



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

# Annual Report Guide for National and Provincial Departments

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## 1. INTRODUCTION

The introduction section is for information purposes only. It must not be included in the annual report of the department, please refer to the specimen for the information to be presented in the annual report.

### 1.1. Purpose of annual reports

Annual reports are an integral part of national and provincial department's reporting. The achievements, performance information, governance, human resources information and financial information for each reporting period are reported in the annual report.

The information reported on in the annual report include the actual achievements for the reporting period in relation to the planned targets and budgets as published in the strategic plan, annual performance plan, estimates of national expenditure, estimates of provincial revenue and expenditure, the adjusted estimates of national expenditure and the adjusted estimates of provincial revenue and expenditure.

Annual reports are tabled in Parliament and the relevant Provincial Legislatures and it is a public document.

The publication of financial and non-financial information of departments promotes accountability and transparency of the efficiency and effectiveness of government departments. This will improve trust and confidence in government service delivery. The reported information must be accurate and balanced, reporting the successes and explaining the shortcomings.

Ultimately a quality annual report should:

- comply with statutory and policy requirements and
- present information (both positive and negative) in an understandable and concise manner.

### 1.2. Purpose of the guide

The guide provides guidance on the **non-financial information** requirements of the annual report i.e.: all sections of the annual report except the Annual Financial Statements. The Annual Financial Statements (AFS) section is dealt with in a separate guide, namely the *Departmental Financial Reporting Framework Guide* that can be obtained from the Office of the Accountant-General (OAG) website.

The annual report guide is supplemented by a specimen annual report, which should be used in the preparation of the annual report.

Adherence to the format of this guide will enhance departments' coverage of all aspects of their activities and will promote ease of reference and comparison for users of the annual report.

### 1.3. How to use the guide

Section 1, Introduction, provides guidance and clarity with regard to legislation that govern annual reports and general information about annual reports.

Section 2, Annual report, provides departments with the format of the annual report, structure, details and information that departments should comply with in their annual reports. Each heading that should be included in the annual report has 2 sub-headings in the guide. The 1<sup>st</sup> sub-heading is the “guideline” which provides the guidance on the information to be reported on. The 2<sup>nd</sup> sub-heading is the “Format of disclosure” which indicates how the information must be presented in the annual report.



Section 3, Annexures, contains the format of letters and reports that must be completed, signed and published in the department’s annual report. A specimen of the annual report of a department is also included, as Annexure C.

#### **1.4. Other matters to consider when applying the guide**

The following factors should be considered when applying the guide:

- The information contained in section 1: Introduction must not be included in the annual report.
- It is imperative that the financial information contained in the annual report corresponds with the financial information in the audited annual financial statements.
- Additional relevant sections can be incorporated into the annual report at the Department’s discretion.
- Pictures, graphs and diagrams may be utilised to highlight and improve understanding of information, though excessive use should be avoided.
- The sequence of information in this guide must not be changed.
- Reporting requirements that do not apply to a particular department may be omitted from the annual report, except for Part D – Human Resource Information.
- Caution must be exercised by departments concerning the costs of producing the annual reports

#### **1.5. Documents to be used in preparing the annual report**

To compile the department’s annual report, the following departmental documents should be utilised:

- National development plan
- Strategic plan
- Annual performance plan
- Risk management plan
- SCOPA resolutions
- Portfolio committee minutes
- Human resource plan
- Workplace skills plan
- Employment equity plan
- Organisational structure
- Audited annual financial statements

## 1.6. Responsibilities for compiling the annual report

There are several parts that make up the annual report of a department. To ensure that the department's annual report is accurate and complete, it is envisaged that the following directorates/sections/components in the department will be responsible for the information in the respective sections of the departmental annual report:

<b>Section of Annual Report</b>	<b>Departmental Responsibility</b>
Part A: General Information	Communications/ Strategic Management /Ministry / Office of the HOD/ Monitoring and Evaluation
Part B: Performance Information	Strategic Management / Finance (provide cost information)/ Monitoring and Evaluation
Part C: Governance	Internal Control Section / Office of the HOD or DG
Part D: Human Resource Management	Human Resource Management
Part E: Financial Information	Chief Financial Officer

An official must be assigned the responsibility of co-ordinating and consolidating the inputs into the annual report. A review processes must be in place to ensure that the information presented in the individual parts is consistent across the entire report and that there is no conflicting information.

The CFO must review all financial information presented in the individual parts to ensure that it agrees to the amounts disclosed in the audited annual financial statements.

## 1.7. Submission dates for the annual report

### **Auditor General**

The draft annual report must be submitted to the Auditor-General of South Africa (AGSA) by 31 May. The AGSA will review the contents of the annual report to ensure that it is consistent with the information provided in the annual financial statements, planning documents and any other relevant material.

Prior to the annual report being printed, the printer's proof of the complete annual report with the annual financial statements, the auditor's report of the AGSA and the report of the audit committee must be submitted to the AGSA for final review.

### **Executive authority**

The final printed annual report must be presented by the accounting officer to the executive authority by 31 August.

### **Parliament/Provincial Legislature**

The final printed annual report must be tabled at Parliament/ Provincial Legislature by 30 September.

### **Treasury**

The final printed annual report must be submitted to the relevant Treasury by 31 August.

## 1.8. Legislation

Section 40 (1) and (3) of the PFMA and chapter 18 (18.3 and 18.4) of the TR sets out the legislative requirements for annual reports. The references to the TR refer to the existing regulations. The National Treasury has issued new draft regulation for public comments, but these have not yet been approved and therefore no reference is made to the new draft regulations.

The Public Service Regulations, 2001 prescribes human resource information to be included in the annual report. The Minister of Public Service and Administration has prescribed this requirement for all government departments within Public Service.

### PFMA

#### Section 40. Accounting officers' reporting responsibilities

- (1) The accounting officer of a department, trading entity or constitutional institution-
- (d) Must submit within five months of the end of a financial year to the relevant treasury and, in the case of a department or trading entity, also to the executive authority responsible for that department or trading entity-
- (i) an annual report on the activities of that department, trading entity or constitutional institution during that financial year;
- (3) The annual report and audited financial statements referred to in subsection (1) (d) must-
- (a) fairly present the state of affairs of the department trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned; and
- (b) include particulars of-
- (i) any material losses through criminal conduct, and any unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, that occurred during the financial year;
- (ii) any criminal or disciplinary steps taken as a result of such losses, unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure;
- (iii) any material losses recovered or written off; and
- (iv) any other matters that may be prescribed.

### Treasury Regulations

#### 18.3 Contents of annual reports [Section 40(1)(d) of the PFMA]

18.3.1 In preparing the annual report of an institution, the accounting officer must:

- (a) in the case of a department or trading entity, comply with the requirements prescribed in Chapter 1, Part III J of the Public Service Regulations, 2001;
- (b) include, after 1 April 2002, information about the institution's efficiency, economy and effectiveness in delivering programmes and achieving its objectives and outcomes against the measures and indicators set out in any strategic plan for the year under consideration;
- (c) include information on transfers and subsidies per organisation for the entire financial year as well as a report on compliance with section 38(1)(j) of the Act;
- (d) include all information required in terms of the annual Division of Revenue Act;
- (e) include any additional information required by Parliament or the provincial legislature;
- (f) report on the use of foreign aid assistance, detailing the source and intended use of the assistance (including the value of any aid-in-kind in rand), performance information on the institution's use of the assistance, and any pending applications for assistance;
- (g) a report from the audit committee as required by paragraph 3.1.13; and

(h) include information on the management of PPP agreements as required by paragraph 16.7.1(f).

#### **18.4 Additional annual reporting requirements for departments controlling trading entities, and public entities**

18.4.1 A department's annual report must include a list of trading and/or public entities; controlled by or reporting to the department or responsible executive authority, together with –

- (a) an indication of the legislation under which the trading and/or public entity was established;
- (b) a statement of the functions of each trading and/or public entity;
- (c) the accountability arrangements established between the accounting officer or executive authority and the management of the trading and/or public entity; and

#### **Public Service Regulations:**

### **Chapter 1, Part III: Planning, Work Organisation and Reporting**

#### **C. Service Delivery Improvement Programme**

C.1 An executing authority shall establish and sustain a service delivery improvement programme for her or his department-

- (a) specifying the main services to be provided to the different types of actual and potential customers, as identified by the department;
- (b) containing consultation arrangements with the department's actual and potential customers;
- (c) with due regard to the customer's means of access to the services and the barriers to increased access thereof, specifying the mechanisms or strategies to be utilised progressively to remove the barriers so that access to services is increased;
- (d) indicating standards for the main services to be provided;
- (e) containing arrangements as to how information about the department's services are to be provided; and
- (f) stipulating a system or mechanisms for complaints.

C.2 An executing authority shall publish an annual statement of public service commitment which will set out the department's service standards that citizens and customers can expect and which will serve to explain how the department will meet each of the standards

#### **J. Managerial Review and Oversight**

J.1 The executing authority shall-

- (a) in terms of section 92(3)(b) or 133(3)(b) of the Constitution, include the information set out in regulation III J.2 or J.3 in the annual report, contemplated in sections 40(1)(d)(i) and (3) and 65(1)(a) and (2) of the Public Finance Management Act and paragraph 18.5.1 of the Treasury Regulations; and
- (b) in accordance with section 65(1)(a) of the Public Finance Management Act, within one month after the accounting officer for the department received its audit report, table in the relevant legislature that annual report, and simultaneously submit that annual report to the relevant treasury, the media and the public.

J.3 From 1 April 2001, the annual report shall include such information on planning, service delivery, organisation, job evaluation, remuneration, benefits, personnel expenditure, the utilisation of consultants, affirmative action, recruitment, promotions, termination of services, performance management, skills development, injury on duty, labour relations, leave and discharge due to ill-



health, as the Minister determines. In this regulation 'consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

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

J.4 The Minister shall determine the format in which the information referred to in regulation III J.3 is to be included in the annual report.

## 1.9. Acronyms and Icons used in this document

### Acronyms

AO	Accounting Officer
AGSA	Auditor-General of South Africa
AFS	Annual Financial Statements
CFO	Chief Financial Officer
DORA	Division of Revenue Act
HR	Human Resources
MPSA	Minister for the Public Service and Administration
PFMA	Public Finance Management Act
PPP	Public Private Partnerships
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
TR	Treasury Regulations

### Icons

Detailed below are the icons that are used in the guide.



**TAKE NOTE:** Special attention is drawn to a point in this guide

## **2. ANNUAL REPORT**

Guidelines on the preparation and compilation of the departments' annual report commence from this section onwards.

### **2.1 Cover**

The following is the maximum information that should appear on the cover page:

- Annual Report
- Financial Year
- Full name of the department and logo,
- The Province
- The Vote Number
- Design / graphic pictures /colour theme on cover page is at discretion of the department
- Short department Slogan (Optional)

The following is the maximum information that should appear on the cover of the spine:

- Full name of the department and logo
- Annual Report
- Financial Year

Back cover page – information printed thereon is at the discretion of the department.

### **2.2 Table of Contents**

The table of contents will have the listing of the various headings/sections and page numbers

## 2.3 Part A: General Information

### 2.3.1. Department's General Information

The following general information relating to the department must be provided:

- Full name of the department
- Physical address of Head Office
- Postal Address of Head Office
- Contact telephone numbers
- Email address;
- Website address

### 2.3.2. List of Abbreviations /Acronyms

The list of abbreviations / acronyms is to ensure that users of the annual report understand the terms and meanings of the abbreviations / acronyms utilised in the annual report.

Provide a list and description of each abbreviation / acronym. Ensure that the list contains all the abbreviations / acronyms that are utilised throughout the annual report, irrespective of which section of the annual report they pertain to.

### 2.3.3. Foreword by Minister/MEC of the Department

#### *Guideline*

The Minister/MEC foreword should cover the following in relation to the financial year under review:

- Achievements in relation to policy directives and strategic outcome related goals
- Challenges for the financial year under review
- The medium to long term goals of the department
- Acknowledgements /Appreciation
- Conclusion

The foreword must be signed off by the Minister/MEC. Photograph of the Minister/MEC may be included in the foreword.

#### *Format of disclosure*

This information must be disclosed in a narrative format.

### 2.3.4. Deputy Minister's Statement (if applicable)

#### *Guideline*

This section will only be applicable to national departments.

The Deputy Minister statement should cover the following:

- Statement should include activities and highlights of the department for the financial year under review
- Acknowledgements /Appreciation

- Conclusion

Statement must be signed off by the Deputy Minister and photograph of the Deputy Minister may be included.

#### *Format of disclosure*

This information must be disclosed in a narrative form.

### **2.3.5. Report of the Accounting Officer**

#### *Guideline*

The report of the accounting officer should cover matters that affect the department as a whole from an operational / strategic perspective and from a financial perspective.

The AO's overview would include the following:

- Overview of the operations of the department:
  - Overview of the results and challenges for the, briefly commenting on significant events and projects for the year.
- Overview of the financial results of the department:
  - Departmental receipts

Departments must provide a summary of the revenue collected in comparison to the budgeted amount both for the current year and the previous year. Describe in some detail how they have delivered on the plans for collecting departmental revenue.

Provide details of the determination of tariffs charged by the department. If different policies apply to different tariffs, provide details of each separately. If the department does not charge tariffs for goods sold and/or services rendered, such should be stated. List the nature of free services rendered by the department that would have yielded significant revenue had a tariff been charged and quantify where possible the cost of the free services rendered.

Where a department has under collected revenue it should give reasons and indicate what measures were taken during the course of the year to keep on target and what future measures will be taken to try and rectify the under collection of revenue. The department should discuss the amount of bad debts written off, as this can have a direct impact on the departmental receipts.

Where the department has collected more revenue than planned, provide reasons for the better than anticipated performance. The department can also use this section to report on new measures instituted during the course of the year to raise additional revenue or to ensure more efficient/effective collection. Where there were sales of capital assets, reasons for such a sale must be provided.

#### *Format of disclosure*

The following table must be presented with the relevant financial information. The information must agree to the annual financial statements. Include the narratives after the table.

Departmental receipts	20YY/20ZZ			20XX/20YY		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
- Casino taxes						
- Horse racing taxes						
- Liquor licences						
- Motor vehicle licences						
Sale of goods and services other than capital assets						
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land						
Sale of capital assets						
Financial transactions in assets and liabilities						
<b>Total</b>						

o Programme Expenditure

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a programme level and must agree to the appropriation statement of the audited financial statements. Discuss the reasons for under/ (over) expenditure. In instances where there is overspending, what corrective action has the department put in place to prevent the recurrence in future years.

*Format of disclosure*

The following table must be presented with the relevant financial information. Include the narratives after the table.

Programme Name	20YY/20ZZ			20XX/20YY		
	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
<b>Total</b>						

o Virements/roll overs

- State what virements were done and the request for rollovers
- Reason for the virement

- A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.

- Future plans of the department
- Public Private Partnerships
  - Provide a brief summary of progress on the PPP's reported in the previous financial year, as well as new PPP's entered into.
- Discontinued activities / activities to be discontinued
  - List activities discontinued/to be discontinued
  - Reasons for discontinuance
  - Effect on the operations of, and service delivery by the department
  - Financial implications of each discontinued activity
- New or proposed activities
  - List new/proposed activities
  - Reasons for new activities
  - Effect on the operations of the department
  - Financial implications of each new activity
- Supply chain management
  - List all unsolicited bid proposals concluded for the year under review
  - Indicate whether SCM processes and systems are in place to prevent irregular expenditure
  - Challenges experienced in SCM and how they were resolved
- Gifts and Donations received in kind from non related parties
  - List the nature of the in kind good and services provided by the department to or received from parties other than related parties.
- Exemptions and deviations received from the National Treasury
  - Include a discussion on any exemption from the PFMA or TR or deviation from the financial reporting requirements received for the current and/or previous financial year. Detail the conditions of the exemption or deviation (if any) and the mechanisms put in place to ensure that all milestones will be achieved by the end of the exemption or deviation period
- Events after the reporting date
  - Include the nature of any events (adjusting and non-adjusting), favourable and unfavourable that occurred after the reporting date and the date of approval of the Annual Financial Statements.
  - Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.
- Other
  - Any other material fact or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.
- Acknowledgement/s or Appreciation
- Conclusion
- Approval and sign off

Report must be signed off by the accounting officer.



In compiling the AO's overview care must be taken not to repeat/duplicate information already provided in the foreword by the Minister/MEC, foreword by the Deputy Minister or the overview of performance information.

#### *Format of disclosure*

This information must be disclosed in a narrative form.

### **2.3.6. Statement of Responsibility and Confirmation of the Accuracy of the Annual Report**

#### *Guideline*

The purpose of this statement is to confirm the accounting officer's responsibility for the entire annual report and its accuracy and fair presentation. This statement must be signed by the accounting officer and published as part of the annual report.

The statement confirms that the annual report and financial statements conform to the respective guidelines issued by National Treasury.



#### *Format of disclosure*

Refer to annexure A for the format of the statement of responsibility and confirmation of accuracy.

### **2.3.7. Strategic Overview**

The following information for the department must be provided:

- Vision
- Mission
- Values

This information must be consistent with the information provided in the strategic plan, and the estimates of national expenditure/ estimates of provincial revenue and expenditure.

### **2.3.8. Legislative and Other Mandates**

Set out the specific constitutional and other legislative mandates, as per the relevant act(s) that govern(s) the department's establishment and operations. This should not be the entire list of legislation that the department is subject to in the course of its operations. Also include government policy frameworks that govern the department.

This information must be consistent with the information provided in the strategic plan, annual performance plan and the estimates of national expenditure /estimates of provincial revenue and expenditure.

### 2.3.9. Organisational Structure

*Guideline*

Provide a high level organisational structure of the department starting with the executive authority to the level of the officials reporting directly to the accounting officer and the programmes that these officials are responsible for.

*Format of disclosure*

Include the information in the form of an organisational chart. Each position on the organisational structure must include the:

- The post
- The name of the official, if vacant then state "Post vacant".
- Photographs of the respective individuals may be included on the organogram.

### 2.3.10. Entities Reporting to the Minister/MEC

*Guideline*

The department must provide information on any entities that report to its executive authority. Entities include public entities, trading entities, business enterprises, companies, trusts or any other entities falling under its Minister / MEC's portfolio. The information furnished in this section should correlate with information provided elsewhere in the annual report.

*Format of disclosure*

The name of the entity, legislative mandate, the financial relationship, nature of the operations must be provided in tabular form as indicated below. The financial relationship addresses the type of financial support the department provides to the public entity e.g. transfer payment, free services, partnership agreements, human resources support.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations



## 2.4 Part B: Performance Information

### Guideline

This section of the annual report provides key performance information highlighting the department's service delivery achievements.

Performance information is critical to effective management, planning, budgeting, implementation, monitoring, evaluation and reporting of the department's service delivery goals and objectives. Performance information must be available to managers at each stage of the planning, budgeting and reporting cycle to enable them to adopt a results-based approach to managing service delivery. This approach emphasises planning and managing with a focus on desired results, and managing inputs and activities to achieve these results.

Measuring performance:

- ensures that policy, planning, budgeting and reporting are aligned in order to achieve improved service delivery;
- indicates how well an institution is meeting its goals and objectives, and which policies and processes are working. Making the best use of available data and knowledge to track and report on performance is crucial for improving the execution of government's mandate; and
- facilitates effective accountability, enabling Parliament, Provincial Legislatures, members of the public and other interested parties to track progress of government activities, identify the scope for improvement and hold government to account.

Departments must strive for the alignment between the strategic outcome orientated goals, strategic objectives and associated programme /sub-programme, performance indicators and targets in the Strategic Plans, Annual Performance Plans, Estimates of Expenditure and Adjusted Estimates of Expenditure.

The performance information must indicate the achievements against targets for performance indicators as identified in the Strategic Plans, Annual Performance Plans, Estimates of Expenditure and Adjusted Estimates of Expenditure.

### 2.4.1 Auditor General's Report: Predetermined Objectives

#### Guideline

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

For a user of the annual report, reading the findings of the work performed by the AGSA on the performance information will be more useful and relevant if it is read with the reporting of the performance information in the annual report. Therefore the user's attention must be drawn to the AGSA's audit findings on the audit of the performance information.

#### Format of disclosure

Reference must be made to the paragraph in the AGSA's report (Reporting on other legal and Regulatory requirements) published as Part E (Annual Financial Statement's) of the department's annual report.



## 2.4.2 Overview of Departmental Performance

This section must cover the performance of the department in its entirety for each of the headings detailed below. Information shouldn't be discussed at a programme level, as this is covered at a later stage as a separate section "programme performance".

### **Service delivery environment**

#### *Guideline*

To assist users of the annual report to gain an understanding of the challenges, successes and other factors that might impact on a department's performance, it is necessary to provide the user with an overview of the context and environment within which the department operated to implement its strategic plan and annual performance plan.

The department should seek to give a balanced overview of the service delivery environment in which it operated during the reporting period under review and not merely focus on factors that might be offered as 'mitigating circumstances' to support the department's delivery record.

Comment on services delivered directly to the public, problems encountered by the department when providing the relevant services, and what corrective steps were/are to be taken in dealing with such problems.

A description of any significant developments, external to the department, that may have impacted either on the demand for the department's services or on the department's ability to deliver those services.

#### *Format of disclosure*

This information must be provided in a narrative form.

### **Service Delivery Improvement Plan**

#### *Guideline*

In accordance with the Public Service Regulations, Chapter 1, Part III C, all departments are required to develop a Service Delivery Improvement Plan (SDIP) and to publish an annual statement of public service commitment which will set out the department's service standards that citizens and customers can expect and which will serve to explain how the department will meet each of the standards.

#### *Format of disclosure*

The following tables reflect the components of the SDIP as well as progress made in the implementation of the plans.

#### *Main services and standards*

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement

*Batho Pele arrangements with beneficiaries (Consultation access etc)*

Current/actual arrangements	Desired arrangements	Actual achievements

*Service delivery information tool*

Current/actual information tools	Desired information tools	Actual achievements

*Complaints mechanism*

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements

**Organisational environment**

*Guideline*

The annual report should provide users with an understanding of the organisational challenges and successes experienced by the department for the reporting period under review. The aim is to provide a description of any significant developments internal to the department that may have impacted the department's ability to deliver on its Strategic Plan and Annual Performance Plan e.g. the resignation and/or appointment of key personnel such as the AO or the CFO, a strike by significant portions of departmental officials, restructuring efforts, significant system failures or cases of corruption.

Given that these are factors internal to the department and therefore ostensibly within the department's control, it would be expected that the department gives some indication of any measures that were adopted to mitigate the impact of these events on service delivery.

*Format of disclosure*

This information must be provided in a narrative form.

**Key policy developments and legislative changes**

*Guideline*

The department should describe any major changes to relevant policies or legislation that may have affected its operations during the reporting period under review or future periods. If there have been no changes this must be stated.

*Format of disclosure*

This information must be provided in a narrative form.

### 2.4.3 Strategic Outcome Oriented Goals

#### *Guideline*

Each department should state the strategic outcome oriented goals as per the Strategic Plan and the progress made towards the achievement of the 5 year targets. The department must highlight significant achievements with regard to the 12 outcomes announced by the Department of Performance Monitoring and Evaluation. This is only applicable to departments that directly contribute to the achievement of one or more of the 12 outcomes. A department that does not directly contribute to any of the 12 outcomes must highlight significant achievements with regard to its own outcome(s). The department must also highlight significant achievements with regard to the National Development Plan (NDP).

#### *Format of disclosure*

This information must be provided in a narrative form.

#### **Performance information**

Certain provincial departments have customised sector performance indicators. These core set of sector performance indicators must be reflected in the Annual Performance Plan and reported on in the annual report. In addition to the customised performance indicators the department may have non-customised performance indicators which must be included in the annual performance plan and the Annual Report.

Provincial department's that do not have a core set of sector performance indicators must report on the province specific performance indicators as reflected in the Annual Performance Plan.

The information reported on in the annual report must be aligned to the annual performance plan. Where the department has not incorporated the customised performance indicators in its annual performance plan, and therefore not reported on in the annual report, this must be commented on in the annual report providing reasons why this has not been incorporated and achieved.

### 2.4.4 Performance Information by Programme

Each programme needs to be commented on in respect to each of the headings below. The general purpose of programme assessments and reviews are to evaluate each programme's quality and effectiveness, to support programme planning and improvement, and to encourage programmes to develop directions and manage performance in ways that reflect the department's strategic goals.

Each programme will have a separate sub-heading.

#### **Description of each programme**

##### *Guideline*

- Discuss the purpose of the programme
- List the sub-programmes
- List the strategic objectives for the financial year under review relating to each programme

#### *Format of disclosure*

This information must be provided in a narrative form.

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

*Guideline*

This section must provide a narrative of the significant achievements of targets for the strategic objectives and performance indicators for each programme for the financial year under review. The narrative must also provide a synopsis on how the achievement of targets has contributed towards achieving the department's strategic outcome orientated goals, which will invariably impact on the strategic priorities of government.

A table must also be provided where departments should report on strategic objectives, performance indicators and targets for each programme or every sub-programme as specified in the Estimates of National Expenditure/ Estimates of Provincial Revenue and Expenditure and Annual Performance Plan for both national and provincial departments.

- List the programme's strategic objectives with the actual outputs achieved in the previous year, the planned targets as per the Annual Performance Plan and the actual outputs for the financial year under review.
- List programme / sub-programme performance indicators as per the annual performance plan.
- Include the actual outputs achieved in the previous year, which must agree to the previous year's annual report.
- Include the planned targets as per the Estimates of National Expenditure/ Estimates of Provincial Revenue and Expenditure and Annual Performance Plan.
- Calculate the variance between the planned targets and actual achievements for the current year.
- Comment on all deviations.

*Format of disclosure*

The following table must be presented with the relevant information. Include any narratives after the table.

**Strategic objectives**

Programme Name					
Strategic objectives	Actual Achievement 20XX/20YY	Planned Target 20YY/20ZZ	Actual Achievement 20YY/20ZZ	Deviation from planned target to Actual Achievement for 20YY/20ZZ	Comment on deviations

**Performance indicators**

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 20XX/20YY	Planned Target 20YY/20ZZ	Actual Achievement 20YY/20ZZ	Deviation from planned target to Actual Achievement 20YY/20ZZ	Comment on deviations

**Strategy to overcome areas of under performance**

Department's should provide the strategies to address under performance.

**Changes to planned targets**

Departments must provide reasons per performance indicator if the indicators or targets have been changed during the reporting period i.e. after the annual performance plan has been tabled. In year changes to targets are only permitted if there has been an adjustment in the budget.

**Linking performance with budgets**

*Guideline*

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited financial statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The department must also report on how expenditure contributed to achievement of outputs.

*Format of disclosure*

The following table must be presented with the relevant financial information. Include the narrative after the table discussing how expenditure contributed to the achievement of outputs during the period under review.

Sub-Programme Name	20YY/20ZZ			20XX/20YY		
	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
<b>Total</b>						

## 2.4.5 Transfer Payments

### **Transfer payments to Public Entities**

#### *Guideline*

Public entities receive sizeable transfer payments from government and are often the front-line providers of services on behalf of government. It is therefore important to understand the impact of the services provided by the public entities on the community. Departments are requested to provide information on the services provided by these public entities, transfer payments made to the public entities, the actual amount spent from the transfer received by the public entities, strategic achievements of the public entity. Departments must also comment on monitoring systems or the lack thereof to monitor spending on such transfer payments. If such monitoring did take place, departments must provide details of difficulties experienced and what steps (if any) were taken to rectify such difficulties.

The information provided must agree to the information included in the public entities annual report.

#### *Format of disclosure*

The following table must be presented and any additional narratives must be included after the table. The information provided in the table should not be duplicated in a narrative. The financial information provided must agree to the information provided in the annexures on transfer payments to public entities in the annual financial statements. This table relates to Public Entities who received funding from the department.

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity

The column for the achievements will be a narrative description.

### **Transfer payments to all organisations other than public entities**

#### *Guideline*

This section provides information on transfer payments made to provinces, municipalities, departmental agencies (excl. public entities), higher education institutions, public corporations, private enterprises, foreign governments, non-profit institutions and households. This excludes payments to public entities as it is included in the previous section. In this section also provide information on where funds were budgeted to be transferred but transfers were not made and the reasons for not transferring funds.

Departments are requested to provide the name of the transferee, the purpose for which these funds were transferred, did the department comply with S38 1(j), the amount transferred, the amount spent from the transfer received by the transferee, (excluding individuals or social grant payments) and the reasons for unspent funds by the transferee. Departments must also comment on monthly monitoring systems or the lack thereof to monitor spending on such transfers. If such monitoring did take place, departments must provide details of difficulties experienced and what steps (if any) were taken to rectify such difficulties.

*Format of disclosure*

The following table must be presented and any additional narratives must be included after the table. The information provided in the table should not be duplicated in a narrative. The financial information provided must agree to the information provided in the annexures on transfer payments in the annual financial statements.

The table below reflects the **transfer payments made** for the period 1 April 20YY to 31 March 20ZZ

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

The table below reflects the transfer payments which were budgeted for in the period 1 April 20YY to 31 March 20ZZ, but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred



## 2.4.6 Conditional Grants

### **Conditional grants and earmarked funds paid**

#### *Guideline*

Conditional grants enable national priorities to be provided for in the budgets of other spheres of government. They are viewed as part of voted funds.

The Division of Revenue Act (DORA) requires that annual reports and financial statements of the transferring and receiving departments must also include information on conditional grants set out in schedules 4, 5, 6 and 7 of the Act. Section 13(1) and (2) of DORA outlines information that should be included in the annual reports of the transferring national offices. DORA, section 13(3) and (4), outlines the information to be included in the annual report and financial statements of the receiving provincial departments and municipalities.

In order to comply with this requirement, the annual report of the **transferring department** should include the following information on conditional grants transferred:

- Overview of departmental grants, types of grants, total allocations, transfers trends. A summary of all grants should be provided in the annexures to the Annual Financial Statements,
- Outline of the purpose and expected outputs for each grant,
- Explanation of whether transfers were made as scheduled, into the accredited accounts for the receiving spheres. In situations where payments were either delayed (failure to pay according to the payment schedule) or withheld (non-transfers) explain the reasons and the extent to which the department complied with the relevant sections of DORA,
- Indication whether any portion of the grant was retained at the national department for administration costs. Briefly describe the nature of the administration costs,
- Analysis of spending trends for each grant, indicating the extent to which the department monitored compliance with the conditions of the grant. Highlighting specific areas in which compliance fell short of requirements and steps taken in situations where a province or municipality failed to comply,
- Indication of the extent to which the outputs were achieved providing an analysis of provincial performance against targets. Where performance fell short of expectations outline the reasons and measures taken to improve performance in the coming years if the grant is continuing,
- An overall assessment of compliance with the DORA, both by the department and the receiving spheres, and explain any measures taken in a situation where there was non-compliance.

#### *Format of disclosure*

The information must be presented in the following format. The information provided in the table should not be duplicated in a narrative. The financial information provided must agree to the information provided in the annexures on conditional grants in the annual financial statements.

The table/s below details the conditional grants and ear marked funds paid during for the period 1 April 20YY to 31 March 20ZZ.

Department/ Municipality to whom the grant has been transferred	
Purpose of the grant	
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	
Amount transferred (R'000)	
Reasons if amount as per DORA not transferred	
Amount spent by the department/ municipality (R'000)	
Reasons for the funds unspent by the entity	
Monitoring mechanism by the transferring department	

**Conditional grants and earmarked funds received**

*Guideline*

The receiving department should include the following information in the annual report on conditional grants received:

- An overview of grants received, including types and total amount received.
- An indication of the total amount of actual expenditure on all allocations.
- Confirmation that all transfers were deposited into the accredited bank account of the Provincial Treasury.
- An indication of the extent to which the objectives were achieved, with a comparative analysis of provincial performance against targets. Where performance fell short of expectations, outline the reasons and measures taken to improve performance in the coming years if the grant is continuing.
- An overall assessment of compliance with the Act, and an explanation of any measures taken in situations where there was non-compliance.

*Format of disclosure*

The information must be presented in the following format. The information provided in the table should not be duplicated in a narrative. The financial information provided must agree to the information provided in the annexures on conditional grants in the annual financial statements.

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 20YY to 31 March 20ZZ.

Department who transferred the grant	
Purpose of the grant	
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	
Amount received (R'000)	
Reasons if amount as per DORA was not received	
Amount spent by the department (R'000)	
Reasons for the funds unspent by the entity	
Reasons for deviations on performance	
Measures taken to improve performance	
Monitoring mechanism by the receiving department	

**2.4.7 Donor Funds**

**Donor Funds Received**

*Guideline*

Donor assistance includes both cash and in-kind contributions. Reporting on donor assistance is critical as the funding directly contributes to service delivery of the department. The following information should be presented for donor funds. All financial amounts must agree to the amounts disclosed in the annual financial statements.

- The name of the donor
- The amount received in the current reporting period
- The purpose of the donor funding
- Outputs achieved
- Was the funding received in cash or in-kind
- Amount spent from the donor funds

- The monitoring/reporting to the donor
- Reasons for any unspent funds and if the project is complete will the funds be returned to the donor

*Format of disclosure*

The information must be presented in the following format. The information provided in the table should not be duplicated in a narrative. The financial information provided must agree to the information provided on aid assistance received in the annual financial statements.

The table/s below details the donor funds received during for the period 1 April 20YY to 31 March 20ZZ.

Name of donor	
Full amount of the funding	
Period of the commitment	
Purpose of the funding	
Expected outputs	
Actual outputs achieved	
Amount received (R'000)	
Amount spent by the department (R'000)	
Reasons for the funds unspent	
Monitoring mechanism by the donor	

**2.4.8 Capital Investment**

**Capital investment, maintenance and asset management plan**

*Guideline*

Departments are required to develop a capital investment and asset management plan. The Estimates of National Expenditure / Estimates of Provincial Revenue and Expenditure should be used as a guide for departments to report on capital projects.

Provide commentary on the following:

- Progress made on implementing the capital, investment and asset management plan.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance).

- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed.
- Plans to close down or down-grade any current facilities.
- Progress made on the maintenance of infrastructure.
- Developments relating to the above that are expected to impact on the department's current expenditure.
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft.
- Measures taken to ensure that the department's asset register remained up-to-date during the period under review.
- The current state of the department's capital assets, for example what percentage is in good, fair or bad condition.
- Major maintenance projects that have been undertaken during the period under review.
- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller? Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track.

*Format of disclosure*

The following table must be presented with the relevant financial information. The financial information must agree to the annual financial statements. Include the narratives after the table.

Infrastructure projects	20YY/20ZZ			20XX/20YY		
	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
New and replacement assets						
Existing infrastructure assets						
Upgrades and additions						
Rehabilitation, renovations and refurbishments						
Maintenance and repairs						
Infrastructure transfer						
Current						
Capital						
Total						

## **2.5 Part C: Governance**

### **2.5.1. Introduction**

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

### **2.5.2. Risk Management**

Provide a brief description of the following:

- Whether the department has a risk management policy and strategy.
- Whether the department conducts regular risk assessments to determine the effectiveness of its risk management strategy and to identify new and emerging risks.
- Whether there is a Risk Management Committee that advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk.
- Whether the Audit Committee advises the department on risk management and independently monitors the effectiveness of the system of risk management.
- Whether the department sees progress in the management of risks, whether this has transmitted into improvements in the department's performance, and if not, what it plans on doing to address this problem.

### **2.5.3. Fraud and Corruption**

Provide a brief description of the following:

- The department's fraud prevention plan and how it has been implemented.
- Mechanisms in place to report fraud and corruption and how these operate.eg: Whistle blowing - The need for officials to make confidential disclosure about suspect fraud and corruption
- How these cases are reported and what action is taken

### **2.5.4. Minimising Conflict of Interest**

Brief description on the processes implemented to minimise conflict of interest in supply chain management. Discuss the process followed where conflict of interest has been identified.

### **2.5.5. Code of Conduct**

Brief description and nature of code of conduct /ethics and the effect it has on the department and if the department is adhering to the Public Service Code of Conduct and Service Charter. Discuss the process followed for the breach of code of conduct.

### **2.5.6. Health Safety and Environmental Issues**

Provide a brief description and nature of Health Safety and Environmental issues and the effect it has on the department.

### 2.5.7. Portfolio Committees

The Portfolio Committee exercises oversight over the service delivery performance of departments.

Provide commentary on the following:

- The dates of the meeting
- Matters raised by the Portfolio Committee and how has the department addressed these matters

### 2.5.8. SCOPA Resolutions

Indicate the dates SCOPA meetings were held.

In a tabular format state the resolutions specific to the department, the details pertaining to the resolutions and the progress made by the department with regard to each resolution. For each resolution indicate if it has been resolved. Report on all outstanding SCOPA resolutions outstanding from the previous year and all new resolutions passed in the current financial year.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)

### 2.5.9. Prior modifications to audit reports

Include a discussion on mechanisms put in place by the Accounting Officer to resolve the matters reported by the AGSA in the previous financial year. This should include all matters in the audit report and those noted as important in the management report.

The discussion should be limited to all matters that gave rise to a qualification, disclaimer, adverse opinion and matters of non-compliance only. The department may include the information in a table as follows:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter*

### 2.5.10. Internal Control Unit

Discuss the work performed by internal control unit during the year.

### 2.5.11. Internal Audit and Audit Committees

The audit committee plays an important role in ensuring that an entity functions according to good governance, accounting and audit standards. It also monitors the adoption of appropriate risk management arrangements.

Provide a brief description of the following:

- Key activities and objectives of the internal audit

- Specify summary of audit work done
- Key activities and objectives of the audit committee
- Attendance of audit committee meetings by audit committee members (Tabular form)

The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or external member	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended

### 2.5.12. Audit Committee Report



This guideline serves as a minimum requirement of issues or topics that must be addressed by the Audit Committee members to discharge their responsibilities in terms of the PFMA and the regulations thereto. The Audit Committee must use their **own words** in providing relevant information on the topics for the year under review. The Audit Committee may include additional information in the final report as it deems fit.



The annual financial statements should have been reviewed by the Audit Committee and should contain a draft report of the Audit Committee prior to submitting the AFS to the AGSA for auditing. The Audit Committee should review the audit report of the Auditor-General, the audited financial statements, the management report and management's comments on the audited financial statements. The aforementioned must take place before the Auditor-General's reporting date, 31 July.

The Audit Committee must determine its final report to be included in the Annual Report based on the outcome of the above. The final report may differ from the draft report submitted based on the outcome of the evaluation of the annual financial statements by the Audit Committee and the management report issued by the AGSA.

This report must comment on the following:

- Has the audit committee adopted a format terms of reference
- Has the audit committee satisfied its responsibilities
- Effectiveness of internal control systems
- Summary of main activities undertaken by audit committee during the financial year under review. Achievements of internal audit plan, staffing constraints and unresolved audit findings
- The quality of the in-year management and monthly/quarterly reports submitted in terms of legislation.
- Evaluation of annual financial statements:
  - review and discussion of the audited / unaudited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer
  - review of the Auditor-General's management report and management's response thereto
  - review of any changes in accounting policies and practices
  - review of the departments compliance with legal and regulatory provisions
  - review of the information on predetermined objectives to be included in the annual report
  - review of any significant adjustments resulting from the audit
  - the quality and timeliness of the financial information availed to the audit committee for oversight purposes during the year such as interim financial statements.



- Internal Audit
  - Effectiveness of internal audit function, has internal audit addressed risks
  - State any specific investigations undertaken in the department and whether adequately resolved
- External Audit
  - state unresolved issues raised and not adequately addressed by department
- Risk management
  - How the committee obtains assurance on the overall system of risk management
  - Effectiveness of the overall system of risk management
  - Any major incidents/losses attributable to the failure of risk management, and any major successes/gains achieved or losses/incidents avoided through applying a rigorous risk management process
- Any issues /matters that pertain specifically to the department
- Conclusion
- Date Audit Committee recommended AFS be approved;



Refer to annexure B for the format of the Audit Committee report

## 2.6 Part D: Human Resource Management

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

### 2.6.1. Introduction

Provide commentary on the following:

- The status of human resources in the department.
- Human resource priorities for the year under review and the impact of these.
- Workforce planning and key strategies to attract and recruit a skilled and capable workforce.
- Employee performance management.
- Employee wellness programmes.
- Highlight achievements and challenges faced by the department, as well as future human resource plans /goals.

### 2.6.2. Human Resources Oversight Statistics

The department must provide the following key information on its human resources. All the financial amounts must agree with the amounts disclosed in the annual financial statements. Provide reasons for any variances.



Please note that it is very important to follow the format and standards prescribed, to enable collation and comparison of information. **If sub headings/tables are not applicable to the department, it should be stated that there is nothing to report on. Numbering of tables must not be changed and should be maintained as in the guidelines.**

Include any other tables for HR if considered necessary by the department and required by any specific government oversight body. These additional tables must be included at the end of the standardised HR information.

3.1. Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 20YY and 31 March 20ZZ

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)
<b>Total</b>						

Table 3.1.2 Personnel costs by salary band for the period 1 April 20YY and 31 March 20ZZ

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)				
Skilled (level 3-5)				
Highly skilled production (levels 6-8)				
Highly skilled supervision (levels 9-12)				
Senior and Top management (levels 13-16)				
<b>Total</b>				

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 20YY and 31 March 20ZZ

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
<b>Total</b>								

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 20YY and 31 March 20ZZ

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)								
Skilled (level 3-5)								
Highly skilled production (levels 6-8)								
Highly skilled supervision (levels 9-12)								
Senior management (level 13-16)								
<b>Total</b>								

### 3.2. Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 20ZZ

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
<b>Total</b>				

Table 3.2.2 Employment and vacancies by salary band as on 31 March 20ZZ

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)				
Skilled(3-5)				
Highly skilled production (6-8)				
Highly skilled supervision (9-12)				
Senior management (13-16)				
<b>Total</b>				

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 20ZZ

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
<b>Total</b>				

#### Notes

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

### 3.3. Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 20ZZ

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15					
Salary Level 14					
Salary Level 13					
<b>Total</b>					

Table 3.3.2 SMS post information as on 30 September 20ZZ

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15					
Salary Level 14					
Salary Level 13					
<b>Total</b>					

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 20YY and 31 March 20ZZ

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15					
Salary Level 14					
Salary Level 13					

<b>Total</b>					
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Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 20YY and 31 March 20ZZ

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

**Notes**

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 20YY and 31 March 20ZZ

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

**Notes**

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

### 3.4. Job Evaluation

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

*Table 3.4.1 Job Evaluation by Salary band for the period 1 April 20YY and 31 March 20ZZ*

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)							
Skilled (Levels 3-5)							
Highly skilled production (Levels 6-8)							
Highly skilled supervision (Levels 9-12)							
Senior Management Service Band A							
Senior Management Service Band B							
Senior Management Service Band C							
Senior Management Service Band D							
<b>Total</b>							

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

*Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 20YY and 31 March 20ZZ*

Gender	African	Asian	Coloured	White	Total
Female					
Male					
<b>Total</b>					



<b>Employees with a disability</b>	
------------------------------------	--

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

*Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 20YY and 31 March 20ZZ*

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

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

*Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 20YY and 31 March 20ZZ*

Gender	African	Asian	Coloured	White	Total
Female					
Male					
<b>Total</b>					

Employees with a disability					
-----------------------------	--	--	--	--	--

#### Notes

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

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
--	------

### 3.5. Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 20YY and 31 March 20ZZ

Salary band	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled ( Levels 1-2)				
Skilled (Levels3-5)				
Highly skilled production (Levels 6-8)				
Highly skilled supervision (Levels 9-12)				
Senior Management Service Bands A				
Senior Management Service Bands B				
Senior Management Service Bands C				
Senior Management Service Bands D				
Contracts				
<b>Total</b>				

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 20YY and 31 March 20ZZ

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
<b>TOTAL</b>				

#### Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
  - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
  - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 20YY and 31 March 20ZZ

Termination Type	Number	% of Total Resignations
Death		
Resignation		
Expiry of contract		
Dismissal – operational changes		
Dismissal – misconduct		
Dismissal – inefficiency		
Discharged due to ill-health		
Retirement		
Transfer to other Public Service Departments		
Other		
<b>Total</b>		
<b>Total number of employees who left as a % of total employment</b>		

Table 3.5.4 Promotions by critical occupation for the period 1 April 20YY and 31 March 20ZZ

Occupation	Employees 1 April 20YY	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
<b>TOTAL</b>					

Table 3.5.5 Promotions by salary band for the period 1 April 20YY and 31 March 20ZZ

Salary Band	Employees 1 April 20YY	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled ( Levels 1-2)					
Skilled (Levels3- 5)					
Highly skilled production (Levels 6-8)					
Highly skilled supervision (Levels 9-12)					
Senior Management (Level 13-16)					
<b>Total</b>					

3.6. Employment Equity

*Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 20ZZ*

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers									
Professionals									
Technicians and associate professionals									
Clerks									
Service and sales workers									
Skilled agriculture and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations									
<b>Total</b>									
<b>Employees with disabilities</b>									

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 20ZZ

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
<b>Total</b>									

Table 3.6.3 Recruitment for the period 1 April 20YY to 31 March 20ZZ

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
<b>Total</b>									
<b>Employees with disabilities</b>									

*Table 3.6.4 Promotions for the period 1 April 20YY to 31 March 20ZZ*

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
<b>Total</b>									
<b>Employees with disabilities</b>									

*Table 3.6.5 Terminations for the period 1 April 20YY to 31 March 20ZZ*

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision									



making									
Unskilled and defined decision making									
<b>Total</b>									
<b>Employees with Disabilities</b>									

*Table 3.6.6 Disciplinary action for the period 1 April 20YY to 31 March 20ZZ*

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

*Table 3.6.7 Skills development for the period 1 April 20YY to 31 March 20ZZ*

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers									
Professionals									
Technicians and associate professionals									
Clerks									
Service and sales workers									
Skilled agriculture and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations									
<b>Total</b>									
<b>Employees with disabilities</b>									

3.7. Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 20ZZ

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department				
Salary Level 16				
Salary Level 15				
Salary Level 14				
Salary Level 13				
<b>Total</b>				

**Notes**

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 20ZZ

Reasons

**Notes**

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

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 20ZZ

Reasons

**Notes**

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

3.8. Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 20YY to 31 March 20ZZ

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male					
Female					
<b>Asian</b>					
Male					
Female					
<b>Coloured</b>					
Male					
Female					
<b>White</b>					
Male					
Female					
<b>Total</b>					

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 20YY to 31 March 20ZZ

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)						
Skilled (level 3-5)						
Highly skilled production (level 6-8)						
Highly skilled supervision (level 9-12)						
<b>Total</b>						

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 20YY to 31 March 20ZZ

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
<b>Total</b>					

**Notes**

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

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 20YY to 31 March 20ZZ

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A						
Band B						
Band C						
Band D						
<b>Total</b>						

3.9. Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 20YY and 31 March 20ZZ

Salary band	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled						
Highly skilled production (Lev. 6-8)						
Highly skilled supervision (Lev. 9-12)						
Contract (level 9-12)						
Contract (level 13-16)						
<b>Total</b>						

Table 3.9.2 Foreign workers by major occupation for the period 1 April 20YY and 31 March 20ZZ

Major occupation	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change

3.10. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 20YY to 31 December 20ZZ

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)						
Skilled (levels 3-5)						
Highly skilled production (levels 6-8)						
Highly skilled supervision (levels 9 -12)						
Top and Senior management (levels 13-16)						
<b>Total</b>						

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 20YY to 31 December 20ZZ

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)						
Highly skilled supervision (Levels 9-12)						
Senior management (Levels 13-16)						
<b>Total</b>						

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

*Table 3.10.3 Annual Leave for the period 1 January 20YY to 31 December 20ZZ*

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)			
Skilled Levels 3-5)			
Highly skilled production (Levels 6-8)			
Highly skilled supervision(Levels 9-12)			
Senior management (Levels 13-16)			
<b>Total</b>			

*Table 3.10.4 Capped leave for the period 1 January 20YY to 31 December 20ZZ*

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



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

Table 3.10.5 Leave payouts for the period 1 April 20YY and 31 March 20ZZ

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 20XX/YY due to non-utilisation of leave for the previous cycle			
Capped leave payouts on termination of service for 20YY/ZZ			
Current leave payout on termination of service for 20YY/ZZ			
<b>Total</b>			

3.11. HIV/AIDS & Health Promotion Programmes

*Table 3.11.1 Steps taken to reduce the risk of occupational exposure*

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.			
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.			
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.			
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.			
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.			
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.			
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.			
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.			

3.12. Labour Relations

*Table 3.12.1 Collective agreements for the period 1 April 20YY and 31 March 20ZZ*

Subject matter	Date

**Notes**

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Collective agreements	None
---------------------------------------	------

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

*Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 20YY and 31 March 20ZZ*

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		
<b>Total</b>		

**Notes**

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	None
---	------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 20YY and 31 March 20ZZ

Type of misconduct	Number	% of total
<b>Total</b>		

Table 3.12.4 Grievances logged for the period 1 April 20YY and 31 March 20ZZ

Grievances	Number	% of Total
Number of grievances resolved		
Number of grievances not resolved		
<b>Total number of grievances lodged</b>		

Table 3.12.5 Disputes logged with Councils for the period 1 April 20YY and 31 March 20ZZ

Disputes	Number	% of Total
Number of disputes upheld		
Number of disputes dismissed		
<b>Total number of disputes lodged</b>		

Table 3.12.6 Strike actions for the period 1 April 20YY and 31 March 20ZZ

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

Table 3.12.7 Precautionary suspensions for the period 1 April 20YY and 31 March 20ZZ

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

3.13. Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 20YY and 31 March 20ZZ

Occupational category	Gender	Number of employees as at 1 April 20YY	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					
	Male					
Professionals	Female					
	Male					
Technicians and associate professionals	Female					
	Male					
Clerks	Female					
	Male					
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary occupations	Female					
	Male					
Sub Total	Female					
	Male					
<b>Total</b>						

Table 3.13.2 Training provided for the period 1 April 20YY and 31 March 20ZZ

Occupational category	Gender	Number of employees as at 1 April 20YY	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female					
	Male					
Professionals	Female					
	Male					
Technicians and associate professionals	Female					
	Male					
Clerks	Female					
	Male					
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary occupations	Female					
	Male					
Sub Total	Female					
	Male					
<b>Total</b>						

3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 20YY and 31 March 20ZZ

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

3.15. Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department.

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 20YY and 31 March 20ZZ

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 20YY and 31 March 20ZZ

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 20YY and 31 March 20ZZ

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand



Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

*Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 20YY and 31 March 20ZZ*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 20YY and 31 March 20ZZ

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

## **2.7 Part E: Financial Information**

### **2.7.1 Report of the Auditor General**

This is the auditor's report as issued by AGSA.

### **2.7.2 Annual Financial Statements**

The annual financial statements will be as per the *Departmental Financial Reporting Framework* as issued by National Treasury.

### 3. ANNEXURES

#### 3.1 Annexure A: Statement of Responsibility and Confirmation of Accuracy

##### **Statement of responsibility and confirmation of accuracy for the annual report**

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 20ZZ.

Yours faithfully

---

Accounting Officer  
Name  
Date

## 3.2 Annexure B: Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 20ZZ.

### **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

### **The Effectiveness of Internal Control**

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- xxxxxx
- xxxxxxxxx

The following were areas of concern:

- xxxxxx
- xxxxxx

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

The department has reporting monthly and quarterly to the Treasury as is required by the PFMA.

### **Evaluation of Financial Statements**

We have reviewed the annual financial statements prepared by the department.

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

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the following:

- xxxxxx
- xxxxxx

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

---

**(Full Name of Chairperson)  
Chairperson of the Audit Committee  
(Name of Department)  
(Date)**

### **3.3 Annexure C: Specimen of the Annual Report**

Refer to the specimen copy of the annual report for National and Provincial Departments.

**Annexure A: Statement of Responsibility and Confirmation of Accuracy**



## **Statement of responsibility and confirmation of accuracy for the annual report**

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 20ZZ.

Yours faithfully

---

Accounting Officer

Name

Date

## **Annexure B: Report of the Audit Committee**

We are pleased to present our report for the financial year ended 31 March 20ZZ.

### **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

### **The Effectiveness of Internal Control**

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- xxxxxx
- xxxxxxxxx

The following were areas of concern:

- xxxxxx
- xxxxxx

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

The department has reporting monthly and quarterly to the Treasury as is required by the PFMA.

### **Evaluation of Financial Statements**

We have reviewed the annual financial statements prepared by the department.

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

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the following:

- xxxxxx
- xxxxxx

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

---

**(Full Name of Chairperson)**  
**Chairperson of the Audit Committee**  
**(Name of Department)**  
**(Date)**

## **ANNEXURE C:**

### **SPECIMEN ANNUAL REPORT FOR NATIONAL AND PROVINCIAL DEPARTMENTS**

**DEPARTMENT OF XXX  
PROVINCE OF XXXX  
VOTE NO. XX  
ANNUAL REPORT  
20YY/20ZZ FINANCIAL YEAR**

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## **PART A: GENERAL INFORMATION**

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## 1. DEPARTMENT GENERAL INFORMATION

**PHYSICAL ADDRESS:** XXX XXXXX

XXXXXXXX

XXXXX

**POSTAL ADDRESS:** Private Bag XXXX

XXXXX

XXXX

**TELEPHONE NUMBER/S:** 027 XX XXX XXXX

**FAX NUMBER:** 027 XX XXX XXXX

**EMAIL ADDRESS:** [info@XXXX.gov.za](mailto:info@XXXX.gov.za)

**WEBSITE ADDRESS :** [www.XXXX.gov.za](http://www.XXXX.gov.za)

## 2. LIST OF ABBREVIATIONS/ACRONYMS

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

### 3. FOREWORD BY THE MINISTER/MEC

Photo of Minister/MEC

Name:

Title:

The Minister/MEC foreword should cover the following in relation to the financial year under review:

- Achievements in relation to policy directives and strategic outcome related goals
- Challenges for the financial year under review
- The medium to long term goals of the department
- Acknowledgements /Appreciation
- Conclusion

\_\_\_\_\_  
**(Name of the Minister/MEC)**  
**Minister/MEC of the Department of**  
**(Date)**

**4. DEPUTY MINISTER STATEMENT (if applicable)**

Photo of Deputy Minister
Name:
Title:

This section will only be applicable to national departments.

The Deputy Minister statement should cover the following:

- Statement should include activities and highlights of the department for the financial year under review
- Acknowledgements /Appreciation
- Conclusion

\_\_\_\_\_  
**(Name of the Deputy Minister)**  
**Deputy Minister of the Department of**  
**(Date)**

## 5. REPORT OF THE ACCOUNTING OFFICER

Photo of Accounting Officer

Name:

Title:

- Overview of the operations of the department:
  - Overview of the results and challenges for the, briefly commenting on significant events and projects for the year.
- Overview of the financial results of the department:
  - Departmental receipts

Departmental receipts	20YY/20ZZ			20XX/20YY		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets						
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land						
Sale of capital assets						
Financial transactions in assets and liabilities						
Total						

Describe in some detail how they have delivered on the plans for collecting departmental revenue.

Provide details of the determination of tariffs charged by the department. If different policies apply to different tariffs, provide details of each separately. If the department does not charge tariffs for goods sold and/or services rendered, such should be stated. List the nature of free services rendered by the department that would have yielded significant revenue had a tariff been charged and quantify where possible the cost of the free services rendered.

Where a department has under collected revenue it should give reasons and indicate what measures were taken during the course of the year to keep on target and what future measures will be taken to try and rectify the under collection of revenue. The department should discuss the amount of bad debts written off, as this can have a direct impact on the departmental receipts.

Where the department has collected more revenue than planned, provide reasons for the better than anticipated performance. The department can also use this section to report on new measures instituted during the course of the year to raise additional revenue or to ensure more efficient/effective collection. Where there were sales of capital assets, reasons for such a sale must be provided.

o Programme Expenditure

Programme Name	20YY/20ZZ			20XX/20YY		
	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
Total						

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a programme level and must agree to the appropriation statement of the audited financial statements. Discuss the reasons for under/ (over) expenditure. In instances where there is overspending, what corrective action has the department put in place to prevent the recurrence in future years.

- o Virements/roll overs
  - State what virements were done and the request for rollovers
  - Reason for the virement
- A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.
- Future plans of the department
- Public Private Partnerships
  - o Provide a brief summary of progress on the PPP's reported in the previous financial year, as well as new PPP's entered into.
- Discontinued activities / activities to be discontinued
  - o List activities discontinued/to be discontinued
  - o Reasons for discontinuance
  - o Effect on the operations of, and service delivery by the department
  - o Financial implications of each discontinued activity
- New or proposed activities
  - o List new/proposed activities

- Reasons for new activities
- Effect on the operations of the department
- Financial implications of each new activity
  
- Supply chain management
  - List all unsolicited bid proposals concluded for the year under review
  - Indicate whether SCM processes and systems are in place to prevent irregular expenditure
  - Challenges experienced in SCM and how they were resolved
  
- Gifts and Donations received in kind from non related parties
  - List the nature of the in kind good and services provided by the department to or received from parties other than related parties.
  
- Exemptions and deviations received from the National Treasury
  - Include a discussion on any exemption from the PFMA or TR or deviation from the financial reporting requirements received for the current and/or previous financial year. Detail the conditions of the exemption or deviation (if any) and the mechanisms put in place to ensure that all milestones will be achieved by the end of the exemption or deviation period
  
- Events after the reporting date
  - Include the nature of any events (adjusting and non-adjusting), favourable and unfavourable that occurred after the reporting date and the date of approval of the Annual Financial Statements.
  
  - Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.
  
- Other
  - Any other material fact or circumstances, which may have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.
  
- Acknowledgement/s or Appreciation
- Conclusion
- Approval and sign off

---

**(Name of the Accounting Officer)**  
**Accounting Officer**  
**Department of**  
**Date:**



**6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY  
FOR THE ANNUAL REPORT**

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 20ZZ.

Yours faithfully

---

Accounting Officer  
Name  
Date

## **7. STRATEGIC OVERVIEW**

### **7.1. Vision**

This must be as per the department's strategic plan.

### **7.2. Mission**

This must be as per the department's strategic plan.

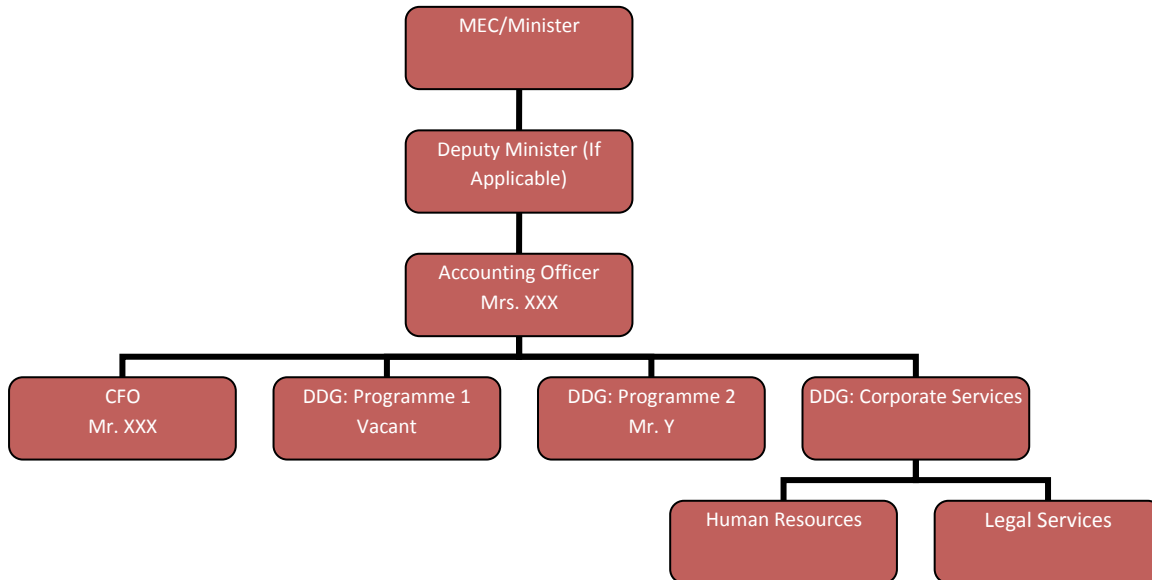
### **7.3. Values**

This must be as per the department's strategic plan.

## **8. LEGISLATIVE AND OTHER MANDATES**

- Set out the specific constitutional and other legislative mandates, as per the relevant act(s) that govern(s) the department's establishment and operations. This should not be the entire list of legislation that the department is subject to in the course of its operations. Also include government policy frameworks that govern the department.
- This information must be consistent with the information provided in the strategic plan, annual performance plan and the estimates of national expenditure /estimates of provincial revenue and expenditure.

## 9. ORGANISATIONAL STRUCTURE



## 10. ENTITIES REPORTING TO THE MINISTER/MEC

The information furnished in this section should correlate with information provided in the related party transactions disclosure note to the financial statements and the information on the entities.

The table below indicates the entities that report to the Minister/MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations

## **PART B: PERFORMANCE INFORMATION**

---

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

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

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

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 Service Delivery Environment

To assist users of the annual report to gain an understanding of the challenges, successes and other factors that might impact on a department's performance, it is necessary to provide the user with an overview of the context and environment within which the department operated to implement its strategic plan and annual performance plan.

The overview should include:

- A balanced overview of the service delivery environment in which it operated during the reporting period under review and not merely focus on factors that might be offered as 'mitigating circumstances' to support the department's delivery record.
- Comment on services delivered directly to the public, problems encountered by the department when providing the relevant services, and what corrective steps were/are to be taken in dealing with such problems.
- A description of any significant developments, external to the department, that may have impacted either on the demand for the department's services or on the department's ability to deliver those services.

### 2.2 Service Delivery Improvement Plan

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

*Main services and standards*

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement

*Batho Pele arrangements with beneficiaries (Consultation access etc.)*

Current/actual arrangements	Desired arrangements	Actual achievements

*Service delivery information tool*

Current/actual information tools	Desired information tools	Actual achievements

*Complaints mechanism*

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements

### 2.3 Organisational environment

The annual report should provide users with an understanding of the organisational challenges and successes experienced by the department for the reporting period under review. The aim is to provide a description of any significant developments internal to the department that may have impacted the department's ability to deliver on its Strategic Plan and Annual Performance Plan e.g. the resignation and/or appointment of key personnel such as the AO or the CFO, a strike by significant portions of departmental officials, restructuring efforts, significant system failures or cases of corruption.

Given that these are factors internal to the department and therefore ostensibly within the department's control, it would be expected that the department gives some indication of any measures that were adopted to mitigate the impact of these events on service delivery.

### 2.4 Key policy developments and legislative changes

The department should describe any major changes to relevant policies or legislation that may have affected its operations during the period under review or future financial periods. If there have been no changes this must be stated.

## 3. STRATEGIC OUTCOME ORIENTED GOALS

Each department should state the strategic outcome oriented goals as per the Strategic Plan and the progress made towards the achievement of the 5 year targets. The department must highlight significant achievements with regard to the 12 outcomes announced by the Department of

Performance Monitoring and Evaluation. This is only applicable to departments that directly contribute to the achievement of one or more of the 12 outcomes. A department that does not directly contribute to any of the 12 outcomes must highlight significant achievements with regard to its own outcome(s). The department must also highlight significant achievements with regard to the National Development Plan (NDP).

## 4. PERFORMANCE INFORMATION BY PROGRAMME

### 4.1 Programme 1: XXXX

- Discuss the purpose of each programme
- List the sub-programmes
- List the strategic objectives for the financial year under review

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

This section must provide a narrative of the significant achievements of targets for the strategic objectives and performance indicators for each programme for the financial year under review. The narrative must also provide a synopsis on how the achievement of targets has contributed towards achieving the department's strategic outcome orientated goals, which will invariably impact on the strategic priorities of government.

#### **Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 20XX/20YY	Planned Target 20YY/20ZZ	Actual Achievement 20YY/20ZZ	Deviation from planned target to Actual Achievement for 20YY/20ZZ	Comment on deviations

Provide reasons for all deviations

#### **Performance indicators**

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 20XX/20YY	Planned Target 20YY/20ZZ	Actual Achievement 20YY/20ZZ	Deviation from planned target to Actual Achievement for 20YY/20ZZ	Comment on deviations

Provide reasons for all deviations

**Strategy to overcome areas of under performance**

Department's should provide the strategies to address under performance.

**Changes to planned targets**

Departments must provide reasons per performance indicator if the indicators or targets have been changed during the reporting period i.e. after the annual performance plan has been tabled. In year changes to targets are only permitted if there has been an adjustment in the budget.

**Linking performance with budgets**

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited financial statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The department must also report on how expenditure contributed to achievement of outputs.

**Sub-programme expenditure**

Sub- Programme Name	20YY/20ZZ			20XX/20YY		
	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
Total						



#### 4.2 Programme 2: XXXX

- Discuss the purpose of each programme
- List the sub-programmes
- List the strategic objectives for the financial year under review

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

This section must provide a narrative of the significant achievements of targets for the strategic objectives and performance indicators for each programme for the financial year under review. The narrative must also provide a synopsis on how the achievement of targets has contributed towards achieving the department’s strategic outcome orientated goals, which will invariably impact on the strategic priorities of government.

**Strategic objectives:**

Programme Name					
Strategic objectives	Actual Achievement 20XX/20YY	Planned Target 20YY/20ZZ	Actual Achievement 20YY/20ZZ	Deviation from planned target to Actual Achievement for 20YY/20ZZ	Comment on deviations

Provide reasons for all deviations

**Performance indicators**

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 20XX/20YY	Planned Target 20YY/20ZZ	Actual Achievement 20YY/20ZZ	Deviation from planned target to Actual Achievement for 20YY/20ZZ	Comment on deviations

Provide reasons for all deviations

**Strategy to overcome areas of under performance**

Department’s should provide the strategies to address under performance.

**Changes to planned targets**

Departments must provide reasons per performance indicator if the indicators or targets have been changed during the reporting period i.e. after the annual performance plan has been tabled. In year changes to targets are only permitted if there has been an adjustment in the budget.

**Linking performance with budgets**

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited financial statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The department must also report on how expenditure contributed to achievement of outputs.

**Sub-programme expenditure**

Sub- Programme Name	20YY/20ZZ			20XX/20YY		
	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
Total						

**5. TRANSFER PAYMENTS**

**5.1. Transfer payments to public entities**

Public entities receive sizeable transfer payments from government and are often the front-line providers of services on behalf of government. It is therefore important to understand the impact of these services on the community. Departments are requested to provide information on the services provided by these public entities, transfer payments to the public entities, the actual amount spent from the transfer received by the public entities, strategic achievements of the public entity. Departments must also comment on monthly monitoring systems or the lack thereof to monitor spending on such transfer payments. If such monitoring did take place, departments must provide details of difficulties experienced and what steps (if any) were taken to rectify such difficulties.

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity

## 5.2. Transfer payments to all organisations other than public entities

This section provides information on transfer payments made to provinces, municipalities, departmental agencies (excl. public entities), higher education institutions, public corporations, private enterprises, foreign governments, non-profit institutions and households. This excludes payments to public entities as it is included in the previous section. In this section also provide information on where funds were budgeted to be transferred but transfers were not made and the reasons for not transferring funds.

Departments are requested to provide the name of the transferee, the purpose for which these funds were transferred, did the department comply with S38 1(j), the amount transferred, the amount spent from the transfer received by the transferee, (excluding individuals or social grant payments) and the reasons for unspent funds by the transferee. Departments must also comment on monthly monitoring systems or the lack thereof to monitor spending on such transfers. If such monitoring did take place, departments must provide details of difficulties experienced and what steps (if any) were taken to rectify such difficulties.

The table below reflects the transfer payments made for the period 1 April 20YY to 31 March 20ZZ

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

The table below reflects the transfer payments which were budgeted for in the period 1 April 20YY to 31 March 20ZZ, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred

## 6. CONDITIONAL GRANTS

### 6.1. Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by the department.

*Conditional Grant 1:*

Department/ Municipality to whom the grant has been transferred	
Purpose of the grant	
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	
Amount transferred (R'000)	
Reasons if amount as per DORA not transferred	
Amount spent by the department/ municipality (R'000)	
Reasons for the funds unspent by the entity	
Monitoring mechanism by the transferring department	

*Conditional Grant 2:*

Department/ Municipality to whom the grant has been transferred	
Purpose of the grant	
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	
Amount transferred (R'000)	
Reasons if amount as per DORA not transferred	
Amount spent by the department/ municipality (R'000)	
Reasons for the funds unspent by the entity	
Monitoring mechanism by the transferring department	

## 6.2. Conditional grants and earmarked funds received

The receiving department should include the following information in the annual report on conditional grants received:

- An overview of grants received, including types and total amount received.
- An indication of the total amount of actual expenditure on all allocations.
- Confirmation that all transfers were deposited into the accredited bank account of the Provincial Treasury.
- An indication of the extent to which the objectives were achieved, with a comparative analysis of provincial performance against targets. Where performance fell short of expectations, outline the reasons and measures taken to improve performance in the coming years if the grant is continuing.
- An overall assessment of compliance with the Act, and an explanation of any measures taken in situations where there was non-compliance

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 20YY to 31 March 20ZZ.

*Conditional Grant xxx:*

Department who transferred the grant	
Purpose of the grant	
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	
Amount received (R'000)	
Reasons if amount as per DORA was not received	
Amount spent by the department (R'000)	
Reasons for the funds unspent by the entity	
Reasons for deviations on performance	
Measures taken to improve performance	
Monitoring mechanism by the receiving department	

## 7. DONOR FUNDS

### 7.1. Donor Funds Received

Donor assistance includes both cash and in-kind contributions. Reporting on donor assistance needs substantial improvement in light of the lack of sufficient funding information received in prior financial years from institutions. The following information should be presented for donor funds. All financial amounts must agree to the amounts disclosed in the annual financial statements.

- The name of the donor
- The amount received in the current reporting period
- The purpose of the donor funding
- Outputs achieved
- Was the funding received in cash or in-kind
- Amount spent from the donor funds

- The monitoring/reporting to the donor
- Reasons for any unspent funds and if the project is complete will the funds be returned to the donor.

Donor Fund XXX:

Name of donor	
Full amount of the funding	
Period of the commitment	
Purpose of the funding	
Expected outputs	
Actual outputs achieved	
Amount received in current period (R'000)	
Amount spent by the department (R'000)	
Reasons for the funds unspent	
Monitoring mechanism by the donor	

## 8. CAPITAL INVESTMENT

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

Provide commentary on the following:

- Progress made on implementing the capital, investment and asset management plan.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance)
- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed,
- Plans to close down or down-grade any current facilities,
- Progress made on the maintenance of infrastructure
- Developments relating to the above that are expected to impact on the department's current expenditure.
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft
- Measures taken to ensure that the department's asset register remained up-to-date during the period under review

- The current state of the department’s capital assets, for example what percentage is in good, fair or bad condition
- Major maintenance projects that have been undertaken during the period under review
- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller? Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track

Infrastructure projects	20YY/20ZZ			20XX/20YY		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets						
Existing infrastructure assets						
- Upgrades and additions						
- Rehabilitation, renovations and refurbishments						
- Maintenance and repairs						
Infrastructure transfer						
- Current						
- Capital						
<b>Total</b>						



## **PART C: GOVERNANCE**

---

## **1. INTRODUCTION**

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

## **2. RISK MANAGEMENT**

Provide a brief description of the following:

- Whether the department has a risk management policy and strategy.
- Whether the department conducts regular risk assessments to determine the effectiveness of its risk management strategy and to identify new and emerging risks.
- Whether there is a Risk Management Committee that advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk.
- Whether the Audit Committee advises the department on risk management and independently monitors the effectiveness of the system of risk management.
- Whether the department sees progress in the management of risks, whether this has transmitted into improvements in the department's performance, and if not, what it plans on doing to address this problem

## **3. FRAUD AND CORRUPTION**

Provide a brief description of the following:

- The department's fraud prevention plan and the progress made in implementing the fraud prevention plan
- Mechanisms in place to report fraud and corruption and how these operate.eg: Whistle blowing - The need for officials to make confidential disclosure about suspect fraud and corruption
- How these cases are reported and what action is taken

## **4. MINIMISING CONFLICT OF INTEREST**

Brief description on the processes implemented to minimise conflict of interest. Discuss the process followed where conflict of interest has been identified.

## 5. CODE OF CONDUCT

Brief description and nature of code of conduct /ethics and the effect it has on the department and if the department is adhering to the Public Service Code of Conduct. Discuss the process followed for the breach of code of conduct.

.

## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Provide a brief description and nature of Health Safety and Environmental issues and the effect it has on the department.

## 7. PORTFOLIO COMMITTEES

Provide commentary on the following:

- The dates of the meeting
- Matters raised by the Portfolio Committee and how has the department addressed these matters

## 8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Include a discussion on mechanisms put in place by the Accounting Officer to resolve the matters reported by the AGSA in the previous financial year. This should include all matters in the audit report and those noted as important in the management report.

The discussion should be limited to all matters that gave rise to a qualification, disclaimer, adverse opinion and matters of non-compliance only. The department may include the information in a table as follows:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter

## 10. INTERNAL CONTROL UNIT

Discuss the work performed by internal control unit during the year.

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

Provide a brief description of the following:

- Key activities and objectives of the internal audit
- Specify summary of audit work done
- Key activities and objectives of the audit committee;
- Attendance of audit committee meetings by audit committee members (Tabular form);

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

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended

## 12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 20ZZ.

### **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

### **The Effectiveness of Internal Control**

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- xxxxxx
- xxxxxxxxx

The following were areas of concern:

- xxxxxx
- xxxxxx

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

The department has reporting monthly and quarterly to the Treasury as is required by the PFMA.

### **Evaluation of Financial Statements**

We have reviewed the annual financial statements prepared by the department.

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

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the following:

- xxxxxx
- xxxxxx

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

\_\_\_\_\_  
**(Full Name of Chairperson)**  
**Chairperson of the Audit Committee**  
**(Name of Department)**  
**(Date)**

## **PART D: HUMAN RESOURCE MANAGEMENT**

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## 1. INTRODUCTION

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

## 2. OVERVIEW OF HUMAN RESOURCES

Provide commentary on the following:

- The status of human resources in the department.
- Human resource priorities for the year under review and the impact of these.
- Workforce planning and key strategies to attract and recruit a skilled and capable workforce.
- Employee performance management.
- Employee wellness programmes.
- Highlight achievements and challenges faced by the department, as well as future human resource plans /goals.

## 3. HUMAN RESOURCES OVERSIGHT STATISTICS

The department must provide the following key information on its human resources. All the financial amounts must agree with the amounts disclosed in the annual financial statements. Provide reasons for any variances.

Please note that it is very important to follow the format and standards prescribed, to enable collation and comparison of information. **If sub headings/tables are not applicable to the department, it should be stated that there is nothing to report on. Numbering of tables must not be changed and should be maintained as in the guidelines.**

Include any other tables for HR if considered necessary by the department and required by any specific government oversight body. These additional tables must be included at the end of the standardised HR information.





3.1. Personnel related expenditure

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

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

*Table 3.1.1 Personnel expenditure by programme for the period 1 April 20YY and 31 March 20ZZ*

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)
<b>Total</b>						

*Table 3.1.2 Personnel costs by salary band for the period 1 April 20YY and 31 March 20ZZ*

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)				
Skilled (level 3-5)				
Highly skilled production (levels 6-8)				
Highly skilled supervision (levels 9-12)				
Senior and Top management (levels 13-16)				
<b>Total</b>				

*Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 20YY and 31 March 20ZZ*

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
<b>Total</b>								

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 20YY and 31 March 20ZZ

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)								
Skilled (level 3-5)								
Highly skilled production (levels 6-8)								
Highly skilled supervision (levels 9-12)								
Senior management (level 13-16)								
<b>Total</b>								

### 3.2. Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 20ZZ

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
<b>Total</b>				

Table 3.2.2 Employment and vacancies by salary band as on 31 March 20ZZ

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)				
Skilled(3-5)				
Highly skilled production (6-8)				
Highly skilled supervision (9-12)				
Senior management (13-16)				
<b>Total</b>				

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 20ZZ

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
<b>Total</b>				

**Notes**

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

### 3.3. Filling of SMS Posts

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

*Table 3.3.1 SMS post information as on 31 March 20ZZ*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15					
Salary Level 14					
Salary Level 13					
<b>Total</b>					

*Table 3.3.2 SMS post information as on 30 September 20ZZ*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15					
Salary Level 14					
Salary Level 13					
<b>Total</b>					

*Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 20YY and 31 March 20ZZ*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15					
Salary Level 14					
Salary Level 13					
<b>Total</b>					

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 20YY and 31 March 20ZZ

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

**Notes**

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 20YY and 31 March 20ZZ

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

**Notes**

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

### 3.4. Job Evaluation

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

*Table 3.4.1 Job Evaluation by Salary band for the period 1 April 20YY and 31 March 20ZZ*

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)							
Skilled (Levels 3-5)							
Highly skilled production (Levels 6-8)							
Highly skilled supervision (Levels 9-12)							
Senior Management Service Band A							
Senior Management Service Band B							
Senior Management Service Band C							
Senior Management Service Band D							
<b>Total</b>							

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

*Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 20YY and 31 March 20ZZ*

Gender	African	Asian	Coloured	White	Total
Female					
Male					
<b>Total</b>					

Employees with a disability	
-----------------------------	--

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

*Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 20YY and 31 March 20ZZ*

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

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

*Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 20YY and 31 March 20ZZ*

Gender	African	Asian	Coloured	White	Total
<b>Female</b>					
<b>Male</b>					
<b>Total</b>					

<b>Employees with a disability</b>					
------------------------------------	--	--	--	--	--

**Notes**

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

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
--	------

### 3.5. Employment Changes

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

*Table 3.5.1 Annual turnover rates by salary band for the period 1 April 20YY and 31 March 20ZZ*

Salary band	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled ( Levels 1-2)				
Skilled (Levels3-5)				
Highly skilled production (Levels 6-8)				
Highly skilled supervision (Levels 9-12)				
Senior Management Service Bands A				
Senior Management Service Bands B				
Senior Management Service Bands C				
Senior Management Service Bands D				
Contracts				
<b>Total</b>				

*Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 20YY and 31 March 20ZZ*

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
<b>TOTAL</b>				

#### Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
  - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
  - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;



- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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

*Table 3.5.3 Reasons why staff left the department for the period 1 April 20YY and 31 March 20ZZ*

Termination Type	Number	% of Total Resignations
Death		
Resignation		
Expiry of contract		
Dismissal – operational changes		
Dismissal – misconduct		
Dismissal – inefficiency		
Discharged due to ill-health		
Retirement		
Transfer to other Public Service Departments		
Other		
<b>Total</b>		
<b>Total number of employees who left as a % of total employment</b>		

*Table 3.5.4 Promotions by critical occupation for the period 1 April 20YY and 31 March 20ZZ*

Occupation	Employees 1 April 20YY	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
<b>TOTAL</b>					

Table 3.5.5 Promotions by salary band for the period 1 April 20YY and 31 March 20ZZ

Salary Band	Employees 1 April 20YY	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled ( Levels 1-2)					
Skilled (Levels3- 5)					
Highly skilled production (Levels 6-8)					
Highly skilled supervision (Levels 9-12)					
Senior Management (Level 13-16)					
<b>Total</b>					

3.6. Employment Equity

*Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 20ZZ*

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers									
Professionals									
Technicians and associate professionals									
Clerks									
Service and sales workers									
Skilled agriculture and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations									
<b>Total</b>									
<b>Employees with disabilities</b>									

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 20ZZ

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
<b>Total</b>									

Table 3.6.3 Recruitment for the period 1 April 20YY to 31 March 20ZZ

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
<b>Total</b>									
<b>Employees with disabilities</b>									

Table 3.6.4 Promotions for the period 1 April 20YY to 31 March 20ZZ

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
<b>Total</b>									
<b>Employees with disabilities</b>									

Table 3.6.5 Terminations for the period 1 April 20YY to 31 March 20ZZ

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									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
<b>Total</b>									
<b>Employees with Disabilities</b>									

Table 3.6.6 Disciplinary action for the period 1 April 20YY to 31 March 20ZZ

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

Table 3.6.7 Skills development for the period 1 April 20YY to 31 March 20ZZ

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers									
Professionals									
Technicians and associate professionals									
Clerks									
Service and sales workers									
Skilled agriculture and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations									
<b>Total</b>									
<b>Employees with disabilities</b>									

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

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

*Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 20ZZ*

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department				
Salary Level 16				
Salary Level 15				
Salary Level 14				
Salary Level 13				
<b>Total</b>				

#### Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

*Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 20ZZ*

Reasons

#### Notes

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

*Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 20ZZ*

Reasons

#### Notes

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



3.8. Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 20YY to 31 March 20ZZ

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male					
Female					
<b>Asian</b>					
Male					
Female					
<b>Coloured</b>					
Male					
Female					
<b>White</b>					
Male					
Female					
<b>Total</b>					

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 20YY to 31 March 20ZZ

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)						
Skilled (level 3-5)						
Highly skilled production (level 6-8)						
Highly skilled supervision (level 9-12)						
<b>Total</b>						

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 20YY to 31 March 20ZZ

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
<b>Total</b>					

**Notes**

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

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 20YY to 31 March 20ZZ

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A						
Band B						
Band C						
Band D						
<b>Total</b>						

3.9. Foreign Workers

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

*Table 3.9.1 Foreign workers by salary band for the period 1 April 20YY and 31 March 20ZZ*

Salary band	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled						
Highly skilled production (Lev. 6-8)						
Highly skilled supervision (Lev. 9-12)						
Contract (level 9-12)						
Contract (level 13-16)						
<b>Total</b>						

*Table 3.9.2 Foreign workers by major occupation for the period 1 April 20YY and 31 March 20ZZ*

Major occupation	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change

3.10. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 20YY to 31 December 20ZZ

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)						
Skilled (levels 3-5)						
Highly skilled production (levels 6-8)						
Highly skilled supervision (levels 9 -12)						
Top and Senior management (levels 13-16)						
<b>Total</b>						

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 20YY to 31 December 20ZZ

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)						
Highly skilled supervision (Levels 9-12)						
Senior management (Levels 13-16)						
<b>Total</b>						

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

Table 3.10.3 Annual Leave for the period 1 January 20YY to 31 December 20ZZ

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)			
Skilled Levels 3-5)			
Highly skilled production (Levels 6-8)			
Highly skilled supervision(Levels 9-12)			
Senior management (Levels 13-16)			
<b>Total</b>			

Table 3.10.4 Capped leave for the period 1 January 20YY to 31 December 20ZZ

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

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

Table 3.10.5 Leave payouts for the period 1 April 20YY and 31 March 20ZZ

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 20XX/YY due to non-utilisation of leave for the previous cycle			
Capped leave payouts on termination of service for 20YY/ZZ			
Current leave payout on termination of service for 20YY/ZZ			
<b>Total</b>			

3.11. HIV/AIDS & Health Promotion Programmes

*Table 3.11.1 Steps taken to reduce the risk of occupational exposure*

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.			
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.			
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.			
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.			
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.			
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.			
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.			
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.			

3.12. Labour Relations

*Table 3.12.1 Collective agreements for the period 1 April 20YY and 31 March 20ZZ*

Subject matter	Date

**Notes**

- If there were no agreements, keep the heading and replace the table with the following:

<b>Total number of Collective agreements</b>	<b>None</b>
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

*Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 20YY and 31 March 20ZZ*

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		
<b>Total</b>		

**Notes**

- If there were no agreements, keep the heading and replace the table with the following:

<b>Total number of Disciplinary hearings finalised</b>	<b>None</b>
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*Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 20YY and 31 March 20ZZ*

Type of misconduct	Number	% of total
<b>Total</b>		

*Table 3.12.4 Grievances logged for the period 1 April 20YY and 31 March 20ZZ*

Grievances	Number	% of Total
Number of grievances resolved		
Number of grievances not resolved		
<b>Total number of grievances lodged</b>		

*Table 3.12.5 Disputes logged with Councils for the period 1 April 20YY and 31 March 20ZZ*

Disputes	Number	% of Total
Number of disputes upheld		
Number of disputes dismissed		
<b>Total number of disputes lodged</b>		

*Table 3.12.6 Strike actions for the period 1 April 20YY and 31 March 20ZZ*

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

*Table 3.12.7 Precautionary suspensions for the period 1 April 20YY and 31 March 20ZZ*

<b>Number of people suspended</b>	
<b>Number of people who's suspension exceeded 30 days</b>	
<b>Average number of days suspended</b>	
<b>Cost of suspension(R'000)</b>	



3.13. Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 20YY and 31 March 20ZZ

Occupational category	Gender	Number of employees as at 1 April 20YY	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					
	Male					
Professionals	Female					
	Male					
Technicians and associate professionals	Female					
	Male					
Clerks	Female					
	Male					
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary occupations	Female					
	Male					
Sub Total	Female					
	Male					
<b>Total</b>						

Table 3.13.2 Training provided for the period 1 April 20YY and 31 March 20ZZ

Occupational category	Gender	Number of employees as at 1 April 20YY	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female					
	Male					
Professionals	Female					
	Male					
Technicians and associate professionals	Female					
	Male					
Clerks	Female					
	Male					
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary occupations	Female					
	Male					
Sub Total	Female					
	Male					
<b>Total</b>						

3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 20YY and 31 March 20ZZ

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

3.15. Utilisation of Consultants

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

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

*Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 20YY and 31 March 20ZZ*

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

*Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 20YY and 31 March 20ZZ*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project

*Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 20YY and 31 March 20ZZ*

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 20YY and 31 March 20ZZ

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 20YY and 31 March 20ZZ

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

## **PART E: FINANCIAL INFORMATION**

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## **1. REPORT OF THE AUDITOR GENERAL**

This is the auditor's report as issued by AGSA.

## **2. ANNUAL FINANCIAL STATEMENTS**

Insert the department's word version of the audited annual financial statements.