note: Appointments and terminations include changes to employment capacity.

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

Table 3.4.3 Reasons why staff left the department

Termination Type	Number	% of Total Resignations
Death	-	-
Resignation	3	18%
Expiry of contract	2	12%
Dismissal – operational changes	-	-
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill-health	-	-
Retirement	1	6%
Transfer to other Public Service Departments	10	59%
Other	1	6%
Total	17	-
Total number of employees who left as a % of total employment	17	12%

Table 3.4.4 Promotions by critical occupation

Occupation	Employees 1 April 2012	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	2	-	-	1	50%
Specialists	11	-	-	8	73%
Senior Managers: Corporate Services	3	-	-	1	33%
Total	16	-	-	10	63%

Note: 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).

Table 3.4.5 Promotions by salary band

Salary Band	Employees 1 April 2012	Promotions to another salary level	Salary bands promo- tions as a % of employ- ees by salary level	Progressions to an- other notch within a salary level	Notch progression as a % of employ- ees by occupation
Lower skilled (Levels 1-2)	3	-	-	-	-
Skilled (Levels3-5)	8	1	11%	2	25%
Highly skilled pro- duction (Levels 6-8)	28	4	14%	13	46%
Highly skilled supervision (Levels 9-12)	72	6	8%	39	54%
Senior Manage- ment (Level 13-16)	32	-	-	17	53%
Total	143	11	8%	71	49%

Note: 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.

Note: The percentage of employees receiving pay progressions is lower for the employees at the lower level because fewer of these officials qualified for pay progressions on the basis of duration of service.

3.5 Employment Equity

Table 3.5.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2013

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior of- ficials and managers	11	-	5	4	10	1	2	3	36
Professionals	17	2	-	1	23	2	2	4	51
Technicians and associ- ate professionals	12	1	2	-	22	1	-	1	39
Clerks	8	-	1	-	23	3	2	-	37
Service and sales work- ers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	4	-	-	-	3	-	-	-	7
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine op- erators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	-	-	-	-	3	-	-	-	3
Total	52	3	8	5	84	7	6	8	173
Employees with dis- abilities	3	-	-	-	-	-	-	1	4

Table 3.5.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2013

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (L15-L16)	2	-	4	2	3	1	-	1	13
Senior Management (L13-L14)	9	-	1	2	7	-	2	2	23
Professionally qualified and experienced specialists and mid-management	29	3	2	1	45	3	2	5	90
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8	-	1	-	23	3	2	-	37
Semi-skilled and discretionary decision making	4	-	-	-	3	-	-	-	7
Unskilled and defined decision making	0	-	-	-	3	-	-	-	3
Total	52	3	8	5	84	7	6	8	173

Table 3.5.3 Recruitment

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	1	-	-	-	1
Senior Management	3	-	-	-	4	-	1	-	8
Professionally qualified and experienced specialists and mid-management	10	2	1	1	11	-	-	-	25
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	-	-	-	7	-	1	-	12
Semi-skilled and discretionary decision making	-	-	-	-	1	-	-	-	1
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	17	2	1	1	24	-	2	-	47
Employees with disabilities	1	-	-	-	-	-	-	-	1

Table 3.5.4 Promotions

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	2	-	-	-	3	-	1	-	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	-	-	-	2	-	-	-	4
Semi-skilled and discretionary decision making	-	-	1	-	-	-	-	-	1
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	4	0	1	-	5	-	1	-	11
Employees with disabilities	-	-	-	-	-	-	-	-	-

Note: This table includes only promotions to another salary level.

Table 3.5.5 Terminations

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	1	-	-	-	1
Senior Management	3	-	-	1	1	-	-	-	5
Professionally qualified and experienced specialists and mid-management	1	2	-	-	3	-	-	-	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	-	-	-	-	-	-	-	3
Semi-skilled and discretionary decision making	-	-	-	-	2	-	-	-	2
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	7	2	0	1	7	-	-	-	17
Employees with Disabilities	-	-	-	-	-	-	-	-	-

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

Table 3.5.6 Disciplinary action

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	0	0	0	0	0	0	0	0	0

Table 3.5.7 Skills development

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	4	-	1	-	2	-	-	-	7
Professionals	6	-	-	-	20	8	6	4	44
Technicians and associate professionals	12	2	1	1	27	3	-	-	46
Clerks	12	-	-	-	19	1	-	-	32
Service and sales workers	4	-	-	-	14	-	-	-	18
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	-	-	-	-	-	-	-	-	-
Total	38	2	2	1	82	12	6	4	147
Employees with disabilities	-	-	-	-	-	-	-	-	-

Note: The total of 147 reflects the instances an employee/s attended training in the department.

3.6. Performance Rewards

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

Table 3.6.1 Performance Rewards by race, gender and disability

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Male	13	40	33	179	14
Asian, Male	5	7	71	114	23
Coloured Male	-	3	-	-	-
White Male	3	5	60	75	25
African Female	27	65	42	292	11
Asian Female	3	4	75	32	11
Coloured Female	4	5	80	43	11
White Female	4	8	50	78	20
TOTAL	59	137	43	814	14

Note: 137 employees were employed in the department on 31 March 2012. Performance bonuses for the period 1 April 2011 to 31 March 2012 were paid in the second quarter of the 2012/13 financial year.

Table 3.6.2 Performance Rewards by salary band for personnel below Senior Management Service,

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per beneficiary (R'000)	Total cost as % of total personnel expenditure
Lower Skilled (Levels 1-2)	-	2	-	-	-	-
Skilled (level 3-5)	-	11	-	-	-	-
Highly skilled production (level 6-8)	10	29	34%	54	5.4	0.7%
Highly skilled supervision (level 9-12)	32	63	51%	358	11.2	1.0%
Total	42	105	40%	412	9.8	0.9%

Note: The percentage of employees receiving performance bonuses is lower for the employees at the lower level because fewer of these officials qualified for performance bonuses on the basis of duration of service as well as not attaining above satisfactory performance.

Table 3.6.3 Performance Rewards by critical occupation

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per beneficiary (R'000)
Top Management	-	2	-	-	-
Specialists	9	11	81.8%	247	27.4
Senior Managers: Corporate Services	2	3	66.6%	38	19.0
Total	11	16	68.8%	285	25.9

Table 3.6.4 Performance related rewards (cash bonus), by salary band for Senior Management Service

Salary Band	Beneficiary Profile			Cost		Total cost as % of total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per beneficiary (R'000)	
A	6	16	37.5%	114.5	19.1	0.7%
B	2	3	66.6%	40.1	20.1	0.9%
C	9	12	75.0%	247.1	27.1	1.6%
D	0	1	-	-	-	-
Total	17	32	61	401.7	23.6	1.1%

3.7. Foreign Workers

None

3.8. 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 3.8.1 Sick leave

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)	31	77	3	2	10	6
Skilled (levels 3-5)	60	70	9	6	7	25
Highly skilled production (levels 6-8)	277	70	35	24	8	162
Highly skilled supervision (levels 9-12)	494	77	79	54	6	679
Top and Senior management (levels 13-16)	151	72	21	14	7	429
Total	1,013	74	147	100	7	1,301

Note: % of total employees using sick leave is calculated as (Number of employees using sick leave) / Total number of employees using sick leave) x 100).

Table 3.8.2 Disability leave (temporary and permanent)

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)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	34	100	1	20	34	14
Highly skilled supervision (Levels 9-12)	83	100	4	80	21	121
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	117	100	5	100	23	135

Note: % of total employees using disability leave is calculated as (Number of employees using disability leave) / Total number of employees using disability leave) x 100).

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 3.8.3 Annual Leave

Salary Band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	98	3	33
Skilled Levels 3-5)	176	9	20
Highly skilled production (Levels 6-8)	665	38	18
Highly skilled supervision(Levels 9-12)	1,613	92	18
Senior management (Levels 13-16)	679	30	23
Total	3,231	172	19

Table 3.8.4 Capped leave

None

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

Table 3.8.5 Leave payouts

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R'000)
Leave payout for 2011/12 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave payouts on termination of service for 2012/13	67.1	1	67.2
Current leave payout on termination of service for 2012/13	70.0	6	11.7
Total	137.1	7	19.6

3.9 HIV/AIDS & Health Promotion Programmes

Table 3.9.1 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.	<ul style="list-style-type: none"> ◆ STI and Condom Awareness ◆ Condom Distribution ◆ HIV/AIDS Voluntary Counselling and Testing ◆ World Aids Day Awareness

Table 3.9.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Ms K Soorju D: 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		02 Employees (R50, 000.00)
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		Individual Counselling and coaching for the Presidential Hotline Staff, Eye screening Test, Cancer Presentation, Distribution of Pink Ribbons and Breast cancer Examination, Diabetes and Cholesterol Testing, Blood Donations, 16 days of Activism Awareness and distribution of White Ribbons, Nutrition Awareness Guide, World Aids Day Awareness and distribution of Red Ribbons, HCT, STI and Condom week Awareness, Glaucoma Awareness
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		X	Committee to be established within 2013-2014 Financial Year
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		Recruitment and Selection Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.		X	Draft Policy on Employee Health and Wellness covers issues around stigma and discrimination
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		In collaboration with the Presidency, invited GEMS to provide VCT, also encourage staff to attend the HCT event organised by DPSA in September 2012
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		X	

3.10. Labour Relations

Table 3.10.1 Collective agreements

Subject Matter	Date
None	

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

Table 3.10.2 Misconduct and disciplinary hearings finalised

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	-	-
Final written warning	-	-
Suspended without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
Total	-	-0

Table 3.10.3 Types of misconduct addressed at disciplinary hearings

Type of misconduct (based on annexure A)	Number	% of total
None	-	-

Table 3.10.4 Grievances logged

	Number	% of Total
Number of grievances resolved	3	100%
Number of grievances not resolved	-	-
Total number of grievances lodged	3	100%

Table 3.10.,5 Disputes logged

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

Table 3.10.6 Strike actions

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

Table 3.10.7 Precautionary suspensions

Number of people suspended	-
Number of people who's suspension exceeded 30 days	-
Average number of days suspended	-
Cost (R'000) of suspension	-

3.11. Skills development

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

Table 3.11.1 Training needs identified

Occupational Category	Gender	Number of employees as at 1 April 2012	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	10	-	5	-	5
	Male	23	-	20	-	20
Professionals	Female	25	-	19	-	19
	Male	10	-	10	-	10
Technicians and associate professionals	Female	21	-	22	-	22
	Male	12	-	11	-	11
Clerks	Female	20	-	20	-	20
	Male	8	-	11	-	11
Service and sales workers	Female	0	-	10	-	10
	Male	0	-	9	-	9
Skilled agriculture and fishery workers	Female	6	-	-	-	-
	Male	5	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	3	-	-	-	-
	Male	0	-	-	-	-
Sub Total	Female	85	-	76	-	76
	Male	58	-	61	-	61
Total		143	-	137	-	137

Table 3.11.2 Training provided for the period

Occupational Category	Gender	Number of employees as at 1 April 2012	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10	-	5	-	5
	Male	23	-	8	-	8
Professionals	Female	25	-	30	-	30
	Male	10	-	8	-	8
Technicians and associate professionals	Female	21	-	22	-	22
	Male	12	-	17	-	17
Clerks	Female	20	-	20	-	20
	Male	8	-	12	-	12
Service and sales workers	Female	-	-	0	-	-
	Male	-	-	0	-	-
Skilled agriculture and fishery workers	Female	6	-	14	-	14
	Male	5	-	11	-	11
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	3	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	85	-	91	-	91
	Male	58	-	56	-	56
Total		143	-	147	-	147

3.12. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.12.1 Injury on duty

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

3.13. Utilisation of Service Providers

Table 3.13.1 – Report on server provider appointments using appropriated funds

Project Title	Total number of service providers that worked on project	Duration: Work days	Contract value in Rand
Review of Community Work Programme	1	60	950,000
MPAT Assessment Criteria	1	89	199,492
Moderation of SCM MPAT results	1	29	427,500
QA and production configuration	2	39	29,184
Review of Community Work Programme	1	179	1,244,725
Knowledge management implementation framework and support	1	166	429,400
Maintenance and Enhancements to POA	3	239	1,500,000
Study on 4 implementation programmes in DTI	2	40	299,250
Study on four implementation programmes in Competition Commission	3	20	142,785
Study on 4 Implementation programmes in Health	3	19	216,201
Study on 4 implementation programmes in Education	3	19	189,981
Risk assessment	2	59	302,100
Customisation of MS SharePoint	2	259	481,080
DPME Website Development	4	38	239,252
Support on implementing HOD assessments	2	129	276,137
HOTLINE Diagnostic 2	2	119	415,000
Support to DPME on Evaluations Methodology	1	239	273,600
Technical support to FSDM	2	359	2,798,928
Diagnostic/Implementation Evaluation of Nutrition Interventions for Children from Conception to age 5	2	155	1,089,803
Assessment of Government Evaluations Undertaken from 2006 to 2011	3	155	2,979,457
Server room and cabling for data centre	5	110	1,288,723
Support to DPME on Inputs for the 20 Year Review	4	110	2,813,520
Support to DPME on Evaluations	1	239	729,600
Implementation Evaluation of the Business Process Services Incentive Programme	3	120	897,408
Internal Audit Service	5	125	610,793
5 Training sessions on evaluation in the Public Service	2	97	495,558
Implementation Evaluation of Comprehensive Rural Development Programme (CRDP)	3	152	1,800,174
Implementation evaluation of the Land Reform Recapitalization and Development Programme	4	152	3,138,801
Impact Evaluation of Grade R	3	112	298,000
Support in reviewing methodology of MPAT 1.2	2	119	267,375
Maintenance of FSD and MPAT systems	2	71	370,500
Development of norms and standards for concurrent functions	4	177	4,658,039
Research on government reporting requirements	2	95	1,014,106
KSD Presidential Intervention Review	3	69	878,883
Impact/implementation evaluation of Government Coordination Systems	3	69	1,418,137
5 Evaluation guidelines	3	69	999,438
Total individual consultants	87	Total duration: Work days	Total contract value in Rand
		4,688	36,162,929
			Total number of projects
			36

Note: Contract duration and value includes full duration of contract and may span more than 1 financial year. Working days refer to the full duration of the contract.

Table 3.13.2 – Analysis of service providers appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on project
Review of Community Work Programme	-	18.6%	1
MPAT Assessment Criteria	55%	55%	1
Moderation of SCM MPAT results	-	-	-
QA and production configuration	10%	4.2%	2
Knowledge management implementation framework and support	100%	100%	3
Maintenance and Enhancements to POA	60%	5.6%	2
Study on 4 implementation programmes in DTI	41%	-	2
Study on four implementation programmes in Competition Commission	10%	-	2
Study on 4 Implementation programmes in Health	-	-	1
Study on 4 implementation programmes in Education	-	-	-
Risk assessment	77%	10%	1
Customisation of MS SharePoint	-	17.6%	2
DPME Website Development	27%	5.9%	1
Support to DPME on Evaluations Methodology	25%	25%	-
Technical support to FSDM	25%	9.2%	1
Diagnostic/Implementation Evaluation of Nutrition Interventions for Children from Conception to age 5	17%	20%	1
Assessment of Government Evaluations Undertaken from 2006 to 2011	50%	25%	4
Server room and cabling for data centre	67%	25%	2
Support to DPME on Inputs for the 20 Year Review	67%	27%	2
Support to DPME on Evaluations	100%	100%	1
Implementation Evaluation of the Business Process Services Incentive Programme	20%	-	-
Internal Audit Service	100%	100%	4
5 Training sessions on evaluation in the Public Service	10%	1.3%	2
Implementation Evaluation of Comprehensive Rural Development Programme (CRDP)	10%	-	2
Maintenance of FSD and MPAT systems	60%	5.6%	1
Development of norms and standards for concurrent functions	41%	-	2
Research on government reporting requirements	-	-	1
KSD Presidential Intervention Review	10%	-	2
Impact/implementation evaluation of Government Coordination Systems	10%	-	2
5 Evaluation guidelines	10%	1.3%	1

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 14.3 – Report on consultant appointments using Donor funds

Project Title		Total number of consultants that worked on project	Duration: Work days	Contract value in Rand
Evaluation Competencies Standards		2	99	453,606
Diagnostic M&E HR Capacity		3	79	498,408
Total individual consultants	Total duration: Work days	Total contract value in Rand		Total number of projects
5	179	952,014		2

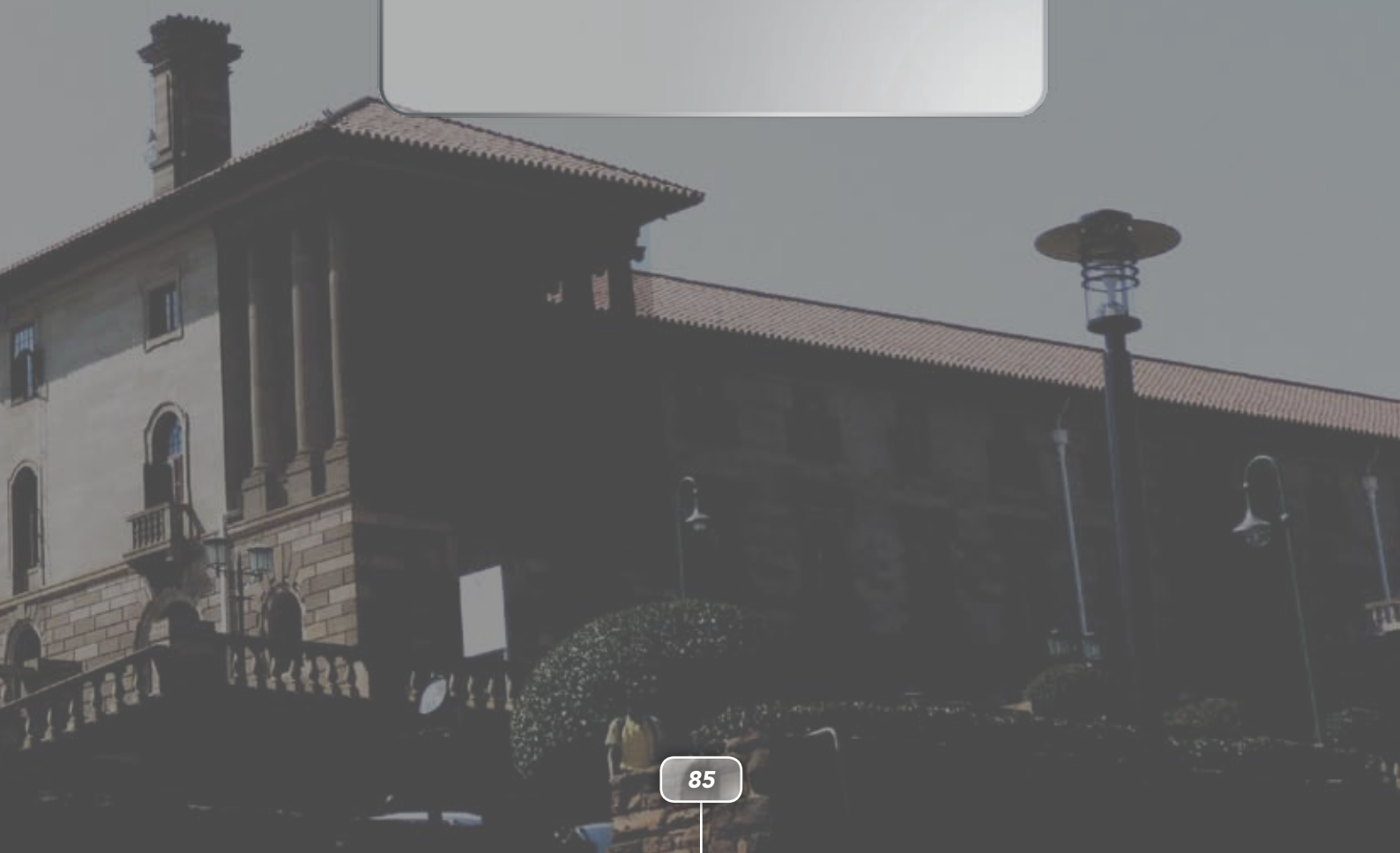
Table 14.4 – Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Evaluation Competencies Standards	10%	-	2
Diagnostic M&E HR Capacity	60%	25%	3





***PART E:
FINANCIAL
INFORMATION***



Part E: Financial Information

ANNUAL FINANCIAL STATEMENTS FOR THE DEPARTMENT OF PERFORMANCE MONITORING AND EVALUATION

For the year ended
31 March 2013

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4. Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2013.

Audit Committee Members and Attendance:

The audit committee consists of the members listed hereunder and should meet four (4) times per annum as per its approved terms of reference. During the current year 4 meetings were held.

Name of Member	Number of Meetings Attended
Mr. George Negota (Chairperson) Term ended on 22 October 2012	2
Mr. Cedric Boltman Chairperson w.e.f. 22 October 2012	4
Mr. Stewart Patterson	4
Ms. Lorraine François	4
Ms. Ntombi Langa-Royds	4
Mr. Anton Bischof	4

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted appropriate formal terms of reference in its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The system of internal control was not entirely effective for the year under review. During the year under review, several deficiencies in the system of internal control and/or deviations were reported by the internal auditors and the Auditor-General South Africa. In certain instances the matters reported have not been fully and satisfactorily addressed.

Risk Management

Risk Management is not yet fully effective in that:

- ◆ Although a strategic risk assessment took place in

September 2011, an approved risk register was not available for the 2011/12 financial year. No reporting against mitigation plans took place for the year under review.

- ◆ Operational risk assessment did not take place

Management report of the Auditor General

Interim and final management reports were presented for discussion and review by the Audit Committee

The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA.

The Audit Committee is satisfied with the content and quality of quarterly financial reports prepared and issued by the Accounting Officer of the Department to National Treasury during the year under review.

Compliance with Corporate Governance

The principles set out in King III relating to the governance of risk management have not been adequately addressed

Evaluation of Financial Statements

The Audit Committee has:

- ◆ reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General South Africa and the Accounting Officer;
- ◆ reviewed the Auditor-General South Africa's management reports and management's response thereto;
- ◆ not identified any changes in accounting policies and practices;
- ◆ reviewed information on predetermined objectives to be included in the annual report;
- ◆ reviewed the department's compliance with legal and regulatory provisions;
- ◆ reviewed significant adjustments resulting from the audit, and
- ◆ interim financial statements were not submitted to the Audit Committee for review.

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

Internal audit

Internal Audit was not fully operational throughout the year. A service provider has recently been appointed to carry out this function.

Auditor-General South Africa

The Audit Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues.

Chairperson of the Audit Committee

Date: 30 July 2013

5. Report of the Accounting Officer

5.1. General review of the state of financial affairs

The Department operated under Vote 1 (The Presidency) until the end of the 2010/11 financial year. These are the second annual financial statements produced by the DPME as a stand-alone Department.

While our work on the outcomes approach under Programmes 2 and 3 was well established at the beginning of the financial year, our work in the areas of evaluations under Programme 2 and frontline service delivery monitoring and institutional performance monitoring under Programme 4 was still being refined. These programmes are now fully functional.

A detailed overview of the operations of the Department is presented in our report on predetermined objectives in Part B of the annual report.

Spending trends

As indicated in the Appropriation Statement, total expenditure for the financial year amounted to R160.2 million, resulting in a saving of R13.9 million (8% of final appropriation). Savings on compensation of employees and goods and services amounted to R2.8million (3.3%) and R5.6 million (7.8%) respectively while savings on capital assets amounted to R5.5 million (35.2%). Of the R5.5 million saving under capital assets, R2.7 million was committed but remained unspent due to delivery delays. A further R580,000 was approved but not contracted.

Cabinet in 2012 requested the Department to coordinate government's review of progress made in the 20-years since democracy (total estimated project cost of R5 million). The Forum of South African Directors General (FOSAD) in 2012 requested the Department to conduct research on norms

and standards for concurrent functions and related monitoring and reporting processes (total project cost of R4.6 million). Projected expenditure for the 2012/13 financial year of R2.8 million on the 20-year review and R2.3 million on the FOSAD project were funded through shifts and virement. It was not possible to complete the two projects during the financial year, resulting in unspent funds of R2.7 million, for which the department will request a roll-over to the 2013/14 financial year.

Virements approved by the CFO amounted to R4.1 million. The purpose of the virements was to utilise savings under Programme 4 for expenditure on the 20-year review and the FOSAD Norms and Standards project under Programme 2.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure during the 2012/13 financial year related exclusively to travel expenditure and amounted to R65,000. R32,000 was condoned, R4,000 was recovered from officials and R29,000 is still under investigation.

Irregular expenditure

The Department incurred R455,000 in irregular expenditure on finance leases, automatically condoned through Treasury Practice Note 5 of 2006/7.

5.2. Service rendered by the Department

DPME is not a service delivery Department and does not render any services in the public domain on a recoverable basis. Revenue disclosed in the financial statements is derived from the following:

- ◆ Staff parking
- ◆ Transportation of employees to and from work
- ◆ Administrative revenue

For more details on Departmental revenue, please refer to note 2 under notes to the financial statements.

5.2. Capacity constraints

The Department was supported by The Presidency's ICT system until March 2013. This presented a significant operational risk to the Department as The Presidency's ICT systems were not designed to provide the functionality required by the Department. The Department successfully migrated to its own ICT system in March 2013 and migration to its own telephony systems will be completed early in the 2013/14 financial year.

5.3. Utilisation of donor funds

Direct foreign aid assistance from the German Government (GTZ) amounted to R950,000 to support M&E capacity building. R943,000 was spent on two projects. The Department expects a significant increase in donor funded projects over the MTEF.

Local and foreign assistance received in kind during the reporting period amounted to approximately R100,000 (see annex 2). These amounts are not disclosed on the face of the Annual Financial Statements as donors paid the respective service providers directly without channelling the funds through DPME.

5.4. Trading entities and public entities

The Department does not have any trading or public entities.

5.6. Organisations to whom transfer payments have been made

No transfer payments were made for the period under review.

5.7. Public private partnerships (PPP)

The Department did not enter into any PPP contracts for the period under review. It does however participate in the Public Private Partnership Vehicle Fleet Contract (RTG718) between the Department of Transport and Phakisaworld Fleet Solutions. Expenses related to two vehicles leased through this contract as well as short term vehicle rentals are disclosed as part of operating leases and travel and subsistence expenditure respectively.

5.8. Corporate governance arrangements

Internal Audit Function

The Head of Internal Audit has been appointed, reporting directly to the Accounting Officer. Given the small size of the Department it was more cost effective to outsource the

internal audit function (IAF) to an external service provider.

Internal Audit provides objective and independent assurance to management and the Audit Committee on the adequacy and effectiveness of internal controls, risk management and governance processes within the Department. In pursuing this activity the IAF is guided by a fully functional Audit Committee. A three-year rolling audit plan has been approved and is being coordinated by the Internal Audit Unit. The Department will appoint a new service provider in 2013 to implement the audit plan.

Audit Committee

The Department has an Audit Committee appointed in terms of the Public Finance Management Act, which it shares with The Presidency. Members discharge their functions in accordance with the PFMA, Treasury Regulations and the Audit Committee Charter.

Risk Management

The management of risk in the Department forms an integral part of effective corporate governance. The Department completed its first strategic risk assessment during the past financial year and will fully implement its risk management, fraud prevention and compliance framework during the 2013/14 financial year. During 2011 the Department approved a fraud prevention strategy and policy and adopted a code of ethics and conduct.

Policy review and operational controls

The majority of the Department's policies were developed and adopted during 2011. Most policies were reviewed during the beginning of 2012 to effect amendments required to improve the effectiveness and efficiency of operations and address shortcomings highlighted in audit findings.

General

The Departmental Executive Management Committee and Administrative Management Committee met regularly.

5.9. Discontinued activities/activities to be discontinued

The work performed under Programme 3: M&E Systems Coordination and support will be re-allocated to other programmes in the Department during 2013/14 to enhance efficiency of operations.

5.10. New/proposed activities

During 2012/13 the Department started developing a management and service delivery assessment tool (MAT) for Local Government. A new unit will be established in 2013/14 to implement the local government monitoring mandate of the Department during 2013/14. Discussions between the Department, DPSA and the Public Service Commission on the Department's future role in the assessment of Heads of Department are on-going.

5.11. Asset management

In terms of Sub-section 38(1) (b) of the Public Finance Management Act (1 of 1999) as amended, the Accounting Officer for the Department is responsible for the effective, efficient, economical and transparent use of the resources of the Department.

All the assets of the Department have been captured in the asset register of the Department. A revised asset management policy and procedures were implemented during 2012 to address audit findings raised during the 2011/12 audit cycle. Regular assets verification as well as monthly reconciliations are being conducted to ensure accurate assets records and financial reports.

5.12. Inventories

All inventory opening and closing balances are reflected in Annexure 6 to the annual financial statements. The Department will from the 2013/14 financial year no longer maintain any inventory, in line with the revised Standard Chart of Accounts classifications

5.13. Events after the reporting date

None

5.14. Information on predetermined objectives

Our report on predetermined objectives is dealt with under Part B of the Annual Report. Departmental management have been actively involved in the compilation of quarterly reports on progress against targets set in the Department's Annual Performance Plan.

5.15. SCOPA resolutions

There were no SCOPA resolutions for the period under review.

5.16. Prior modifications to audit reports

The Auditor General raised a number matters of significance related to compliance with SCM regulations and procedures in the Department's management report for 2011/12. These matters have been addressed through amendments to policies and the improvement of operating procedures.

5.17. Exemptions and deviations received from the National Treasury

There were no exemptions and deviations received for the period under review.

5.18. Interim Financial Statements

The Department submitted quarterly interim financial statements to National treasury within one month after the end of each quarter.

5.19. Conclusion

I would like to express my sincerest appreciation to management and staff for their commitment and dedication throughout the year. The Finance and Supply Chain units deserve a special mention for their hard work and dedication to achieving a clean audit report on the financial statements.



Dr Sean Phillips
Director General, DPME
Date: 30 May 2013

6. Statement of Responsibility for the Annual Financial Statements for the year ended 31 March 2013

The Accounting Office is responsible for the preparation of the department's 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 designed to provide reasonable assurance as to the integrity and reliability of the annual financial statements.

In my opinion, the financial statements fairly reflect the operations of the department for the financial year ended 31 March 2013.

The external auditors are engaged to express an independent opinion on the AFS of the department.

The Department of Performance Monitoring and Evaluation AFS for the year ended 31 March 2013 have been

examined by the external auditors and their report is presented on page xx.

The Annual Financial Statements of the Department set out on page xx to page xx have been approved.



Dr Sean Phillips
Director General, DPME
Date: 30 July 2013

7. Report of the Auditor-General

7.1. Report of the Auditor-General to Parliament on Vote No. 6: The Department of Performance Monitoring and Evaluation

REPORT ON THE FINANCIAL STATEMENTS

Introduction

- I have audited the financial statements of the Department of Performance Monitoring and Evaluation set out on pages XX to XX, which comprise the appropriation statement, the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

- The accounting officer is responsible for the preparation of these financial statements in accordance with the Departmental financial reporting framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and 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.

Auditor-General's responsibility

- My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures select-

ed depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

- In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Performance Monitoring and Evaluation as at 31 March 2013, and its financial performance and cash flows for the year then ended in accordance with the Departmental financial reporting framework prescribed by the National Treasury and the requirements of the PFMA.

Additional matters

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

Unaudited supplementary schedules

- The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Financial reporting framework

- The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework and not that they "present fairly". Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of

the financial statements. The wording of my opinion therefore reflects this requirement.

Report on other legal and regulatory requirements

10. In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

11. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report of the Department of Performance Monitoring and Evaluation as set out on pages XX to XX of the annual report.
12. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information.

The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

13. There were no material findings on the annual performance report of the Department of Performance Monitoring and Evaluation concerning the usefulness and reliability of the information.

Additional matter

14. Although no material findings concerning the usefulness and reliability of the performance information were identified in the annual performance report of the Department of Performance Monitoring and Evaluation, I draw attention to the following matter below.

Material adjustments to the annual performance report of the Department of Performance Monitoring and Evaluation

15. Material audit adjustments in the annual performance report were identified during the audit, of which all were corrected by management.

Compliance with laws and regulations

16. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters.
17. I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA.

Internal control

18. I considered internal control relevant to my audit of the financial statements, annual performance report of the Department of Performance Monitoring and Evaluation and compliance with laws and regulations. I did not identify any deficiencies in internal controls which I considered sufficiently significant for inclusion in this report.

Pretoria

26 July 2013



8. Appropriation Statement for the year ended 31 March 2013

APPROPRIATION PER PROGRAMME		2011/12								
2012/13	Programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration										
	Current payments	46,340	-	-	46,340	44,532	1,808	96.1%	28,363	27,617
	Transfers and subsidies	-	-	-	-	-	-	-	-	-
	Payment for capital assets	13,500	-	-	13,500	9,289	4,211	68.8%	6,658	5,470
	Payment for financial assets	-	-	-	-	-	-	-	-	-
		59,840	-	-	59,840	53,821	6,019	-	35,021	33,087
2. Outcomes Monitoring & Evaluation										
	Current payments	47,784	(206)	4,050	51,628	48,306	3,322	93.6%	29,391	28,807
	Transfers and subsidies	-	206	-	206	206	-	100%	-	-
	Payment for Capital Assets	755	-	-	755	131	624	17.4%	120	120
	Payment for Financial Assets	-	-	-	-	-	-	-	-	-
		48,539	-	4,050	52,589	48,643	3,946	-	29,511	28,927
3. M&E Systems Coord. and Support										
	Current payments	13,295	(13)	-	13,282	12,511	771	94.2%	2,985	2,928
	Transfers and subsidies	-	13	-	13	13	-	100%	-	-
	Payment for capital assets	75	-	8	83	83	-	100%	106	106
	Payment for Financial Assets	-	-	-	-	-	-	-	-	-
		13,370	-	8	13,378	12,607	771	-	3,091	3,034
4. Public Sector Oversight										
	Current Payments	51,155	-	(4,050)	47,105	44,562	2,543	94.6%	28,461	27,675
	Transfers and subsidies	-	-	-	-	-	-	-	-	-
	Payment for Capital assets	1,255	-	(8)	1,247	603	644	48.4%	118	118
	Payment for Financial Assets	-	-	-	-	-	-	-	-	-
		52,410	-	(4,058)	48,352	45,165	3,187	-	28,579	27,793
	Subtotal	174,159	-	-	174,159	160,236	13,923	92.0%	96,202	92,841
	Statutory Appropriation	-	-	-	-	-	-	-	-	-
	TOTAL	174,159	-	-	174,159	160,236	13,923	92.0%	96,202	92,841

Appropriation statement (Continued)

	2012/13		2011/12	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	174,159		96,202	
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	113		119	
Direct Exchequer receipts	-		-	
NRF Receipts	-		-	
Aid assistance	428		-	
Actual amounts per statement of financial performance (total revenue)	174,700		96,321	
ADD				
Aid assistance	-	944	-	-
Direct Exchequer payments	-	-	-	-
Prior year unauthorised expenditure approved without funding	-	-	-	-
Actual amounts per statement of financial performance (total expenditure)		161,180		92,841

Appropriation statement (Continued)

APPROPRIATION PER ECONOMIC CLASSIFICATION										
Economic Classification	2012/13					2011/12				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Current payments										
Compensation of employees	88,958	(3,131)	-	85,827	83,009	2,818	96.7%	52,983	51,673	
Goods and services	69,616	2,912	-	72,528	66,902	5,626	92.2%	35,598	35,325	
Interest and rent on land	-	-	-	-	-	-	-	30	30	
Transfers and subsidies										
Households	-	219	-	219	219	-	100%	-	-	
Payments for capital assets										
Machinery and equipment	11,433	120	8	11,561	8,240	3,321	71.3%	5,942	4,754	
Software and other intangible assets	4,152	(120)	(8)	4,024	1,866	2,158	46.4%	1,649	1,059	
Payments for financial assets										
Total	174,159	-	-	174,159	160,236	13,923	92.0%	96,202	92,841	

STATUTORY APPROPRIATION										
Direct changes against the National Revenue Fund	2012/13					2011/12				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
None	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

Appropriation statement (Continued)

PROGRAMME 1: ADMINISTRATION	2012/13				2011/12				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Details per sub-programme									
1.1 Departmental Management									
Current payments	9,385	(450)	-	8,935	8,932	3	100.0%	6,276	6,174
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	45	30	-	75	75	-	100.0%	32	32
1.2 Corporate Services									
Current payments	21,077	(2,050)	-	19,027	17,602	1,425	92.5%	11,442	11,097
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	525	-	-	525	491	34	93.5%	834	834
1.3 Information Technology Support*									
Current payments	13,593	3,300	-	16,893	16,650	243	98.6%	7,191	7,113
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	12,930	(30)	-	12,900	8,723	4,177	67.6%	5,792	4,604
1.4 Internal Audit									
Current payments	2,285	(800)	-	1,485	1,348	137	90.8%	3,454	3,233
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Total	59,840	-	-	59,840	53,821	6,019	89.9%	35,021	33,087
Detail per economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	23,296	(1,300)	-	21,996	21,660	336	98.5%	17,596	16,998
Goods and services	23,044	1,300	-	24,344	22,872	1,472	94.0%	10,755	10,607
Interest and rent on land	-	-	-	-	-	-	-	12	12
Transfers and subsidies to:									
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets									
Machinery and equipment	11,000	-	-	11,000	7,974	3,026	72.5%	5,609	4,421
Software and other intangible assets	2,500	-	-	2,500	1,315	1,185	52.6%	1,049	1,049
Total	59,840	-	-	59,840	53,821	6,019	89.9%	35,021	33,087

*2011/12 figures for Information Technology support was previously reported under Programme 3

Appropriation statement (Continued)

PROGRAMME 2: OUTCOMES MONITORING & EVALUATION	2012/13				2011/12				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Details per sub-programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Prog. Management for OME									
Current payments	2,981	372	-	3,353	3,159	194	94.2%	2,374	2,013
Transfers and subsidies	-	128	-	128	128	-	100.0%	-	-
Payment for capital assets	-	80	-	80	66	14	82.5%	34	34
2.2 Outcomes Support									
Current payments	27,791	(308)	-	27,483	27,076	407	98.5%	24,846	24,823
Transfers and subsidies	-	78	-	78	78	-	100.0%	-	-
Payment for capital assets	755	(140)	-	615	11	604	1.8%	86	86
2.3 Outcomes Research									
Current payments	17,012	(270)	4,050	20,792	18,071	2,721	86.9%	2,171	1,971
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	60	-	60	54	6	90.0%	-	-
Total	48,539	-	4,050	52,589	48,643	3,946	92.5%	29,511	28,927
Detail per economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	29,142	(1,558)	-	27,584	26,933	651	97.6%	24,625	24,057
Goods and services	18,642	1,352	4,050	24,044	21,373	2,671	88.9%	4,760	4,744
Interest and rent on land	-	-	-	-	-	-	-	7	7
Transfers and subsidies to:									
Households	-	206	-	206	206	-	100.0%	-	-
Payment for capital assets									
Machinery and equipment	55	120	-	175	117	58	66.9%	119	119
Software and other intangible assets	700	(120)	-	580	14	566	2.4%	-	-
Total	48,539	-	4,050	52,589	48,643	3,946	92.5%	29,511	28,927

* Figures for 2011/12 for Outcomes Support include PoA sub-programme reported on under Programme 3 in the 2011/12 Annual Report.

Appropriation statement (Continued)

PROGRAMME 3: M&E SYSTEMS COORDINATION AND SUPPORT	2012/13					2011/12				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Details per sub-programme										
3.1 Prog. Manage M&E Systems	2,652	-	-	2,652	2,512	140	94.7%	2,049	1,992	
Current payments	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	-	-	-	-	-	-	-	105	105	
3.3 M&E Policy & Capacity Building	6,272	(13)	-	6,259	5,971	288	95.4%	936	936	
Current payments	-	13	-	13	13	-	100.0%	-	-	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	-	-	-	-	-	-	-	1	1	
3.4 M&E Data Support	4,371	-	-	4,371	4,028	343	92.2%	-	-	
Current payments	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	75	-	8	83	83	-	100.0%	-	-	
Total	13,370	-	8	13,378	12,607	771	94.2%	3,091	3,034	
Detail per economic classification										
Current payments	9,869	(13)	-	9,856	9,597	259	97.4%	2,340	2,283	
Compensation of employees	3,426	-	-	3,426	2,914	512	85.1%	635	635	
Goods and services	-	-	-	-	-	-	-	10	10	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
Transfers and subsidies to:										
Households	-	13	-	13	13	-	100.0%	-	-	
Payment for capital assets	75	-	8	83	83	-	100.0%	106	106	
Machinery and equipment	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	-	-	-	-	-	-	-	-	
Total	13,370	-	8	13,378	12,607	771	94.2%	3,091	3,034	

Appropriation statement (Continued)

PROGRAMME 4: PUBLIC SECTOR OVER-SIGHT	2012/13				2011/12				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Details per sub-programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Prog. Manage PSO									
Current payments	1,120	-	-	1,120	543	577	48.5%	2,292	1,701
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	395	(242)	(8)	145	-	145	-	46	46
4.3 Institutional Performance Monitoring*									
Current payments	14,696	-	-	14,696	14,005	691	95.3%	3,793	3,486
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	693	-	-	693	391	302	56.4%	23	11
4.4 Frontline Service Delivery Monitoring*									
Current payments	35,339	-	(4,050)	31,289	30,014	1,275	95.9%	22,376	22,488
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	167	242	-	409	212	197	51.8%	49	61
Total	52,410	-	(4,058)	48,352	45,165	3,187	93.4	28,579	27,793
Detail per economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	26,651	(260)	-	26,391	24,819	1,572	94.0%	8,422	8,335
Goods and services	24,504	260	(4,050)	20,714	19,743	971	95.3%	19,448	19,339
Interest and rent on land	-	-	-	-	-	-	-	1	1
Transfers and subsidies to:									
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets									
Machinery and equipment	303	-	-	303	66	237	21.8%	108	108
Software and other intangible assets	952	-	(8)	944	537	407	56.9%	600	10
Total	52,410	-	(4,058)	48,352	45,165	3,187	93.4%	28,579	27,793

* Performance Assessment and Strategic Plan Analysis sub-programmes reported on in 2011/12 Annual report have been combined under Institutional Performance Monitoring.

9. 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, disclosure notes and Annexure 1 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 per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1. Per Programme

	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%

Administration	59,840	53,821	6,019	10.1%
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Delays in finalising installation of Department's ICT infrastructure resulted in under-expenditure on capital assets and on assets < R5000.

Outcomes Monitoring and Evaluation	52,589	48,643	3,946	7.5%
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20-year review project and research project on concurrent norms and standards not finalised (Goods and Services)

M&E Systems Coordination and Support	13,378	12,607	771	5.8%
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Public Sector Oversight	48,352	45,165	3,187	6.6%
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Expenditure on SITA call centre and toll-free number costs of Presidential Hotline less than originally expected

4.2. Per Economic classification

	Final Appropriation	Actual Expenditure	Variance	Variance as % of Final Appropriation
	R'000	R'000	R'000	R'000

Current Expenditure

Compensation of employees	85,827	83,009	2,818	3.3%
Goods and services	72,528	66,902	5,626	7.8%
Interest and rent on land	-	-	-	-

Transfers and subsidies

Households	219	219	-	-
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Payments for capital assets

Buildings and other fixed structures	-	-	-	-
Machinery and equipment	11,561	8,240	3,321	28.7%
Software and other intangible assets	4,024	1,866	2,158	53.6%

Payments for financial assets	-	-	-	-
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10. Statement of Financial Performance

	Note	2012/13 R'000	2011/12 R'000
REVENUE			
Annual appropriation	1	174,159	96,202
Statutory appropriation		-	-
Departmental revenue	2	113	119
Direct Exchequer Receipts		-	-
NRF Receipts		-	-
Aid assistance	3	428	-
TOTAL REVENUE		174,700	96,321
EXPENDITURE			
Current expenditure			
Compensation of employees	4	83,009	51,673
Goods and services	5	66,902	35,325
Interest and rent on land	6	-	30
Aid assistance	3	944	-
Unauthorised expenditure approved without funding		-	-
Total current expenditure		150,855	87,028
Transfers and subsidies			
Transfers and subsidies	7	219	-
Aid assistance		-	-
Unauthorised expenditure approved without funding		-	-
Total transfers and subsidies		219	-
Expenditure on capital assets			
Tangible capital assets	8	8,240	4,754
Software and other intangible assets	8	1,866	1,059
Unauthorised expenditure approved without funding		-	-
Total expenditure for capital assets		10,106	5,813
Payments for financial assets			
Direct Exchequer Payments		-	-
TOTAL EXPENDITURE		161,180	92,841
SURPLUS/(DEFICIT) FOR THE YEAR			
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		13,923	3,361
Annual appropriation	1	13,923	3,361
Conditional grants		-	-
Unconditional grants		-	-
Departmental revenue and NRF Receipts	2	113	119
Direct Exchequer receipts/payments		-	-
Aid assistance	3	(516)	-
SURPLUS/(DEFICIT) FOR THE YEAR		13,520	3,480

11. Statement of Financial Position

	Note	2012/13 R'000	2011/12 R'000
ASSETS			
Current assets		13,929	3,406
Unauthorised expenditure		-	-
Fruitless and wasteful expenditure		-	-
Cash and cash equivalents	9	12,781	3,164
Other financial assets		-	-
Prepayments and advances	10	470	-
Receivables	11	162	242
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable	3	516	-
Non-current assets			-
Investments		-	-
Loans		-	-
Other financial assets		-	-
TOTAL ASSETS		13,929	3,406
LIABILITIES			
Current liabilities		13,929	3,406
Voted funds to be surrendered to the Revenue Fund	12	13,923	3,361
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	5	3
Direct Exchequer Receipts to be surrendered to the Revenue Fund		-	-
Bank overdraft		-	-
Payables	14	1	42
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-current liabilities			
Payables		-	-
TOTAL LIABILITIES		13,929	3,406
NET ASSETS		-	-

12. Statement of Changes in Net Assets

N/a

13. Cash Flow Statement

	Note	2012/13 R'000	2011/12 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		174,700	96,321
Annual appropriated funds received	1	174,159	96,202
Statutory appropriated funds received		-	-
Departmental revenue received	2	113	119
Direct Exchequer Receipts		-	-
NRF Receipts		-	-
Aid assistance received	3	428	-
Net (increase)/decrease in working capital		(431)	(200)
Surrendered to Revenue Fund		(3,472)	(116)
Surrendered to RDP Fund/Donor		-	-
Current payments		(150,855)	(87,028)
Payments for financial assets		-	-
Transfers and subsidies paid	7	(219)	-
Net cash flow available from operating activities	15	19,723	8,977
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(10,106)	(5,813)
Proceeds from sale of capital assets		-	-
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
Net cash flows from investing activities		(10,106)	(5,813)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		-	-
Increase/(decrease) in net assets		-	-
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		9,617	3,164
Cash and cash equivalents at beginning of period		3,164	-
Cash and cash equivalents at end of period	16	12,781	3,164

14. Statement of Accounting Policies and Related matters

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

1. Presentation of the Financial Statements

1.1. Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting.

Under this basis, the effects of transactions and other events are recognised in the financial records when the resulting cash is received or paid. The "modification" results from the recognition of certain near-cash balances in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

In addition supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

1.2. Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.3. Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4. Comparative figures

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.

1.5. Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1. Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National/Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2. Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure notes to the annual financial statements.

2.3. Direct Exchequer receipts

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4. Direct Exchequer payments

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

2.5. Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later than 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1. Compensation of employees

3.1.1. Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed

in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2. Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

3.2. Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

Rental paid for the use of buildings or other fixed structures is classified as goods and services and not as rent on land.

3.3. Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4. Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending 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.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5. Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6. Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date stipulated in the Act.

3.7. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.8. Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets**4.1. Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

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.

4.2. Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3. Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4. Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5. Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6. Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are

outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7. Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.8. Capital assets

4.8.1 Movable assets

Initial recognition

A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.8.2. Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets". On completion, the total cost of the pro-

ject is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.8.3. Intangible assets

Initial recognition

An intangible asset is recorded in the asset register on receipt of the item at cost. Cost of an intangible asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the intangible asset is stated at fair value. Where fair value cannot be determined, the intangible asset is included in the asset register at R1.

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.*

Subsequent expenditure

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department.

Maintenance is expensed as current "goods and services" in the statement of financial performance.

5. Liabilities

5.1. Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2. Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3. Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

5.4. Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement

of financial performance but are included in the disclosure notes.

5.5. Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6. Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.7. Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as a capital expense in the statement of financial performance and are not apportioned between the capital and the interest portions. The total finance lease payment is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8. Impairment

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

5.9. Provisions

Provisions are disclosed 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 will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements. These receivables are written off when identified as irrecoverable and are disclosed separately.

7. Net Assets

7.1. 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.

7.2. 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.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

15. Notes to the Annual Financial Statements

1. Annual Appropriation

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

Programme	2012/13			2011/12
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received
	R'000	R'000	R'000	R'000
Administration	59,840	59,840	-	21,638
Outcomes Monitoring and Evaluation	52,589	48,539	4,050	23,943
M&E Systems Coordination and Support	13,378	13,370	8	23,442
Public Sector Oversight	48,352	52,410	(4,058)	27,179
TOTAL	174,159	174,159	-	96,202

2. Departmental revenue

	Note	2012/13	2011/12
		R'000	R'000
Sales of goods and services other than capital assets	2.1	28	21
Transactions in financial assets and liabilities	2.2	85	98
Departmental revenue collected		113	119

2.1. Sales of goods and services other than capital assets

	Note	2012/13	2011/12
		R'000	R'000
Sales of goods and services produced by the department			
Sales by market establishment		14	21
Other sales		14	-
Total		28	21

2.2. Transactions in financial assets and liabilities

	Note	2012/13	2011/12
		R'000	R'000
Other Receipts including Recoverable Revenue	2	85	98

3. Aid Assistance

	Note	2012/13	2011/12
		R'000	R'000
Aid Assistance received in Cash from RDP			
Opening Balance		-	-
Revenue	Annex 2	428	-
Expenditure		(944)	-
Current		(944)	-
Capital		-	-
Total		(516)	-
Analysis of Balance			
Aid assistance receivable: RDP	Annex 3	(516)	-
Closing balance		(516)	-

Note: The outstanding amount of R516,000 was received by the Department after the end of the reporting period

4. Compensation of employees

	Note	2012/13 R'000	2011/12 R'000
Salaries and wages	4.1	72,488	46,104
Social contributions	4.2	10,521	5,569
Total compensation of employees		83,009	51,673

4.1. Salaries and Wages

	Note	2012/13 R'000	2011/12 R'000
Basic salary	4	55,360	33,445
Performance award		799	421
Service Based		55	39
Compensative/circumstantial		355	305
Periodic payments		1,149	892
Other non-pensionable allowances		14,770	11,002
Total		72,488	46,104

4.2. Social contributions

	Note	2012/13 R'000	2011/12 R'000
Employer contributions	4		
Pension		8,293	4,227
Medical		2,219	1,335
Bargaining council		9	6
Insurance		-	1
Total		10,521	5,569
Total Compensation of employees		83,009	51,673
Average number of employees		162	108

5. Goods and services

	Note	2012/13 R'000	2011/12 R'000
Administrative fees		891	448
Advertising		992	930
Assets less than R5,000	5.1	1,338	670
Bursaries (employees)		378	316
Catering		511	426
Communication		2,715	7,813
Computer services	5.2	18,245	11,770
Consultants, contractors and agency/outsourced services	5.3	20,996	2,618
Entertainment		77	14
Audit cost – external	5.4	2,585	1,512
Fleet services		62	9
Inventory	5.5	790	1,097
Housing		-	-
Operating leases		149	106
Property payments		-	-
Rental and hiring		-	-
Transport provided as part of the departmental activities		-	-
Travel and subsistence	5.6	10,963	5,169
Venues and facilities		2,811	800
Training and staff development		1,609	721
Other operating expenditure	5.7	1,790	906
Total		66,902	35,325

5.1. Assets less than R5,000

	Note	2012/13 R'000	2011/12 R'000
Tangible assets	5		
Machinery and equipment	27.5	1,004	653
Intangible assets		334	17
Total		1,338	670

5.2. Computer services

	Note	2012/13 R'000	2011/12 R'000
SITA computer services	5	10,850	9,790
External computer service providers		7,395	1,980
Total		18,245	11,770

5.3. Consultants, contractors and agency/outsourced services

	Note	2012/13	2011/12
	5	R'000	R'000
Business and advisory services		18,601	2,401
Legal costs		38	-
Contractors		690	17
Agency and support/outsourced services		1,667	200
Total		20,996	2,618

5.4. Audit cost – External

	Note	2012/13	2011/12
	5	R'000	R'000
Regularity audits		2,585	1,344
Performance audits		-	168
Total		2,585	1,512

5.5. Inventory

	Note	2012/13	2011/12
	5, Annex 6	R'000	R'000
Learning and teaching support material		-	1
Food and food supplies		42	23
Other consumable materials		50	25
Materials and supplies		56	37
Stationery and printing		642	1,011
Total		790	1,097

5.6. Travel and subsistence

	Note	2012/13	2011/12
	5		
Employee costs			
Domestic travel costs		8,355	3,733
International travel costs		2,608	1,436
Per diem allowance		-	-
Total		10,963	5,169

5.7. Other operating expenditure

	Note	2012/13	2011/12
	5	R'000	R'000
Learnerships		-	-
Professional bodies, membership and subscription fees		244	4
Resettlement costs		306	770
Gifts		69	-
Other		1,171	132
Total		1,790	906

6. Interest and rent on land

	Note	2012/13 R'000	2011/12 R'000
Interest paid		-	30

7. Transfers and subsidies

	Note	2012/13 R'000	2011/12 R'000
Households	Annex 1	219	-

8. Expenditure on capital assets

	Note	2012/13 R'000	2011/12 R'000
Tangible assets			
Machinery and equipment	27.1	8,240	4,754
Software and other intangible assets			
Computer software	28	1,866	1,059
Total		10,106	5,813

8.1. Analysis of funds utilised to acquire capital assets – 2012/13

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Machinery and equipment	8,240	-	8,240
Software and other intangible assets			
Computer software	1,866	-	1,866
Total	10,106	-	10,106

8.2. Analysis of funds utilised to acquire capital assets – 2011/12

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Machinery and equipment	4,754	-	4,754
Software and other intangible assets			
Computer software	1,059	-	1,059
Total	5,813	-	5,813

9. Cash and cash equivalents

	Note	2012/13 R'000	2011/12 R'000
Consolidated Paymaster General Account		12,771	3,154
Cash on hand		10	10
Total		12,781	3,164

10. Prepayments and Advances

	Note	2012/13 R'000	2011/12 R'000
Travel and subsistence		6	-
Advances paid to other entities ¹	(24)	464	-
Total		470	-

Note 1: Remainder of advance paid to GCIS. Also see Disclosure note 24 and Annex 5

11. Receivables

	Note	2012/13				2011/12
		R'000 Less than one year	R'000 One to three years	R'000 Older than three years	R'000 Total	R'000 Total
Claims recoverable	11.1 Annex 3	74	-	-	74	236
Recoverable expenditure	11.2	73	-	-	73	-
Staff debt	11.3	15	-	-	15	6
Total		162	-	-	162	242

11.1. Claims recoverable

	Note	2012/13 R'000	2011/12 R'000
National departments	11	71	227
Provincial departments		3	9
Total		74	236

11.2. Recoverable expenditure (disallowance accounts)

	Note	2012/13 R'000	2011/12 R'000
Recoverable expenditure	11	73	-

11.3. Staff debt

	Note	2012/13 R'000	2011/12 R'000
Recoverable Expenditure	11	7	5
Private Telephone		8	1
Total		15	6

12. Voted funds to be surrendered to the Revenue Fund

	Note	2012/13 R'000	2011/12 R'000
Opening balance		3,361	-
Transfer from statement of financial performance		13,923	3,361
Add: Unauthorised expenditure for current year		-	-
Voted funds not requested/not received		-	-
Transferred to retained revenue to defray excess expenditure		-	-
Paid during the year		(3,361)	-
Closing balance		13,923	3,361

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

	Note	2012/13 R'000	2011/12 R'000
Opening balance		3	-
Transfer from Statement of Financial Performance		113	119
Paid during the year		(111)	(116)
Closing balance		5	3

14. Payables – current

	Note	2012/13 R'000	2011/12 R'000
Amounts owing to other entities		-	-
Other payables	14.1	1	42
Total		1	42

14.1. Other payables

Description	Note	2012/13 R'000	2011/12 R'000
South African Revenue Services	14	1	42

15. Net cash flow available from operating activities

	Note	2012/13 R'000	2011/12 R'000
Net surplus/(deficit) as per Statement of Financial Performance		13,520	3,480
Add back non cash/cash movements not deemed operating activities		6,203	5,497
(Increase)/decrease in receivables – current	11	80	(242)
(Increase)/decrease in prepayments and advances	10	(470)	-
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current	14	(41)	42
Proceeds from sale of capital assets		-	-
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets	8	10,106	5,813
Surrenders to Revenue Fund	12, 13	(3,472)	(116)
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generated by operating activities		19,723	8,977

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

	Note	2012/13 R'000	2011/12 R'000
Consolidated Paymaster General account		12,771	3,154
Cash on hand		10	10
Total		12,781	3,164

16. Disclosures Notes to the Annual Financial Statements

17. Contingent liabilities and contingent assets

17.1. Contingent liabilities

Liable to	Nature	Note	2012/13	2011/12
			R'000	R'000
Other departments (interdepartmental unconfirmed balances)		Annex 4	102	1

17.2. Contingent Assets

None

18. Commitments

	Note	2012/13	2011/12
		R'000	R'000
Current expenditure			
Approved and contracted		14,875	552
Approved but not yet contracted		-	1,485
		14,875	2,037
Capital expenditure (Including transfers)			
Approved and contracted		1,119	2,095
Approved but not yet contracted		580	-
		1,699	2,095
Total Commitments		16,574	4,132

Note: Includes lease commitments disclosed under note 21

19. Accruals

Listed by economic classification	30 Days	30+ Days	2012/13	2011/12
			R'000	R'000
			Total	Total
Goods and services	1,288	450	1,738	484
Capital assets	1,610	-	1,610	-
Total	2,898	450	3,348	484
Listed by programme level				
Administration			2,301	359
Outcomes Monitoring and Evaluation			309	62
M&E Systems Coordination and Support			298	34
Public Sector Oversight			440	29
Total			3,348	484
Confirmed balances with other departments		Annex 4	-	-
Confirmed balances with other government entities			-	1
Total			-	1

20. Employee benefits

	Note	2012/13 R'000	2011/12 R'000
Leave entitlement		1,330	893
Service bonus (Thirteenth cheque)		1,609	1,232
Performance awards		877	743
Capped leave commitments		908	878
Other		-	-
Total		4,724	3,746

21. Lease commitments

21.1. Operating leases expenditure

2012/13	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year*	-	-	-	117	117
Later than 1 year, not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	117	117

2011/12	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	88	88
Later than 1 year, not later than 5 years	-	-	-	59	59
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	147	147

*Note: Long term vehicle rental Phakisaworld PPP (also see note 26 for expenditure)

21.2. Finance leases expenditure

2012/13	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	341	341
Later than 1 year, not later than 5 years	-	-	-	312	312
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	653	653

2011/12	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	391	391
Later than 1 year, not later than 5 years	-	-	-	167	167
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	558	558
LESS: finance costs	-	-	-	32	32
Total present value of lease liabilities	-	-	-	526	526

Note: Expenditure on lease of photocopiers and 3G data modems

22. Irregular expenditure

22.1. Reconciliation of irregular expenditure

	Note	2012/13 R'000	2011/12 R'000
Opening balance		1,009	-
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year	22.2	455	1,451
Less: Amounts condoned	22.3	(1,464)	(442)
Less: Amounts recoverable (not condoned)		-	-
Less: Amounts not recoverable (not condoned)		-	-
-		-	1,009
Analysis of awaiting condonation per age classification	22.4		
Current year		-	1,009
Prior years		-	-
Total		-	1,009

22.2. Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2012/13 R'000
Finance Lease expenditure	None	455

22.3. Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2012/13 R'000
Finance leases expenditure	National Treasury practice note 5 of 2006/07	455
Irregular expenditure related to previous financial year	Condoned by Accounting Officer	524
Possible irregular expenditure related to previous financial year	Amounts related to matters of non-compliance and were not irregular expenditure	485
Total		1,464

22.4. Details of irregular expenditure under investigation

None

23. Fruitless and wasteful expenditure

23.1. Reconciliation of fruitless and wasteful expenditure

	Note	2012/13 R'000	2011/12 R'000
Opening balance		2	-
Fruitless and wasteful expenditure – relating to prior years		3	-
Fruitless and wasteful expenditure – relating to current year	23.3	65	6
Less: Amounts condoned		(37)	(2)
Less: Amounts transferred to receivables for recovery		(4)	(2)
Fruitless and wasteful expenditure awaiting resolution	23.2	29	2

23.2. Analysis of awaiting resolution per economic classification

	Note	2012/13 R'000	2011/12 R'000
Current		29	2

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

Incident	Disciplinary steps taken/criminal proceedings	2012/13 R'000
No Show / Cancellation – Accommodation, Flights, Car rental	Condoned	32
	Under investigation	29
	Officials requested to refund Department	4
Total		65

24. Related party transactions

The Presidency, Government Communications and Information Systems, National Youth Development Agency, Media Development and Diversity Agency and Brand South Africa are related parties as the Minister is the Executing Authority.

	Note	2012/13 R'000	2011/12 R'000
Revenue received			
Transactions in financial assets and liabilities		85	-
Payments made			
Goods and services		1,642	2,460
Year end balances arising from revenue/payments			
Receivables from related parties		464	-

Note 1: Related party transactions refer to payments made by The Presidency for 2010/11 accruals related to travel and subsistence as well as ICT and telephony expenses incurred by the Presidency (R1,565,420) on behalf of the Department and an advance payment to GCIS (R541,953.72) for media buying – R77,976 spent by GCIS is included under Goods and Services and the remainder of R463,977.72 is included under receivables from related parties. Amounts disclosed exclude unconfirmed balances (See Annex 5)

Note 2: The Department of Public Works provides the Presidency, who in turn provides the DPME with office accommodation at the Union Buildings at no cost to the DPME.

25. Key management personnel

	No. of Individuals	2012/13 R'000	2011/12 R'000
Political office bearers (provide detail below) ¹		-	-
Officials:			
Level 15 to 16	14	14,065	4,498
Level 14 (incl. CFO if at a lower level) ²	6	4,233	1,363
Family members of key management personnel		-	-
Total		18,298	5,861

Note 1: Offices of the Minister and Deputy Minister are funded under Vote 1 (The Presidency)

Note 2: The 2011/12 AFS only included key management personnel. The 2012/13 figures include all officials at salary levels 14 and above as well as 2 officials at salary level 13.

26. Public Private Partnership

	Note	2012/13 R'000	2011/12 R'000
Contract fee paid			
Indexed component			
Goods and services (excluding lease payments)		1,128	-
Operating leases		149	448
Total		1,277	448

Note: The Department participates in the PPP Vehicle Fleet Contract (RTG718) between the Department of Transport and Phakisaworld Fleet Solutions. This agreement is a full maintenance lease contract regulated by National Treasury PPP and SCM regulations. The Department leases long-term, short-term, and chauffeur driven vehicles. The contract expires in November 2013. All expenditure relating to this PPP is recognised in the statement of financial performance. Commitments of R117,000 related to PPP operating leases are disclosed in note 21.1

27. Movable Tangible Assets

27.1. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2013					
	Opening balance	Current Year Adjustments to prior year balances (1)	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
MACHINERY AND EQUIPMENT	8,465	(135)	9,821	(77)	18,074
Transport assets	-	-	-	-	-
Computer equipment	5,273	9	8,609	(77)	13,814
Furniture and office equipment	2,925	(135)	848	-	3,638
Other machinery and equipment	267	(9)	364	-	622
SPECIALISED MILITARY ASSETS	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
TOTAL	8,465	(135)	9,821	(77)	18,074

Note 1: Current Year Adjustments to prior year balances	Computer Equipment	Furniture and Office Equipment	Other machinery and equipment
Projectors reclassified from Office Equipment to Audio Visual Equipment	-	(135)	135
Computer peripherals reclassified as audio visual equipment	(8)	-	8
Adjustments to finance leases 2011/12: Fair value of 3G data modems	-	-	(152)
Laptop transferred from Presidency - not recorded in 2011/12 FAR	17	-	-
TOTAL	9	(135)	-9

27.2. Movable Tangible Capital Assets: Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2013					
	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT					
Computer equipment	7,028	-	-	1,581	8,609
Furniture and office equipment	848	-	-	-	848
Other machinery and equipment	364	-	-	-	364
TOTAL ADDITIONS	8,240	-	-	1,581	9,821

27.3. Movable Tangible Capital Assets: Disposals

Disposals of movable tangible capital assets per asset register for the year ended 31 March 2013				
	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT				
Computer equipment	-	77	77	-
TOTAL DISPOSALS	-	77	77	-

Note: Full amount for disposals are for laptops lost through theft

27.4. Movable Tangible Capital Assets: Movement for 2011/12

Movement in movable tangible capital assets per asset register for the year ended 31 March 2012				
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT				
Computer equipment	-	5,273	-	5,273
Furniture and office equipment	-	2,925	-	2,925
Other machinery and equipment	-	267	-	267
TOTAL MOVEMENT	-	8,465	-	8,465

27.5. Minor assets: Movement for 2012/13

Movement in minor assets per asset register for the year ended as at 31 March 2013						
	Specialised military assets	Intangible assets	Heritage as- sets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	2,329	-	2,329
Current Year Adjustm. to Prior Year balances (1)	-	89	-	(150)	-	(61)
Additions	-	333	-	1,005	-	1,338
Disposals	-	(72)	-	(6)	-	(78)
TOTAL MINOR ASSETS	-	350	-	3,178	-	3,528
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	330	-	1,869	-	2,199
TOTAL NUMBER OF MINOR ASSETS	-	330	-	1,869	-	2,199

Minor Assets Note 1: Current Year Adjustments to Prior Year balances

	Intangible Assets	Machinery and Equip- ment
Cutlery and small laptop bags removed from minor assets	-	(10)
Assets belonging to SITA, DPW, Presidency incorrectly transferred	-	(4)
Intangible minor assets incorrectly disclosed under Machinery and Equipment	89	(89)
Adjustments to values of assets transferred from Presidency (Fair value)	-	76
Dustbins and paper trays removed from assets register	-	(123)
TOTAL	89	-150

27.6. Minor assets: Movement for 2011/12

Movement in minor assets per asset register for the year ended as at 31 March 2012						
	Specialised military assets	Intangible assets	Heritage as- sets	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	-	-	-
Additions	-	-	-	2,329	-	2,329
Disposals	-	-	-	-	-	-
TOTAL MINOR ASSETS	-	-	-	2,329	-	2,329
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	1,972	-	1,972
TOTAL NUMBER OF MINOR ASSETS	-	-	-	1,972	-	1,972

28. Intangible Capital Assets

28.1. Intangible Capital Assets: Movement for 2012/13

Movement in intangible capital assets per asset register for the year ended 31 March 2013					
	Opening balance	Current Year Adjustments to prior year balances (1)	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Computer Software	2,148	1,375	1,866	176	5,213
TOTAL INTANGIBLE CAPITAL ASSETS	2,148	1,375	1,866	176	5,213

Note 1: Current Year Adjustments to prior year balances Computer Software

PoA System	820
MPAT System	90
FSD System	465
TOTAL	1,375

28.2. Intangible Capital Assets: Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2013					
	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Computer Software	1,866	-	-	-	1,866
TOTAL ADDITIONS	1,866	-	-	-	1,866

28.3. Intangible Capital Assets: Disposals

Disposals of intangible capital assets per asset register for the year ended 31 March 2013				
	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
Computer Software	-	176	176	-
TOTAL DISPOSALS	-	176	176	-

28.4. Intangible Capital Assets: Movement for 2011/12

Movement in intangible capital assets per asset register for the year ended 31 March 2012				
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer Software	-	2,148	-	2,148
TOTAL MOVEMENT	-	2,148	-	2,148

29. Transfer of functions

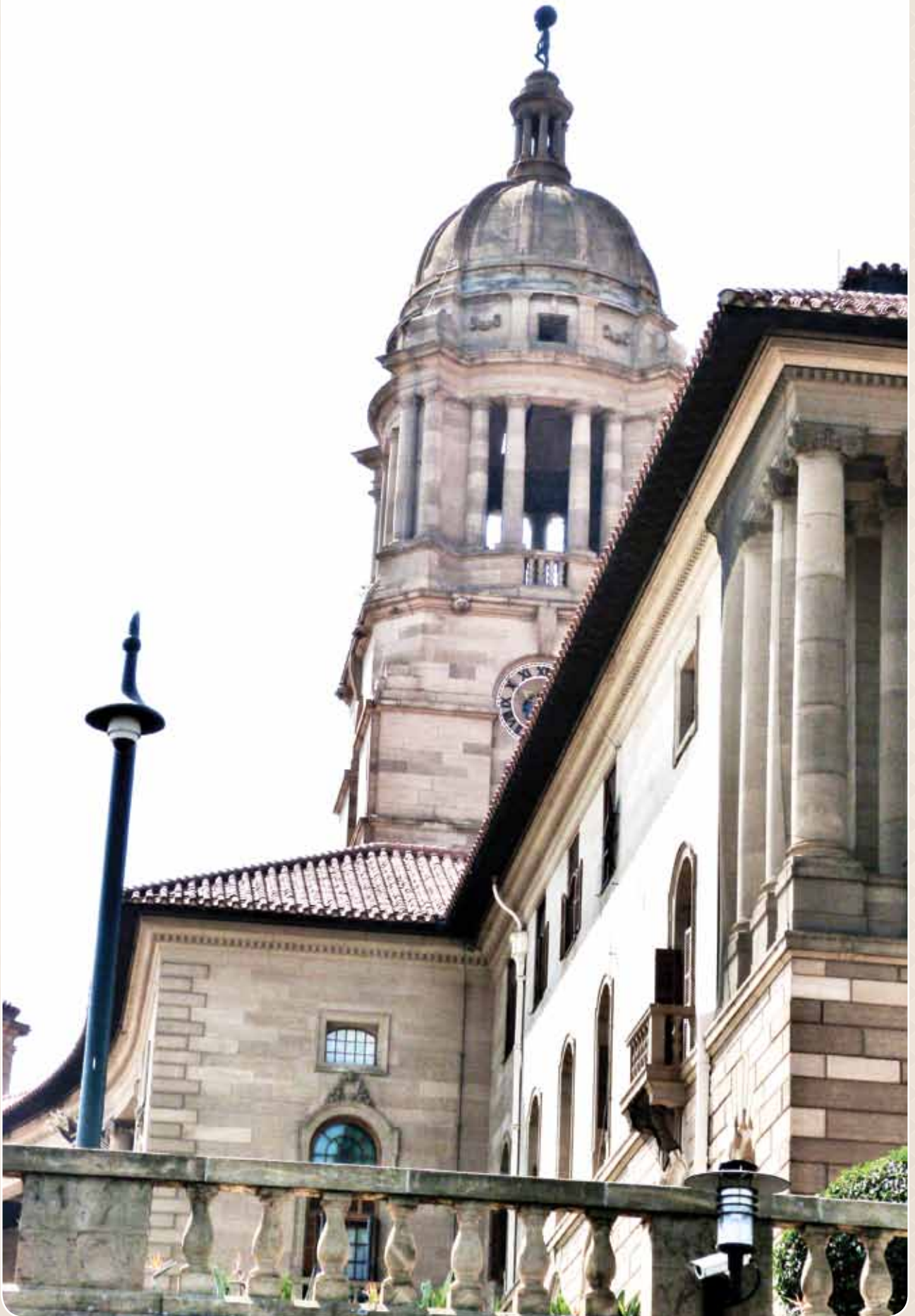
The Presidential Hotline was transferred from The Presidency in October 2011. No functions were transferred to or from the Department during the 2012/13 financial year.

29.1. Transfer of functions: Statement of Financial Position

	Note	Bal per dept 2011/12 AFS before transfer 2011/12 R'000	Functions per dept (transferred) / received 2011/12 R'000	2011/12 Bal after transfer 2011/12 R'000
ASSETS				
Current Assets		3,406	-	3,406
LIABILITIES				
Current Liabilities		3,406	-	3,406
NET ASSETS		-	-	-

29.2. Transfer of functions: Disclosure Notes

	Note	Bal per dept 2011/12 AFS before transfer 2011/12 R'000	Functions per dept (transferred) / received 2011/12 R'000	2011/12 Bal after transfer 2011/12 R'000
Commitments		4,132	-	4,132
Accruals		484	-	484
Employee benefits		3,336	410	3,746
Lease commitments – Finance lease		125	433	558
Irregular expenditure		1,009	-	1,009
Fruitless and wasteful expenditure		2	-	2
Movable tangible capital assets		8,142	323	8,465
Intangible capital assets		2,148	-	2,148







**PART E:
FINANCIAL
INFORMATION**

17. Annexures to the Financial Statements

ANNEXURE 1: STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	Adjusted Approp. Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Approp. Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
KB Mbanjwa	-	-	128	128	128	100%	-
A Hirsh	-	-	78	78	78	100%	-
BP Matomela	-	-	13	13	13	100%	-
			219	219	219	100%	
Subsidies	-	-	-	-	-	-	-
Total	-	-	219	219	219	100%	-

ANNEXURE 2: STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
Received in cash					
German Government ¹ (GIZ)		-	428	944	(516)
Subtotal		-	428	944	(516)
Received in kind²					
IMPEC – Netherlands	Support with drafting of	-	50	50	-
GIZ	MPAT good practice stories	-	50	50	-
Subtotal		-	100	100	-
TOTAL		-	528	1,044	(516)

Note 1: The Department received R428,000 by 31 March 2013. The balance has since been transferred to the Department.

Note 2: Amounts indicated under received in kind are estimations

ANNEXURE 3: CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
Government Departments						
Office of the Public Service Commission	52	-	-	-	52	-
Department of Rural Development and Land Reform	10	-	-	-	10	-
Department of Tourism	9	-	-	-	9	-
Gauteng Department of Education	3	-	-	-	3	-
Department of Environmental Affairs	-	83	-	-	-	83
Department of Minerals and Energy	-	14	-	-	-	14
Gauteng Department of Health Social Development	-	6	-	-	-	6
The Presidency	-	130	-	-	-	130
Gauteng Department of Finance	-	-	-	3	-	3
TOTAL	74	233	-	3	74	236
Other Government Entities						
GIZ ¹	516	-	-	-	516	-
TOTAL	590	233	-	3	590	236

Note 1: GIZ Donor funding receivable

ANNEXURE 4: INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
Departments (Current)						
The Presidency	-	-	57	-	57	-
Public Service Commission	-	-	45	-	45	-
Other Government Entities (Current)						
Government Printing Works	-	1	-	1	-	2
TOTAL	-	1	102	1	102	2

ANNEXURE 5: INTER-ENTITY ADVANCES PAID

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
National Departments						
GCIS	464	-	-	-	464	-
TOTAL	464	-	-	-	464	-

ANNEXURE 6: INVENTORY

Inventory	Note	2012/13		2011/12	
		Quantity	R'000	Quantity	R'000
Opening balance		3,263	57	-	-
Add/(Less): Adjustments to prior year balance				-	-
Add: Additions/Purchases – Cash		12,531	790	20,321	1,097
Add: Additions - Non-cash		-	-	-	-
(Less): Disposals		-	-	-	-
(Less): Issues		(11,745)	(647)	(17,058)	(1,040)
Add/(Less): Adjustments				-	-
Closing balance		4,049	200	3,263	57

Notes:

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