

# ANNUAL REPORT

*for the financial year*

**2015/16**



**cooperative governance**

Department:  
Cooperative Governance  
**REPUBLIC OF SOUTH AFRICA**







## cooperative governance

Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA

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### ERRATUM ON THE TABLED DCOG ANNUAL PERFORMANCE REPORT FOR 2015/16 FY

Please note the Errata to the Department of Cooperative Governance (DCoG) Annual Performance Report for 2015/16 Financial Year, which was tabled on 30 September 2016 in Parliament. The Errata below applies to the official copy that was tabled in Parliament and must be read in conjunction with the final hard copy that will be published.

#### 1. TABLE OF CONTENTS FOR THE FINANCIAL STATEMENTS

Page 131, no table of contents for the annual financial statements.

**Should be:** Annual Financial Statement for Cooperative Governance for the year 31 March 2016.

Appropriation Statement	Old Pages	New Pages
Appropriation Statement	131	133
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## 2. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

Page 171 – 196, incorrectly captured as Notes for the year ended 31 March 2016.

**Should include:** Notes to the *financial statements* for the year ended 31 March 2016.

Page 197 – 220, No heading.

**Should be:** Notes to the financial statements for the year ended 31 March 2016.

## 3. ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Page 227 – 254, No heading to the annexures.

**Should be:** Annexures to the annual financial statements for the year ended 31 March 2016.

## 4. RECEIVABLES

Page 181, the 2014/15 total for receivables is incorrectly disclosed as **945 22**.

**Should be: 94 522**

## 5. ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

Page 192, the total for additions to movable tangible capital assets is incorrectly disclosed as **526**

**Should be: 46 526**



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# ANNUAL REPORT

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**2015/16**

**Published by:**

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Cooperative Governance

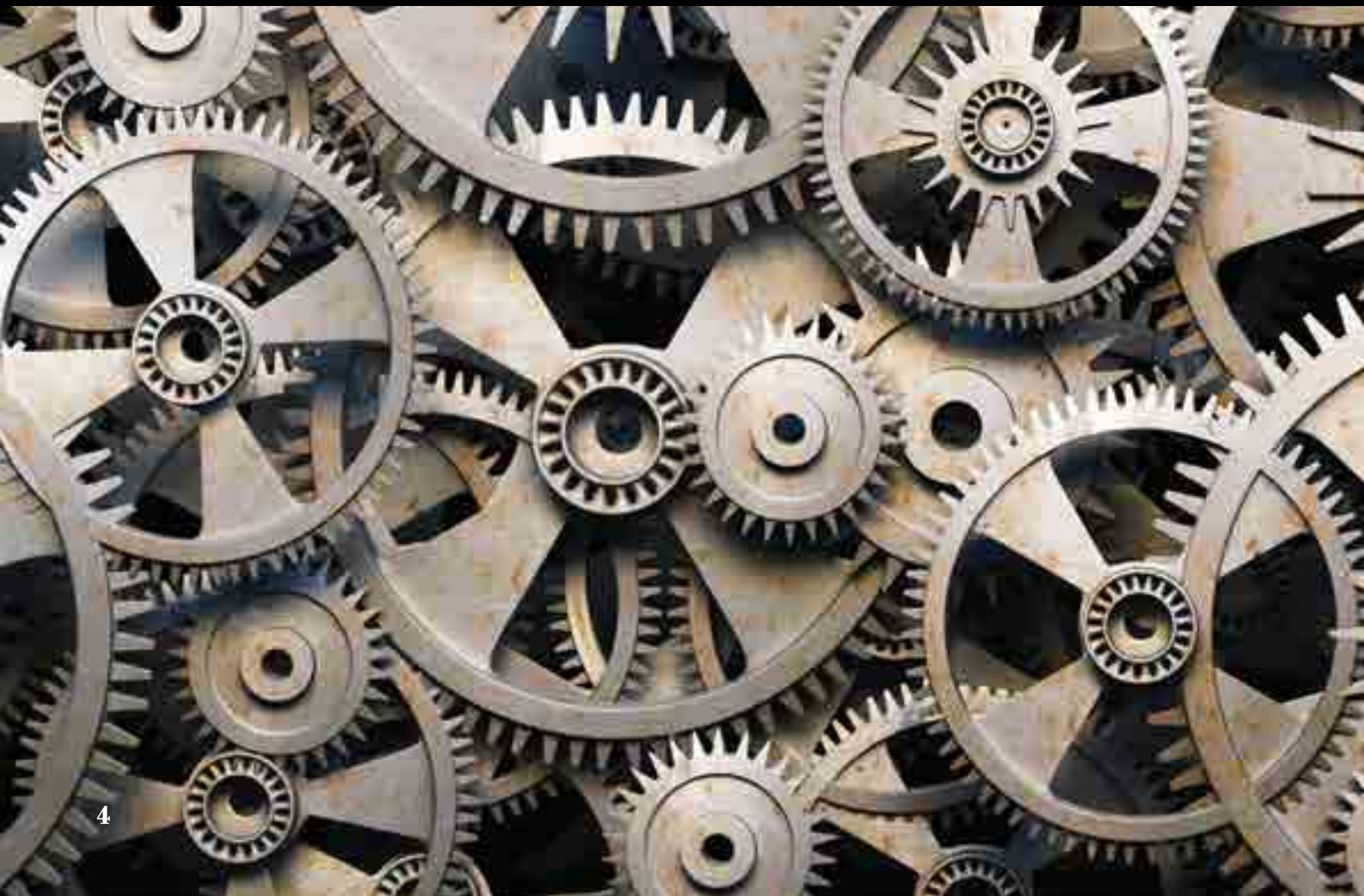
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# Chapter 1

## Part A: General Information

### 1.1 DEPARTMENT GENERAL INFORMATION



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## 1.2 List of Abbreviations/Acronyms

Acronyms	Full Definition
AG	Auditor-General
APAC	The Association of Public Accounts Committees
APP	Annual Performance Plan
BCM	Buffalo City Municipality
BDF	Business Development Forum
BESAFE	Basic Emergency, Safety and Fire Education
B2B	Back to Basics Programme
CEO	Chief Executive Officer
COGHSTA	Cooperative Governance Human Settlements and Traditional Affairs
CoGTA	Cooperative Governance and Traditional Affairs
COO	Chief Operating Officer
CSIR	Council for Scientific and Industrial Research
CWP	Community Work Programme
DBSA	Development Bank of Southern Africa
DCOG	Department of Cooperative Governance
DG	Director-General
DGRV	German Co-operative and Raiffeisen Confederation
DM	Disaster Management
DM	District Municipality
DMAB	Disaster Management Amendment Bill
DoRA	Division of Revenue Act
DPCI	Directorate for Priority Crimes Investigation
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DRC	Democratic Republic of Congo
DTA	Department of Traditional Affairs
DTI	Department of Trade and Industry
EC	Eastern Cape
ENE	Estimates of National Expenditure

Acronyms	Full Definition
EPWP	Expanded Public Works Programme
FBS	Free Basic Services
FS	Free State
G&IGR	Governance and Intergovernmental Relations
GGLN	Good Governance Learning Network
GIS	Geographic Information System
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HCM	Human Capital Management
HoD	Heads of Departments
HR	Human Resources
ICT	Information and Communications Technology
IDDR	International Day for Disaster Risk Reduction
IDP	Integrated Development Plan
IEC	Independent Electoral Commission
IGR	Intergovernmental Relations
IMC	Inter-ministerial Committee
IMSI	Intergovernmental Monitoring, Support and Intervention
IUDF	Integrated Urban Development Framework
JICA	Japan International Cooperation Agency
KPA	Key Performance Area
KZN	KwaZulu-Natal
LED	Local Economic Development
LGLN	Local Government Learning Network
LGSETA	Local Government Sector Education and Training Authority
LGTAS	Local Government Turnaround Strategy
M&E	Monitoring and Evaluation
MDB	Municipal Demarcation Board
MEC	Member of Executive Committee
MIF	Ministerial Implementation Forum
MIG	Municipal Infrastructure Grant

Acronyms	Full Definition
MINEXCO	Minister and Executive Committee.
MinMEC	Minister and Member of Executive Council
MIPMIS	Municipal Infrastructure Performance Management Information System
MISA	Municipal Infrastructure Support Agency
MoU	Memorandum of Understanding
MPAC	Municipal Public Accounts Committee
MPAT	Management Performance Assessment Tool
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCBCF	National Capacity Building Coordinating Forum
NCC	National Consumer Commission
NCOP	National Council of Provinces
NDMC	National Disaster Management Centre
NDP	National Development Plan
NDRMET	National Disaster Risk Management Education and Training
NFSF	National Fire Services Framework
NGO	Non-Government Organisation
NHTL	National House of Traditional Leaders
NRCS	National Regulator of Compulsory Specifications
NT	National Treasury
NW	North West
NYDA	National Youth Development Agency
ODG	Office of the Director-General
PAAP	Post Audit Action Plan
PAJA	Promotion of Administrative Justice Act
PCC	Presidential Coordinating Council
PFMA	Public Finance Management Act
PMGS	Provincial and Municipal Government Support

Acronyms	Full Definition
PMO	Programme Management Office
PMU	Project Management Unit
POA	Programme of Action
PPP	Public Private Partnership
PR	Public Relations
SA	South Africa
SAB	South African Breweries
SACN	South African Cities Network
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANBS	South African National Blood Services
SANCO	South African National Civic Organisation
SARS	South African Revenue Services
SASRIA	South African Special Risks Insurance Association
SCM	Supply Chain Management
SDF	Spatial Development Framework
SDIP	Service Delivery Improvement Plan
SIU	Special Investigation Unit
SMART	Specific, Measurable, Attainable, Realistic, Timely
SMS	Senior Management Service
STR	Small Town Regeneration
TLGFA	Traditional Leadership Governance Framework Act
TOR	Terms of Reference
UCLG	United Cities and Local Governments
UCLGA	United Cities and Local Governments of Africa
UIF	Unemployment Insurance Fund
UN	United Nations
USAR	Urban Search and Rescue
VAT	Value Added Tax
WC	Western Cape



## 1.3 Foreword *by the Minister*

**MR DESVAN ROOYEN, MP**

*Minister for Cooperative Governance  
and Traditional Affairs*

*The 2015/16 Annual Report comes out at a momentous time in our country's history. On the 5th of December 2015 we marked 15 years of democratic local government in South Africa. This period also marks the end of the third administration of democratic local government. The report is also released with South Africa having hosted yet another successful, free and fair local government elections.*

The report allows us to celebrate the tremendous progress we have made in the local government sector in delivering a better life for our citizens. It notes the steady progress we have made in turning around the fortunes of the local government sector. It occurs as we assess the implementation of our Back to Basics programme that aims to revitalise the local government sector. Importantly, this annual report allows us to take note of the road we have travelled, as well as plan and prepare for the journey ahead.

During the past 15 years we have sought to turn the local government sector into one that truly responds to the needs of our people. While the apartheid legacy continues to pose a challenge, we believe that we have turned the corner. Numerous reports from the likes of the Auditor-General of South Africa (AGSA) to Stats SA are testimony to our progress.

The past year has seen us deal with a number of challenges, from a crippling drought to ensuring that prepa-

rations for the elections are on course. Through the National Disaster Management Centre we have weathered the drought by ensuring a co-ordinated effort involving all role-players.

The Municipal Demarcation Board has played a vital role in the determination and redetermination of the boundaries for various municipalities, to improve their financial viability. This has resulted in a reduction of the number of municipalities from 278 to 257. The Department played a critical role in overseeing the amalgamation of the affected municipalities. It once again reflects our determination to change the face of local government for the better.

Maintaining current municipal infrastructure and improving infrastructure delivery remains a core challenge. We are addressing this through the efforts of the Municipal Infrastructure Support Agent and through improved spending of the Municipal Infrastructure Grant.



The Department continues playing a role in the international sphere, most notably by providing support to our African counterparts. The Tri-partite Mechanism on Dialogue and Cooperation with Angola and the Democratic Republic of Congo supports post-war reconstruction and development in the latter. The Africities Summit, hosted by the South African Local Government Association, in Johannesburg was further evidence of the leadership role that we play on the continent.

The Back to Basics programme is the cornerstone upon which the Department's interventions rest. The development and implementation of the B2B 10-Point has arisen out of our efforts over the last year and will guide us as we move forward.

While we believe we have changed the face of local government over the last 15 years, we firmly believe that the role of the local government sphere will be further enhanced in the forthcoming years. The United

Nations Sustainable Development Goal 11, "Making cities and human settlements inclusive, safe, resilient and sustainable," acknowledges the increasing importance of the municipal sphere. It also ties in with our goals, as outlined in Outcome 9, of creating cohesive, integrated and sustainable human settlements. Our efforts over the last year have occurred with this in mind and we believe that we have laid the basis to address the challenges that this future holds.

A handwritten signature in black ink, appearing to read 'Des van Rooyen'.

**MR DES VAN ROOYEN, MP**

Executive Authority



## 1.4 Deputy Minister's Statement

**MR ANDRIES NEL, MP**

*Deputy Minister for  
Cooperative Governance*

*The constitutional basis for the South African government system is human dignity, equality and freedom. As we look back on the past decade and a half of democratic local government, we should be reminded of the apartheid system, which systematically stripped people of their rights and freedoms. In contrast to our oppressive past, the current South African system of developmental local government is based on democracy, accountability, community involvement and sustainable service provision. It also further recognises the responsibility of municipalities to promote social and economic development of the community.*

The Community Work Programme (CWP) is an important intervention to deal with the challenges of poverty, unemployment and inequality that is facing many South Africans. DCoG has an important role to play in the implementation of this programme and ensuring that CWP continues to expand to create more work opportunities in all municipalities in the country.

CWP participants contribute by doing useful work identified by the community; but more than that, the programme provides opportunities for the previously unemployed and unskilled to gain valuable exposure to work. Through providing these life-changing experiences to community members who would previously have been excluded from developing skills, the CWP has a real impact on the lives of people and the communities in which they live.

The impact of CWP in Gauteng, for example, can be measured by a number of interventions by CWP participants, namely cleaning almost 300,000 square meters of public spaces, rivers and canals; clearing 1,051 illegal dumping sites; maintaining 2,076 community gardens;

cleaning 81,000 square meters of cemeteries; benefiting 10,800 children at crèches; refurbishing 2,058 desks and benefiting 34,000 learners with school patrols.

The CWP has expanded from 45 municipalities in 2010/11 to 196 municipalities in 2015/16, while the participation rate has also increased from less than 100,000 to more than 200,000. By the end of the 2015/2016, 223,315 participants have benefited from the programme. In Gauteng, Limpopo and Mpumalanga all municipalities had a CWP site by the end of March 2016.

In furthering the task of local economic development, DCoG supported and facilitated the development of Catalytic Business Ventures in municipalities in terms of unblocking the red tape within National and Provincial Sector Departments. It also entered into partnership with the German Co-operative Raiffeisen Confederation (DGRV) to provide municipalities with skills for implementing co-operative programmes and to provide capacity building to cooperatives. Through this partnership, 46 Local Economic Development (LED) officials were trained regarding cooperatives from 23 municipalities.

According to the United Nations (UN), Africa is expected to be the fastest urbanising region between 2020 and 2050. In South Africa, 63% of the population already lives in urban areas. This will rise to 71% by 2030 and 80% by 2050. We therefore need to guide the growth and management of urban areas in ways that will ensure that their full potential is reached and in the process also reverse the legacy of apartheid spatial injustice.

During this past year, DCoG has continued with the process of coordinating the formulation of the Integrated Urban Development Framework (IUDF), to promote urban restructuring as envisaged by the National Development Plan (NDP). The objective is to transform urban spaces by:

- reducing travel costs and distances;
- preventing further development of housing in marginal places;
- increasing urban densities to reduce sprawl;
- improving public transport and the coordination between transport modes; and
- shifting jobs and investments towards dense peripheral townships.

The IUDF will steer urban growth towards a sustainable model of compact, connected and coordinated towns and cities. In the process, we will also strengthen rural-urban linkages, promote urban resilience, create safe urban spaces and ensure that the needs of the most vulnerable groups are addressed.

Achieving such spatial transformation will require the concerted effort of all spheres of government, the private sector, labour and civil society, and the communities in our municipalities.

The process to adopt the IUDF by government is already far advanced, and we are thankful for the sterling contributions in this process by the IUDF Political Oversight Committee, the SA Cities Network, South African Local Government Association (SALGA), international partners Deutsche Gesellschaft für Internationale



Zusammenarbeit (GIZ) and the European Union (EU), as well as the IUDF Panel of Experts.

DCoG is not the only player when it comes to delivering on the mandate of developmental government and we are privileged to have partners that add value to the local government portfolio. The South African Cities Network continues to provide well researched reports that build our understanding on the performance of cities across different variables. SALGA is discharging its constitutional mandate of representing organised local government, but is also at the forefront of implementing the Back to Basics Programme and building the capacity of local government through various training programmes. The Municipal Demarcation Board continues to play an excellent and crucial role in demarcation, which remains an issue that elicits varying opinions and requires careful consideration in the future.

Local government is in our hands and we remain committed to ensure that people's lives improve as we move forward.

**MR A NEL, MP**  
Deputy Minister



## 1.5 Report of the Accounting Officer

**MR KTM SIGIDI**  
*Acting Director-General*

### 1.5.1 OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

*It gives me great pleasure to present the 2015/16 Annual Report for the Department of Cooperative Governance. The report indicates that during the reporting period the Department has achieved 36 (65%) out of the planned 55 annual targets set in the 2015/16 Annual Performance Plan. This level of performance is attributed to the internal realignment exercise which resulted in movement of key personnel across various programmes.*

#### **Improved internal capacity and capability**

Following the concurrency by DPSA to the proposed realignment of the organisational structure and approval of the budget programme structure by National Treasury in the 2<sup>nd</sup> quarter of the financial year, there was a need to immediately implement the realigned arrangements in order to beef up coordination and execution of the 2<sup>nd</sup> phase of the B2B Programme. Key personnel were deployed to various provinces to drive the B2B through provincial task teams, resulting in halting some of the projects planned for delivery and impacting on the overall achievement status for the year. Midway through the 3<sup>rd</sup> quarter, there were changes to the configuration of the National Executive and to the CoGTA Executive Authority, in particular. We have had successes and acknowledge the challenges that face us and highlight the approval of the Organisational Structure by the Minister as a significant milestone for the year.

We are also transforming our processes to reducing our working capital requirements, including a significant reduction in expenditure on Goods and Services. Our cost reduction programme is aimed specifically at reducing overhead and support costs.

#### **Improved Coordination of the B2B Programme**

Since the introduction of the B2B Programme, there have been significant improvements in the ability of municipalities to discharge their basic responsibilities. The following are examples of a growing list of successes:

- All provinces have established the Back to Basics Provincial Task Teams, which include national and provincial sector departments;
- Support plans have been developed for identified municipalities and integrated into (IDPs) Integrated Development Plans; and
- Monthly Reporting by municipalities on Back to Basics Performance Indicators has increased at a steady rate. Almost 60% of municipalities report con-



sistently. We now have a sense of which areas need dedicated capacity in our endeavour to have reliable and consistent information that will enable focused and differentiated interventions.

### Putting People First in action

We believe that restoring confidence in local government is of vital importance and knowing the main challenges facing communities is equally important. In this regard we conducted a Citizen Satisfaction Survey and shared the findings with relevant stakeholders. We also managed to support 13 B2B priority municipalities in the roll-out of the Community empowerment toolkit. The toolkit is aimed at positioning each municipality to improve its interface with the community. Listening to concerns of people is key in devising effective response packages and dealing with the real issues affecting our communities. We believe this will assist in reducing service delivery related protests.

### Improving infrastructure delivery

Recommendations of the Ministerial Implementation Forum (MIF) on the establishment of a more integrated and structured approach towards unblocking challenges and achieving the targets for access to basic services by communities, are being implemented. A business strategy has been developed by CoGTA and MISA, in conjunction with the Department of Planning, Monitoring and Evaluation (DPME). An Inter-departmental Programme Management Office was established and work has commenced on determining the status quo for each sector (water, sanitation, electricity, waste management and roads) in the 27 priority District Municipalities; this regarding the number of households without access to services as well as those with non-functional, unreliable and aged infrastructure requirements.

For the year under review, 3 of 27 District Municipalities (DM) assessments were concluded in Amathole, Umzinyathi and Sekhukhune Districts to determine the levels of infrastructure backlog and identify specific interven-

tions to address the challenges. Municipalities were also supported to develop infrastructure assets registers and capture their infrastructure assets in the Municipal Infrastructure Performance Management Information System and to develop operations and maintenance plans.

The implementation of these plans and the delivery of infrastructure is expedited through continuous monitoring of municipal infrastructure expenditure. A total number of 247 municipalities have benefited from the 2015/16 Municipal Infrastructure Grant (MIG) allocation amounting to R14,9 billion.

### Fraud and Corruption

We continue to support measures to strengthen the fight against fraud and corruption in municipalities. We have compiled and developed an Annual Report on cases reported, investigated and prosecuted. The report covers progress on forensic investigations and municipal cases being investigated by the Directorate for Priority Crimes Investigation (DPCI) and those investigated by the Special Investigating Unit (SIU).

### Building capabilities through competency requirements

Thirty-eight (38) senior managers were appointed in contravention of the Systems Act and its Regulations. Municipalities were advised by the Minister and MECs to take corrective measures to ensure compliance.

Twenty-three (23) priority municipalities were monitored and assisted with the filling of posts with competent municipal managers and s56 managers. These were in the provinces of Mpumalanga (4), KwaZulu-Natal (5), Limpopo (4), Western Cape (1), Eastern Cape (3), Free State (2), North West (2) and Northern Cape (2).

Support packages have been developed in consultation with the Provincial CoGTAs.

### Community Work Programme

The CWP continues to alleviate the effects of poverty and unemployment and to restore dignity among our poorest citizens through community-based work opportunities that provide income support. A total of 197 542 work opportunities are being maintained. More sites are being established and partnerships formed in anticipation of reaching the targeted 1 million work opportunities.

### Local Economic Development

The World Bank has offered technical support for the development of a toolkit for integrated spatial planning in secondary cities and fast growing towns. Districts were supported to develop Integrated Development

Plans (IDP) that reflect sectoral and spatial convergence and engagements were conducted with seven districts. These were in the Eastern Cape (Amathole), Gauteng (Sedibeng), Northern Cape (Namakwa and John Taolo Gaetsewe); in North West they include Dr Ruth S. Mompati, Bojanala Platinum and Dr Kenneth Kaunda Districts.

Some of the success stories are related to private sector collaborations. These included: the signing of the Thaba Chweu Local Municipality MOU with AHI; forging of partnership between BG Bison and Elundini Municipality; Mondi Group partnership with Mkhondo Municipality; and an increase in Santam's partnership scope from 5 to 10 municipalities. We are busy facilitating the finalisation of a project plan for the Sasol partnership.

## 15.2 OVERVIEW OF THE FINANCIAL RESULT OF THE DEPARTMENT

*Table 1: Departmental receipts since the 2014/15 financial year.*

Departmental receipts	2015/16			2014/15		
	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	–	–	–	–	–	–
Sales of goods and services other than capital assets	351	158	193	176	174	2
Transfer received	244	–	244	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–
Interest, dividends and rent on land	13	291	-278	2	1	1
Sales of capital assets	–	–	–	60	53	7
Financial transactions in assets and liabilities	540	667	127	750	1688	-938
<b>Departmental revenue collected</b>	<b>1148</b>	<b>1116</b>	<b>32</b>	<b>988</b>	<b>1916</b>	<b>-928</b>

In the 2015/16 financial year, the Department budgeted R1.148 million for departmental receipts accrued from the collection of parking fees, recovered debt, commission on insurance policy premiums, the recovery of private telephone expenses and expenditure due to breach of study loan contracts. The actual revenue generated for the 2015/16 financial year decreased at a rate of 2.8% to the value of R1.116 million. This is mainly due to a refund made by one of the Implementing Agents in the 2014/15 financial year (that was not re-appointed on the new contract) for unspent wages of participants.

The Department is not a revenue generating entity as such, as there are no tariff charges for goods sold and/or services rendered.

### Programme expenditure

Below is a summary of the actual expenditure incurred in the 2015/16 financial year in comparison to the adjusted appropriation amounts for both the current and previous financial years. The financial information is presented per programme to reflect the key reasons for under/over expenditure with corrective actions in order to prevent the recurrence thereof in the future.

#### Programme 1: Administration

The actual expenditure of Programme 1 against the adjusted appropriation only reflects a 0.6% under-spending, which is immaterial. The comparison of the current spending indicates a 0.4% increase against the spending for the previous financial year (2014/15). This is mainly due to the inflation-related increases.

#### Programme 2: Policy, Research and Knowledge Management

The actual expenditure of Programme 2 against the adjusted appropriation reflects an under-spending of 7.1%, which is mainly due to the delays that emanated from the implementation of the 2015/16 Procurement Plan. The current spending indicates a 1.7% increase against the spending for the same period in the previous financial year (2014/15). The Procurement Plan

was approved prior to the commencement of the new financial year to avoid a recurrence of the late start in projects experienced in the 2014/15 financial year.

#### Programme 3: Governance and Intergovernmental Relations

The actual expenditure of Programme 3 against the adjusted appropriation reflects an under-spending of 4.5%, which is mainly due to the off-setting/withholding of Local Government Equitable Share funds from some municipalities that did not perform according to the Division of Revenue Act (DoRA) requirements, as well as delays in the transfer of funds to the United Cities & Local Government of Africa due to claims not being submitted to the Department. The current spending rate is 2% higher than the spending rate in the previous financial year (2014/15) due to the reasons mentioned above.

The newly established Municipal Infrastructure Grant (MIG) Administration Unit is assisting poor performing municipalities to enhance their spending patterns on MIG.

#### Programme 4: National Disaster Management Centre

The actual expenditure of Programme 4 against the adjusted appropriation reflects an under-spending of 56.3%, which is mainly due to the uncertainty with the payment of disaster relief grants. This grant is only paid when disasters are declared and with the approval of the National Treasury. The current spending is 2.7% less than in the previous financial year (2014/15) due to the uncertainty of when Disaster Relief grants will be paid.

#### Programme 5: Provincial and Municipal Government Systems

The actual expenditure of Programme 5 against the adjusted appropriation reflect a 89.1% spending rate for a twelve month period. The current spending is 10.9% less than in the previous financial year (2014/15), the main reason being the change in the transfer arrangements of the Municipal Demarcation Transition Grant and delays by some municipalities to finalise some of the DoRA conditions.

### Programme 6: Infrastructure and Economic Development

The actual expenditure of Programme 6 against the adjusted appropriation reflects a 0.1% under-spending, which is immaterial.

The current spending reflected a 5.8% increase against the spending for the same period in the previous financial year, 2014/15, which was mainly due to the effect of the change in the business model for the payment

of the CWP participants and fast-tracking of payment of invoices and claims from implementing Agents.

### Programme 7: Department of Traditional Affairs

The total amount allocated to the Department of Traditional Affairs (DTA) under Programme 7 was transferred. The Department also claimed expenditure incurred on behalf of DTA, which was confirmed by the DTA team management.

*Table 2: Savings trends since 2009/10 financial year.*

Table 2 depicts the total expenditure of the Department, excluding local and foreign aid assistance, which amounts to R68 billion or 96% of the total appropriation. An under-spending of R2.717 billion or 3.84% of the total budget is reflected, which is a slight decrease when compared with the 2014/15 financial year, which reflected an under-expenditure of 6.41%.

Year	Expenditure R '000	Saving %	Saving R '000
2009/10	36 016 101	1.42	511 032
2010/11	44 457 917	0.26	115 202
2011/12	46 221 564	4.11	1 983 096
2012/13	53 442 919	2.57	1 412 259
2013/14	56 401 572	3.51	2 057 335
2014/15	59 386 548	6.41	4 067 337
2015/16	68 097 537	3.84	2 717 940

*Table 3: Financial information for the current and previous financial year*

Programme Name	2015/2016			2014/2015		
	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
Prog 1: Administration	271 125	269 422	1 703	242 025	241 628	397
Prog 2: Policy, Research and Knowledge Management	19 281	17 914	1 367	20 251	18 471	1 780
Prog 3: Governance and Intergovernmental Relations	51 809 326	49 466 922	2 342 404	44 610 131	41 709 671	2 900 460
Prog 4: National Disaster Management Centre	591 355	258 158	333 197	831 415	385 906	445 509
Prog 5: Provincial and Municipal Government Systems	329 092	293 335	35 757	289 533	289 479	54
Prog 6: Infrastructure and Economic Development	17 669 370	17 665 858	3 512	17 344 666	16 625 529	719 137
Prog 7: Department of Traditional Affairs	125 928	125 928	–	115 864	115 864	–
<b>Total</b>	<b>70 815 477</b>	<b>68 097 537</b>	<b>2 809 176</b>	<b>63 453 885</b>	<b>59 386 548</b>	<b>4 067 337</b>

Table 3 on the bottom left depicts the initial budget of the Department of Cooperative Governance for the 2015/16 financial year to the amount of R69.314 billion. During the 2015/16 Adjusted Estimates of National Expenditure, the Department received an additional appropriation to the value of R1.501 billion, which slightly increased the appropriation to R70.815 billion. This represents an increase of R7.361 billion (11.60%) when compared to the budget allocation for the previous financial year.

The increased allocations for the 2015/16 financial year were mainly in respect of the introduction of the new Municipal Demarcation Transition Grant, the approved roll-over of Local Government Equitable Share funds from the 2014/15 financial year.

## Virement and roll-over

### Virement

The following virements were effected in terms of section 43 of the PFMA (Act No. 1 of 1999) as amended to fund the overruns and increased spending levels of the different programmes of the Department of Cooperative Governance during the 2015/16 financial year, in line with the mandate and priorities of the Department:

### Compensation of employees

R1.2 million was shifted from *Programme 6: Infrastructure and Economic Development* to increase the compensation of employees' allocation of *Programme 3: Governance and Intergovernmental Relations*.

### Goods and services

R17.717 million was shifted from *Programme 3: Governance and Intergovernmental Relations* to increase the goods and services allocation of *Programme 1: Administration*.

R14.2 million was shifted from *Programme 4: National Disaster Management Centre* to increase the goods and services allocation of *Programme 1: Administration* with R7.6 million, *Programme 5: Provincial and Municipal Government Systems* with R1.1 million and *Programme*

*6: Infrastructure and Economic Development* with R2.3 million. A further amount of R3.2 million was shifted to increase the payment for capital assets allocation in *Programme 1: Administration*.

R1 million was shifted from *Programme 2: Policy, Research and Knowledge Management* to increase the goods and service allocation of *Programmes 5: Provincial and Municipal Government Systems*.

### Payment for Capital Assets

R20 thousand was shifted from *Programme 3: Governance and Intergovernmental Relations* to increase the payment for capital assets allocation of *Programme 1: Administration*.

R1.25 million was shifted from *Programme 4: National Disaster Management Centre* to increase the payment for capital assets allocation of *Programme 1: Administration*.

R100 thousand was shifted from *Programme 5: Provincial and Municipal Government Systems* to increase the payment for capital assets allocation of *Programme 1: Administration*.

R150 thousand was shifted from *Programme 6: Infrastructure and Economic Development* to increase the payment for capital assets allocation of *Programme 1: Administration*.

All the above items were subjected to due processes in terms of the policies and procedures. All virements done in the Department were approved by the Director-General. Subsequently, the National Treasury and the Executive Authority were also informed of the approved virements.

### Roll-over

The roll-over of funds from the 2014/15 financial year were done in terms of Section 30 (2) (g) and 31 (2) (g) of the Public Finance Management Act (PFMA), 1999 in order to fund projects that were carried forward to the 2015/16 financial year.

### Transfers and subsidies

An unspent amount of R1.499 billion was requested to be rolled over from the 2014/15 to the 2015/16 financial year from the National Treasury in respect of the Local Government Equitable Share Grant for municipalities in order to pay arrear accounts to Eskom and the various Water Boards for bulk water and electricity services.

### Unauthorised, fruitless and wasteful expenditure

The Department has not discovered any potential unauthorised, fruitless and wasteful expenditure disclosed in notes 9 and 24 for the 2015/16 financial year.

### Future plans of the Department

The Department will continue with the roll-out of the Back to Basics approach across the different spheres of government.

### Public Private Partnership (PPP)

The Department has not entered into any Public Private Partnership agreements.

### Discontinued activities / activities to be discontinued

There were no activities discontinued during the 2015/16 financial year.

### New or proposed activities

There were no newly proposed activities identified for the year under review.

### Supply chain management (SCM):

#### ▪ All unsolicited bid proposals concluded for the year under review

The Department did not conclude any unsolicited bid proposals for the year under review.

#### ▪ SCM processes and systems are in place to prevent irregular expenditure

The Department has processes and systems in place to detect and prevent irregular expenditure. The Department also has functional bid committees to ensure transparency, fairness and compliance

with the tender processes. SCM has developed and implemented a checklist for all SCM compliance requirements whereby all transactions that are processed through SCM are checked against the checklist.

#### ▪ Challenges experienced in SCM and how they were resolved

Supply Chain Management experienced non-availability of bid committee members. This challenge was resolved by appointing additional members.

### Gifts and donations received in kind from non-related parties

The Department did not receive any gifts and donations in the 2015/16 financial year, except assets relating to the Community Work Programme.

### Exemptions and deviations received from the National Treasury

The Department received no exemptions and deviations from the National Treasury.

### Events after the reporting date

The Department is currently instituting disciplinary action emanating from forensic audits conducted during the period under review. During the period under review the Department conducted two forensic audits as follows:

Awarding of tenders to the Implementing Agents for the Community Work Programme (CWP) and procurement of goods/services by the Implementing Agents:

- Due to the findings emanating from the forensic audit process, a further investigation is required to quantify the irregularities identified and determine appropriate consequence management.
- The Department is also in the process of instituting disciplinary action as recommended in the audit report.

Investigation into various allegations relating to possible improper procurement of travel management solutions and abuse of travel benefits:

- During the finalisation of this investigation several batches were not available for review, which has resulted in Phase 2 of the investigation process being expected to be finalised in the 2016/17 financial year.
- The Department is in the process of instituting disciplinary action as recommended in the audit report.
- The Department has also opened a criminal enquiry with regard to claims emanating from the forensic audit process.

### Any other material matters

For the 2015/16 financial year, the Department has, for the first time, disclosed the CWP assets in its financial statements with reinstated comparative figures. Included in the closing balance of these assets are assets under investigation.

The Department's asset register still includes a few remaining assets utilised by DTA that could not be transferred by the end of March 2016 due to the need for supporting evidence of the valuation process for these assets. These assets will be transferred to DTA in the 2016/17 financial year.

During the forensic investigation on travel and accommodation costs, an amount was identified for possible recovery from a service provider, which must still be confirmed.

### Acknowledgment

As we had expected, 2015/16 was a difficult year. We continued to implement the second phase of the "Back to Basics Programme" with the main aim of improving service delivery challenges in the local government

sphere, yet saw significant progress. Many of the Department's projects and activities could not succeed without the dedication and tireless efforts of all employees. The Department of Cooperative Governance's executive and management wish to thank all employees who helped the Department reach most of its objectives in 2015/16 financial year.

### Conclusion

The road ahead is clear and our determination to succeed is absolute. By continuing to execute the "Back to Basics Programme", we will serve our citizens better and more effectively in the coming years. In order to achieve the local government objectives, we have encouraged municipalities to listen closely to citizens, continue to understand and anticipate their needs and social requirements. We express our utmost gratitude to the Honourable Minister Des van Rooyen for his guidance and support in the execution of our mandate and for the continuous recognition of the achievements of this Department.

### Approval and sign-off

The Annual Financial Statements set out on pages 133 to 221 have been approved by the Accounting Officer.



**MR KTM SIGIDI**

Acting Director-General

Department of Cooperative Governance

## 1.6 Statement *of responsibility and confirmation of the accuracy of 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 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 2016.

Yours faithfully,



Accounting Officer (Acting Director-General)

Name: **MR KTM SIGIDI**

Date: **30 May 2016**



## 1.7 Strategic *Overview*

### VISION

A functional and developmental local government system that delivers on its constitutional and legislative mandates within a system of cooperative governance.

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### MISSION

To ensure that all municipalities perform their basic responsibilities and functions without compromise by:

- putting people and their concerns first;
  - supporting the delivery of municipal services to the right quality and standard;
  - promoting good governance, transparency and accountability;
  - ensuring sound financial management and accounting; and
  - building institutional resilience and administrative capability.
- 

### VALUES

Guided by the spirit of Batho Pele, our values are:

- Commitment to public service;
- Integrity and dedication to fighting corruption;
- A hands-on approach to dealing with local challenges;
- Public participation and people centred approach;
- Professionalism and goal orientation;
- Passion to serve; and
- Excellence and accountability.

# 1.8 Legislative *and other mandates*

## CONSTITUTIONAL MANDATE

**CoGTA's** mandate is primarily derived from Chapters 3, 5, 6, 7, and 9 of the Constitution of the Republic of South Africa, 1996, hereafter referred to as the Constitution.

**Chapter 3** - This chapter deals with cooperative government and intergovernmental relations. The Department will have to ensure that we observe and adhere to the principles in this chapter and that we conduct our activities within the parameters of this chapter.

**Chapter 5** - This chapter deals with national intervention in provincial administration when a province cannot or does not fulfil an executive obligation in terms of the Constitution or legislation.

**Chapter 6** - This chapter deals with provincial intervention in local government, in particular when municipalities are unable to fulfil their executive obligation. Chapter 6 is also relevant when a municipality, as a result of financial crisis, breaches its obligations to provide basic services in order to meet its financial obligations.

**Chapter 7** - The chapter deals *inter alia* with municipalities in cooperative governance. The Department, by legislation, must support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions.

**Chapter 9** - This chapter deals with those institutions whose roles require strengthening the constitutional democracy of the country. The DCoG has to comply with all legislative frameworks in this chapter in order to meet legislative frameworks under the auspices of institutions such as the Auditor-General and Public Protector.

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Our primary mandate is to:

- Develop and monitor the implementation of national policy and legislation seeking to transform and strengthen key institutions and mechanisms of governance to fulfil their developmental role.
- Develop, promote and monitor mechanisms, systems and structures to enable integrated service delivery and implementation within government.
- Promote sustainable development by providing support to and exercising oversight over provincial and local government.

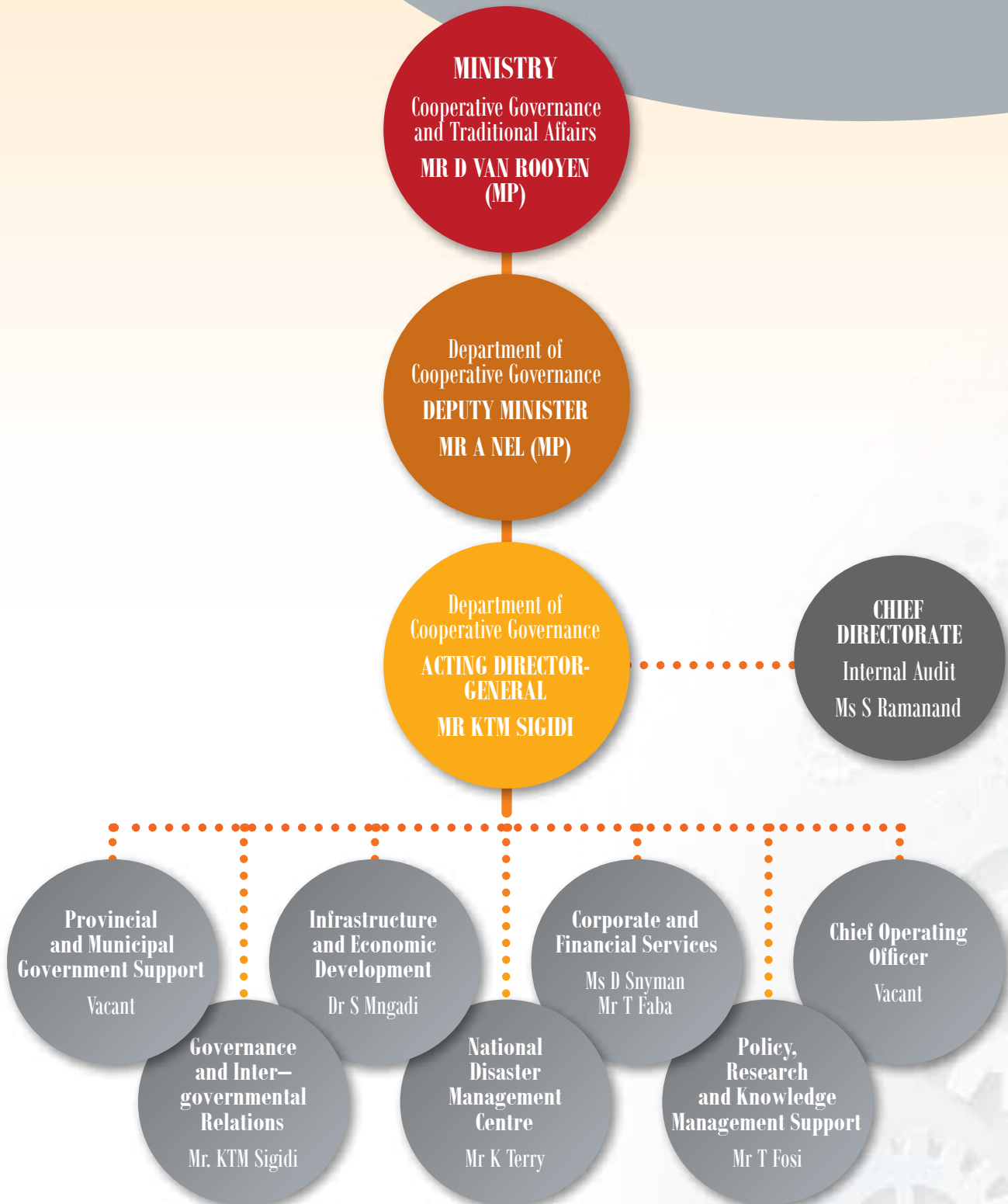
## LEGISLATIVE MANDATE

As a national department, our function is to develop national policies and legislation with regard to local government and to monitor, *inter alia*, the implementation of the following:

Name of Legislation	Mandate
<b>Fire Brigade Services Act, 1987</b> (Act No. 99 of 1987)	To provide for the establishment, maintenance, employment, coordination and standardisation of Fire Brigade Services; and for matters connected therewith.
<b>Organised Local Government Act, 1997</b> (Act No. 52 of 1997)	To provide for the recognition of national and provincial organisations representing the different categories of municipalities; to determine procedures by which local government may designate representatives to participate in the National Council of Provinces; to determine procedures by which local government may consult with national and provincial government; to determine procedures by which local government may nominate persons to the Financial and Fiscal Commission; and to provide for matters connected therewith.
<b>Remuneration of Public Bearers Act, 1998</b> (Act No. 20 of 1998)	To provide for a framework determining the salaries and allowances of the President, members of the National Assembly, permanent delegates to the National Council of Provinces, Deputy President, ministers, deputy ministers, traditional leaders, members of provincial Houses of Traditional Leaders and members of the Council of Traditional Leaders; to provide for a framework determining the upper limit of salaries and allowances of Premiers, Members of Executive Councils, members of provincial legislatures and members of Municipal Councils; to provide for a framework determining pension and medical aid benefits of office bearers; to provide for the repeal of certain laws; and to provide for matters connected therewith.
<b>Local Government: Municipal Demarcation Act, 1998</b> (Act No. 27 of 1998)	To provide for criteria and procedures for the determination of municipal boundaries by an independent authority; and to provide for matters connected thereto.
<b>Local Government: Municipal Structures Act, 1998</b> (Act No. 117 of 1998)	To provide for the establishment of municipalities, in accordance with the requirements relating to categories and types of municipality; to establish criteria for determining the category of municipality to be established in an area; to define the types of municipality that may be established within each category; to provide for an appropriate decision of functions and powers between categories of municipality; to regulate the internal systems, structures and office-bearers of municipalities; to provide for appropriate electoral systems; and to provide for matters in connection therewith.
<b>Local Government: Cross-Boundary Municipal Act, 2000</b> (Act No. 29 of 2000)	To give effect to section 155(6A) of the Constitution by authorising the provincial executives affected to establish cross-boundary municipalities; to provide for the re-determination of the boundaries of such municipalities under certain circumstances; and to provide for matters connected therewith.

Name of Legislation	Mandate
<b>Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)</b>	<p>To provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities; to ensure universal access to essential services that are affordable to all; to define the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed; to provide for community participation; to establish a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change, which underpin the notion of developmental local government; to provide a framework for local public administration and human resource development; to empower the poor and ensure that municipalities establish service tariffs and credit control policies that take their needs into account, by providing a framework for the provision of services, service delivery agreements and municipal service districts; to provide for credit control and debt collection; to establish a framework for support, monitoring and standard setting by other spheres of government in order to progressively build local government into an efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment.</p>
<b>Disaster Management Act, 2002 (Act No. 57 of 2002)</b>	<p>To provide for:</p> <p>An integrated and coordinated disaster management policy, which focuses on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post-disaster recovery.</p> <ul style="list-style-type: none"> <li>• The establishment of national, provincial and municipal disaster management centres.</li> <li>• Disaster management volunteers.</li> <li>• Matters incidental thereto.</li> </ul>
<b>Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)</b>	<p>To secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government; and to provide for matters connected therewith.</p>
<b>Municipal Property Rates Act, 2004 (Act No. 6 of 2004)</b>	<p>To regulate the power of a municipality to impose rates on property; to exclude certain properties from rating in the national interest; to make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies; to make provision for fair and equitable valuation methods of properties; and to make provision for any objections and appeals process therewith.</p>
<b>The Intergovernmental Relations Framework Act (Act No. 13 of 2005)</b>	<p>The objective of this Act is to facilitate coordination by the three spheres of government in the implementation of policy and legislation. It is a Framework Act, which allows for flexibility between the spheres in meeting the challenges within the conduct and practice of cooperative government. It also provides for the basic architecture of intergovernmental structures and for processes to guide the settlement of intergovernmental disputes.</p>

## 1.9 Organisational Structure



# 1.10 Entities

## *reporting to the Minister*

### SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (SALGA)

The South African Local Government Association (SALGA) was founded in December 1996 and is mandated by the Constitution to assist in the comprehensive transformation of local government. The Organised Local Government Act (1998) recognises the association as representative of organised local government and allows organised local government to designate up to 10 part-time representatives to the National Council of Provinces in Parliament, as well as to nominate two representatives to the Financial and Fiscal Commission, which advises government on budget issues. The association participates in intergovernmental structures at a provincial and district level, and is therefore able to influence national and provincial legislation and gauge its impact on local government.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
<b>South African Local Government Association (SALGA)</b>	<ul style="list-style-type: none"> <li>• The Constitution of South Africa</li> <li>• The Organised Local Government (OLG) Act</li> <li>• The White Paper on Local Government</li> <li>• The Municipal Systems Act</li> <li>• The Municipal Finance Management Act</li> <li>• The Intergovernmental Relations Framework Act</li> </ul>	<ul style="list-style-type: none"> <li>• Municipal levy</li> <li>• Grant allocation</li> </ul>	<ul style="list-style-type: none"> <li>• Lobby, advocate and represent: This refers to representing the interests of members in legislatures and other policy-making and oversight structures. It also refers to engaging with various stakeholders in public debates and other platforms in the interest of local government.</li> <li>• Employer body: This refers to being an effective employer that represents its members. This representation is conducted in collective bargaining as stipulated in the Labour Relations Act. However, it also includes various other structures including but not limited to those established in the South African Local Government Bargaining Council.</li> <li>• Capacity building: This refers to facilitating capacity-building initiatives by representing member interests in the Local Government Sector Education and Training Authority (LGSETA).</li> <li>• Support and advice: SALGA needs to provide the tools and services that enable municipalities to understand and interpret trends, policies and legislation affecting local government and to implement them.</li> <li>• Strategic profiling: Elements here refer to enhancing the profile and image of local government as an important and credible agent for the delivery of services. Profiling needs to take place on a national level, but also in Africa and the rest of the world.</li> <li>• Knowledge and information sharing: This refers to building and sharing a comprehensive hub of local governmental knowledge and intelligence. This will enable the informed delivery of the other mandates of SALGA. The knowledge hub is also a useful reference point for all who seek local government information.</li> </ul>

## HIGHLIGHTS FOR 2015/16 FINANCIAL YEAR

During the year under review, SALGA's operations were guided by the Strategic Plan of 2012-2017 and Annual Performance Plan 2015/16, which identified three apex priorities and strategic focal areas of the organisation. The financial year under review marks the fourth year of implementation of the Strategic Plan and the organisation continued to implement its operations mandate and goals to ensure that the interest of member municipalities are represented at all levels of government.

### Representing, protecting and advancing the interests of municipalities

- During the year under review, a number of major milestones and ground breaking events were achieved through submissions on new policies and amendments of legislation introduced to Parliament, such as the Draft White Paper on Safety and Security, the Draft White Paper on the Police as well as the Disaster Management Amendment Act.
- SALGA advocated for the funding of municipalities on the provision of safety and crime prevention programmes in communities as well as disaster management; and the proposed amalgamation of the Metropolitan Police into the SAPS ('single police service' concept by national government)
- SALGA lobbied the National Department of Human Settlements on changes/inputs to the Revised Strategy for Accreditation and supported the next wave of municipalities applying for accreditation, to prepare their applications and build their capacity.
- SALGA, as part of the grant review working group team and steering committee member, has substantially affected the local government (LG) infrastructure grant review to primarily focus on the implementation of the National Development Plan (NDP) and Integrated Urban Development Framework (IUDF).
- SALGA made several submissions to the Winter Budget Forum (June 2015) and Budget Forum (October 2015) on legislative and fiscal policy issues af-

fecting the sector, including LG fiscal sustainability, debt owed to and by municipalities, as well as demarcation and transitional support.

- 2015 LG Week was held in partnership with the National Council of Provinces (NCOP) under the theme "Celebrating 15 years of democratic and transformative LG - entrenching cooperative government for people centred development".

### Employer role and collective bargaining quest for labour stability and peace

- SALGA concluded a multi-year Salary and Wage Agreement for the period 2012-2015 as a foundation for labour peace and stability for the next three years and aided municipalities to achieve their medium-term budgeting objectives. The wage agreement ushered in a new cost containment dispensation that saved municipalities enormous amounts of money in terms of contingent liabilities.
- A collective bargaining agreement was again concluded without incident for the 2015- 2018 period with the relevant parties and significant progress on working towards a service charter was agreed upon. The agreement covers over 270,000 employees in 278 municipalities.
- Effective legal intervention by SALGA resulted in the long-standing wage curve dispute being finalised in favour of municipalities, thereby saving municipalities from retrospective wage curve back-payment.

### Building the leadership and technical capacity of the sector to play our developmental role

- SALGA continued to provide dedicated support to municipalities with adverse audit outcomes. Support provided ranged from risk management, internal audit matters, financial management, as well as governance and ICT control.
- Councillor training continued in the form of a Councillor Development Programme, which was rolled out in municipalities and more than 3,500 councillors were trained.

### Support and advisory role

- Hands-on support continued to be provided to municipalities on human resources, labour relations and performance-related matters.
- The inaugural SALGA-SASCOC Conference was successfully held on 10-11 July 2015 in Mangaung to clarify roles & responsibilities and forge common programmes on Sports & Recreation.
- The 4th SALGA Women's Commission National Lekgotla was convened where the main objective was to revive the 50/50 campaign. The programme involved engaging on the current male and female imbalances ahead of the upcoming 2016 Local Government Elections.
- SALGA organised provincial dialogues on anti-fraud and anti-corruption and held a national roundtable on Responsive and Responsible LG in collaboration with the Good Governance Learning Network (GGLN).
- The Small Towns Conference (#SmallTownmustRise) was successfully hosted on 22 and 23 October 2015 in Mangaung to create a platform for key stakeholders to shape the agenda of revitalising small towns as well as share lessons and good practice in Small Town Regeneration (STR). SALGA is now rolling out the STR programme by focusing on four key areas. This includes assisting municipalities to mainstream regeneration in their Integrated Development Plants (IDPs) and ensure that key stakeholders across small-town typologies play a meaningful role in the revitalisation.
- A total of 18 pilot towns for the roll out of the STR programme were identified and a standard baseline report for STR inception was developed focusing on four towns. Assessment of the "state of economy" of each town was conducted and a baseline report developed.

### International relations role of profiling South African local government and strengthening decentralisation on the continent and abroad

- SALGA played a crucial role in re-unifying the United Cities and Local Governments of Africa (UCLGA) and are currently leading the Southern African chapter (UCLGA-SARO).
- SALGA co-hosted the 2015 Afri-cities Summit in the City of Johannesburg to profile local government systems to the continent and world, in particular taking forward the localisation of the post-2015 sustainable development agenda.
- United Cities and Local Governments (UCLG) convened the World Summit of Local and Regional Leaders and 4th UCLG Congress from 1-4 October 2013. A key outcome of the Congress was the election of SALGA as a member of the UCLG World Council and UCLG Executive Bureau.
- Emerging strength of SALGA's participation and standing in the global arena is evident in the City of Johannesburg's bid for the UCLG Presidency.

### Centre for Local Government's Excellence, Knowledge and Intelligence

- In 2014, SALGA successfully launched a benchmarking for water and sanitation services project, which produced a set of national benchmarks for water and sanitation services in the rural and urban context. The benefits derived by member municipalities were peer-learning networks, structured performance indicators, a web tool for performance improvement and data sharing.
- Over 120 municipalities have taken part in knowledge sharing and peer learning platforms on energy efficiency and renewable energy over the last few years, including a web platform.
- SALGA's Municipal Barometer and Knowledge Hub, as a centre of intelligence for Local Government Data and Information over the last three years, will increasingly form the basis of informed decision-making, accurate data and access to information.



## SOUTH AFRICAN CITIES NETWORK (SACN)

South African Cities Network (SACN) is an established network of South African cities and partners that encourages the exchange of information, experience and best practices on urban development and city management. It is an initiative of the Minister for Cooperative Governance and Traditional Affairs and nine city municipalities, in partnership with the South African Local Government Association (SALGA). The SACN shares knowledge of large city government experiences within the global and national economic development contexts, and promotes partnerships between or among the spheres of government in the interests of enhancing good city governance in South Africa.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
<b>South African Cities Network (SACN)</b>	Established as a section 21 company in terms of the South African Companies Act, 2008.	Municipal Levy Grant Allocation	<ul style="list-style-type: none"> <li>• Knowledge and information exchange, experiences and best practices on urban development and city management amongst members.</li> <li>• Secretariat to oversee governance, administration and programmatic functions</li> <li>• Active Board for oversight and championship.</li> <li>• Providing thought leadership by producing and disseminating credible and continual research about cities and key urban themes.</li> <li>• Enable and support cities to act and speak with one voice.</li> <li>• Establish strategic relations locally, regionally and internationally to support the work of the network.</li> </ul>

### HIGHLIGHTS FOR 2015/16

During the year under review, SACN's work has continued to be informed by the 2011-2016 strategic framework and 2015/16 business plan, which clearly articulate the three key challenges facing South African local governments as:

- The need for qualitative spatial transformation.
- Dealing with city challenges and vulnerabilities that are exacerbated by climate change and rapid urbanisation.
- The electorate's negative image of local government.

Some of the network's highlights are the following:

- **Africities Summit 7:** SACN was responsible for developing the content for the South African Open Sessions for the Africities Conference held in Johannesburg, from November to December 2015. The objectives of the Summit was to define appropriate shared strategies in order to improve the living con-

ditions of people at the local level and to contribute to the integration, peace and unity of Africa starting from grassroots level. SACN was also responsible for the development of content work in preparation of the opening session of the summit. The tasks executed included, amongst others, convening speakers, approving content and producing post-conference reports of the political and technical sessions respectively.

### Key learning events and strategic conversations

- **Urban Land Seminar – Dialogues:** SACN and various partners successfully hosted a series of dialogues on Urban Land. The objective of this working paper series was to inform and encourage city governments to engage in a conversation about how urban land can practically contribute towards achieving spatial transformation within cities, and translate

this understanding to practice. The working papers outlined and captured a set of perspectives that form a common basis or platform for debating and engaging, which could then lead to more appropriate and effective land interventions by metros.

- **Infrastructure Dialogues Series:** Several dialogues were hosted by SACN jointly with the DBSA, the National Business Initiative, the Department of Planning, Monitoring and Evaluation (DPME) in the Presidency and the Department of Economic Development to deliberate on infrastructure matters affecting urban areas, with the purpose of sharing views and perspectives between senior government, private sector and civil society stakeholders in the infrastructure sector.

#### Key publications

- **State of City Finances Report (SOCF) of 2015:** The State of City Finances Report 2015 focused on the challenges experienced by cities in balancing “getting the basics right” through efficient and effective financial management and at the same time innovating municipal revenue systems for effective and affordable service delivery. The objectives of the report includes, amongst others, that it must be used as a barometer on the state of our cities; provide an analytical tool for reviewing the strategic problems

and opportunities facing cities and agenda setting by communicating essential messages about the planning, development and management of cities.

- **Expanded Public Works Programme - Reflections over a Decade:** During the year under review, a new book was launched on evolution and the role played by cities in the Expanded Public Works Programme (EPWP). The book reflects on how EPWP, as a main national public employment programme, was implemented and the lessons learnt. It also consolidates some of the key suggestions and pathways for the future of the programme.

#### Key Thematic Reference Groups:

SACN coordinated several reference groups as primary platforms for peer learning and knowledge exchange, which are practitioner-based groups with common areas of interest. The reference groups held during the year under review were Urban Safety Reference Group; SA Cities Expanded Public Works Programme Reference Group; Knowledge Managers Reference Group; City Waste Managers Group; SA Cities Energy Reference Group (with partners); Spatial Planning and Land Use Management Reference Group; Urban Indicators Reference Group; and State of Cities Report IV Reference Group.

## MUNICIPAL DEMARCATION BOARD (MDB)

The Municipal Demarcation Board is an independent authority responsible for determining municipal boundaries in terms of Section 155(3) (b) of the Constitution. The independence of MDB is protected by section 3 of the Local Government Municipal Demarcation Act (1998) and various judgements by the Constitutional Court. In addition to determining and re-determining municipal boundaries, the board is also mandated to delimit wards for local elections and assess the capacity of municipalities to perform their functions.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
<b>Municipal Demarcation Board</b>	Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998) Local Government: Municipal Structures Act, 1998 (Act 108 of 1998) Constitution of the Republic of South Africa (Act 108 of 1996) Cabinet resolutions	Grant funding	<ul style="list-style-type: none"> <li>• Determine and re-determine municipal outer boundaries.</li> <li>• Delimitation of wards for local government elections.</li> <li>• Consider the capacity of district and local municipalities to perform their functions and to exercise their powers, and provide advice to MECs.</li> <li>• Render advisory service in respect of matters provided for in the Municipal Demarcation Act.</li> <li>• By way of cabinet resolution, the MDB also assists government departments to align their service delivery boundaries to municipal boundaries.</li> </ul>

### HIGHLIGHTS FOR 2015/2016

During the year under review, the Minister of Cooperative Governance and Traditional Affairs requested the Municipal Demarcation Board (the Board) to consider re-determining a number of municipal boundaries in terms of Section 22(2) of the Local Government: Municipal Demarcation Act, of 1998 (the Act). There were 34 requests in total. The request of the Minister comes at the time when the re-determining of the outer boundary process was at its final stage and the Board was preparing to commence with the ward delimitation process to be finalised and handed over to the Independent Electoral Commission (IEC) in preparation of the 2016 local government elections. However, the request was considered by the Board in terms of the Act in that the Board started the processes to re-determine municipal boundaries affected by the 13 cases from the Minister.

The re-determination was concluded in August 2015, which resulted in a reduction of the number of municipa-

lities from 278 to 257 with effect from 3 August 2016, which is the proclaimed date of the local government elections.

During the year under review, the Board engaged with and consulted all relevant stakeholders, such as MECs through participation in MinMEC, citizens and municipalities as required by the Act, prior to taking any decision on re-determination of municipal boundaries.

Upon finalisation of the re-determination of municipalities, the Board commenced with ward delimitations and completed the process in December 2015. The ward delimitation resulted in an increase from 4,277 to 4,392 wards during the 2011 local government elections, covering 213 municipalities. The delimited wards' information was submitted to the IEC in December 2015 to proceed with preparations for the 2016 local government elections.

During the re-determination and ward delimitation process, the Board learnt some lessons that may be used for policy and legislation review on demarcations. These lessons include, amongst others:

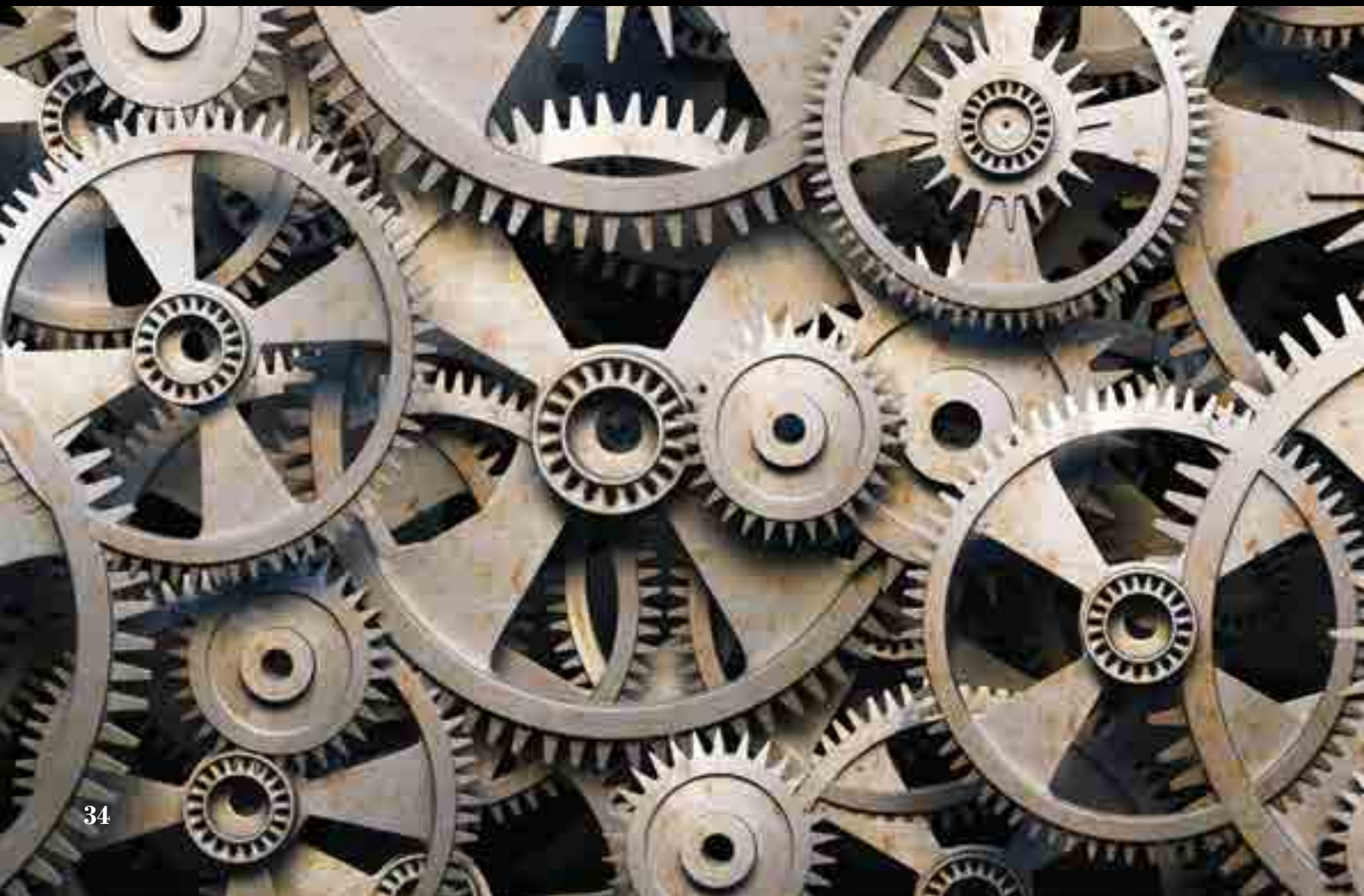
- There is a growing request by citizenry, either directly and indirectly, that the Board must enforce its independence by providing direct administrative and logistical preparations for citizens affected by any request for municipal re-determination, to increase awareness and participation during the processes. In relation to the wards, the difficulty in meeting community expectations due to constraints imposed by delimitation criteria, e.g. small margin of variation for wards, undermines the public's role in the process.
- Utilisation of wards as planning and service delivery units leads to resistance and rejection of changes to ward delimitation.
- An increasing public voice against the use of the number of registered voters in ward delimitation instead of the population.

As we approach the fourth decade of local government, the Board will continue to implement its five-year strategy, which is aimed at:

- Ensuring that its decisions are credible and supported by robustly reviewed and researched information, and sourced from reliable data, either within the Board's control or from partner organisations whose intention or primary drive is the creation of knowledge using nationally and internationally acceptable standards and practices.
- Enhancing public education and stakeholder management to ensure regular engagement with citizens through rigorous awareness campaigns, education and encouraging public and community inputs on municipal boundary re-determinations, ward delimitations and municipal capacity assessments as well as effective management of stakeholder expectations.
- Ensuring optimum spatial planning and integration. These key elements refer to the redress of historical spatial separations and disparities within South Africa that have a negative impact on service delivery. In pursuing its vision, the Board aims to lead efforts by all role players to achieve effective spatial integration within the context of rapidly changing socio-economic conditions of local communities.

The Board will also identify and resolve those boundary problems that relate to settlements, including Traditional Authorities, that straddle municipal boundaries.







Chapter **2**  
**Part B: DCoG**  
**Performance Information**



## 2.1 Auditor-General's Report: *Predetermined Objectives*

The AGSA performed procedures to obtain evidence about the usefulness and reliability of the reported information against pre-determined objectives 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 reported on Predetermined Objectives. The detailed findings and other legal and regulatory requirements are outlined on page 124 in Part E: Financial Information.

## 2.2 Overview *of departmental performance*

### 2.2.1 SERVICE DELIVERY ENVIRONMENT

Community protests have become a feature of local politics in recent times. Although the causes of these protests are of multiple origins, the available studies generally point to poor communication with communities as one of the contributing factors.

There are concerns about the overall stability of Municipal Administration. A variety of factors are at play, including declining experience in key management positions, poor relations between elected and appointed officials, high vacancy rates after local elections, and the length of time it takes to conclude performance contracts. The role confusion between Mayors, Speakers and Chief Whips in the political leadership of councils has been registered, as well as between Public Relations (PR) and Ward Councillors. The lack of transparency of Mayoral Committees and the way in which the Executive is held accountable requires close attention. Building a professional and stable local public service is widely regarded as a priority, but equally, there is increasing evidence that the trend is in the opposite direction.

In its 2015 -2019 Strategic Plan, the Department identified five priority areas:

- Responding vigorously to immediate crises in municipalities.
- Going Back to Basics – Municipalities will be led to:
  - put people and their concerns first, and ensure constant contact with communities through effective public participation platforms;
  - create conditions for decent living by consistently delivering municipal services to the right quality and standard;
  - be well governed and demonstrate good governance and accountability;
  - ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities; and
  - build and maintain sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels.
- Continuing to build resilient local government institutions.
- Understanding and responding to structural challenges.
- Improving intergovernmental systems.



During the 2015/16 financial year, the Department responded to these priority areas as follows:

#### **a. Vigorous response to immediate crises**

During 2015/16 financial year, ten local municipalities and two district municipalities were subjected to interventions by the provincial executive councils of their respective provinces in terms of Section 139 and Section 154 of the Constitution. Some of the challenges experienced with the implementation of these interventions included:

- Lack of political support for the interventions.
- Challenges with high vacancy rates in some municipalities.
- Lack of skilled personnel.
- Poor internal control systems and procedures.
- Shortage of experienced disciplinary prosecutors and presiding officers.
- Theft and vandalism at bulk infrastructure sites.
- Ageing infrastructure.
- Land invasion / illegal occupation of land.

The drought and water shortage countrywide had a huge impact on municipalities. In this regard, municipalities had to deal with issues of:

- Food security, especially the availability and access to food produce at the low income levels in communities.
- Job losses within the farming and food processing community, which also impacted on municipalities revenue bases.
- Water demand and conservation for human consumption versus agricultural consumption.

#### **b. Going Back to Basics (B2B) and leading the programme**

After one year of implementation, it is still too early to detect trends and report significant shifts/movements within the B2B categorisation. It was found that:

- Weaknesses in delivery of basic services remain in many municipalities.

- Weak capacity in provincial CoGTA departments does not correlate with the extent of regression in municipal performance in those provinces.
- Uneven participation in provincial task teams and lack of central coordination and standardisation of work of provincial task teams led to problems with quality of information and quality of B2B action plans.
- Dysfunctional municipalities are still characterised by political instability, weaknesses in governance and poor delivery of services.
- There is a correlation between poor political leadership, senior management vacancy rate, poor appointments and lack of functionality of municipalities.
- Citizen engagement is generally weak in municipalities categorised as dysfunctional and as those at risk. A core aspect of B2B involves the degree to which municipalities are putting their people and communities first, through engaging with them, providing frequent report backs and addressing their concerns. Problems include:
  - Inadequate public participation processes - poor community feedback and engagements.
  - Non-functionality of ward committees.
  - Inadequate complaints management systems.
  - Rise in service delivery protests.
  - Few municipalities have conducted Citizen Satisfaction Surveys.
- Poor budgeting for maintenance, refurbishment and replacement of ageing infrastructure resulting in poor quality and breakdown of service.
- Incomplete and inaccurate data provided by municipalities.
- There is insufficient mobilisation of social partnerships (traditional leaders, business and civil society).
- The quality of diagnostics and analysis of data is not good enough and therefore not leading to effective action to address poor performance, for example, in Amathole Municipality, weaknesses in technical capacity was identified by a sector as the key problem, whereas a detailed inter-sector analysis showed up revenue collection as the key issue.

### **c. Continuing to build resilient local government institutions**

Municipal viability is often highlighted by the Auditor-General as a concern. According to the Municipal Systems Act, act 32 of 2000, “financially sustainable”, in relation to the provision of a municipal service, means the provision of a municipal service in a manner aimed at ensuring that the financing of that service from internal and external sources, including budgeted income, grants and subsidies for the service, is sufficient to cover the costs of the initial capital expenditure required for the service, operating the service and maintaining, repairing and replacing the physical assets used in the provision of the service.

Evidence suggests that the increasing expectations of the population for service delivery are no longer being met by the current levels of municipal investment. Asset maintenance and life-cycle management are very weak, as the low levels of maintenance expenditure reflect. It may be that different approaches are needed for different municipalities that are considered unviable. While some could be made viable by more effective capacity, funding and other support from provincial and national government, others might have to be absorbed into adjoining municipalities.

### **d. Understanding and responding to structural challenges**

South Africa’s cities and towns were shaped by the apartheid legacy of racial segregation, poverty and exclusion from social and economic opportunities. High levels of inefficiency and wasteful use of scarce resources (especially land and infrastructure networks) characterise the country’s cities and towns. Despite significant service delivery and development gains since 1994, these spatial patterns have largely not been reversed.

The Integrated Urban Development Framework (IUDF) responds to the challenge of spatial integration in the country. The IUDF’s overall outcome is aimed at spatial transformation, i.e. reversing the inefficient spatial patterns in a way that promotes both social and econom-

ic development, while protecting the environment. The IUDF gives more practical meaning to the urban futures vision set out in the National Development Plan (NDP).

### **e. Improving intergovernmental systems**

B2B should not only be a CoGTA programme, but rather a government-wide programme. Intergovernmental cooperation between all national and provincial departments must be enhanced. The work of the Inter-Ministerial Task Team on service delivery is critical in this regard. All sector departments must be hands-on in their support to municipalities and all spheres should prioritise and focus on the 20% of actions, which will create 80% of the impact by using available levers for change.

Intergovernmental relations (IGR) structures at provincial level, which include Mayors and Municipal Managers, MECs of sector departments and their Heads of Departments (HoDs), must be institutionalised. These structures should be chaired by the CoGTA MEC. The capacity of the provincial CoGTA departments to monitor and support the operations of municipalities should be strengthened.

Developmental local government remains the visionary foundation for the continuing reconstruction and development of our country by:

- continuing and accelerating the hands-on approach;
- prioritising and focusing on campaigns, programmes and projects that have high visibility, broader mobilisation and impact on delivery and messaging of core B2B objectives in the pre- and post-election period;
- using the available levers to incentivise and enforce good behaviour and practice;
- ensuring accelerated delivery of basic services, i.e. water, sanitation, electricity, roads and storm-water and waste removal;
- mobilising multi-departmental teams to tackle dysfunctional municipalities (mobilising national and provincial resources);
- improving support and intervention to address weaknesses in support programmes and interventions being designed and implemented.

## 2.2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The Department did not develop the Service Delivery Improvement Plan (SDIP) for the financial year 2015/16, as required by the Public Service Regulations, Chapter 1, Part III C. The Department had human capacity constraints to undertake the development and implementation of the SDIP. However, to ensure adherence to the regulations, the Department has appointed a dedicated official to perform this area of work.

## 2.2.3 ORGANISATIONAL ENVIRONMENT

The Department implemented the newly approved organisational structure to operationalise the Second Phase of the Back to Basics programme, which is premised on the 80/20 principle, where 80% of outcomes could be attributed to 20% of actions based on an efficient use of resources. The reorganisation of the Department resulted in the transfer of functions from one programme to another, which had an effect on the delivery of some functions. The Department has now realigned itself to respond to the Back to Basics programme and to ensure that it delivers on its core mandate.

### Key policy developments and legislative changes

Between February and April 2015 the Minister requested the Municipal Demarcation Board (MDB), in terms of Section 22(2) of the Municipal Demarcation Act, to determine or re-determine the boundaries of various municipalities. This was done in consultation with all MECs responsible for local government in the provinces. After consideration of the relevant factors, the number of municipalities are to be reduced from the current 278 to 257 after the 2016 local government elections. Preparations for these amalgamations are in full swing and will have a serious impact on the success of the newly amalgamated municipalities.

## 2.2.4 STRATEGIC OUTCOME ORIENTED GOALS

Since the adoption of the outcome approach by government in 2010, 14 outcomes were identified, which are coordinated by different Ministries. The Ministry for Cooperative Governance is responsible for facilitating delivery of Outcome 9: *A responsive, accountable, effective and efficient local government system* and supports the realisation of outputs identified in the following outcomes:

### Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced.

The National Disaster Management Centre (NDMC) consistently provided quarterly progress reports to the Department of Environmental Affairs, which is coordinating Outcome 10. The NDMC contributes to the reduction of vulnerability and risks associated with climate change impacts. The NDMC is required to coordinate the development of eight disaster management plans annually. This target was exceeded, as nine disaster management plans were coordinated and developed. The Department of Environmental Affairs committed to assisting provinces and municipalities to integrate climate change issues in the disaster management plans.

### Outcome 14: Nation building and social cohesion

The Department contributed towards ensuring that 5% of municipalities were able to demonstrate inclusion of the poor in municipal processes, through updating of indigent registers. During 2015/16, all 35 targeted municipalities were supported and interactive feedback sessions were held with municipalities; an indigent assessment tool was administered and specific recommendations made and signed off by municipal managers as part of the improvement plans. Support focused on, among others, definition of indigent households in targeted areas, criteria for the identification of indigent households, mechanisms applied to targeted indigents and, registration.

The Community Work Programme (CWP) contributed towards greening of public spaces through the implementation and maintenance of parks and vegetable gardens in 110 sites, during this reporting period. In addition, 140 CWP sites have conducted clean-up campaigns.

The Department finalised a Compliance Framework on the Establishment and Operations to improve participation in the community-based governance elective processes, such as ward committee elections meetings. The Framework will be utilised as guideline for the election, establishment and operations of a new cadre of ward committees after the 2016 Local Government Elections.

In order to achieve Outcome 9, the Department identified the following strategic goals, which were expressed in the Strategic Plan 2014 – 19 and Annual Performance Plan 2014/15:

- **Strategic Goal 1:** Create a functional local government system based on accountability for performance.
- **Strategic Goal 2:** Ensure significant improvements in service delivery through sound infrastructure management.
- **Strategic Goal 3:** Build institutional resilience and initiate the next phase of institution building.
- **Strategic Goal 4:** Lead and support the creation of prosperous cities and towns by restructuring the space economy.
- **Strategic Goal 5:** Entrench a culture of good governance and instil a new morality of service and integrity in local government.
- **Strategic Goal 6:** Expand local public employment programmes through the Community Work Programme.
- **Strategic Goal 7:** Strengthen, coordinate and support effective integrated disaster management and fire services.

The aforementioned strategic goals are linked to the five Sub-Outcomes outlined in the Outcome 9 Medium Term Strategic Framework (MTSF 2014 - 2019) and five Back

to Basics Pillars, which are: putting people first, delivering basic services, good governance, sound financial management, and building institutional capability.

In the second year of implementation of Outcome 9 MTSF (2014 - 2019), DCOG established the Programme Management Office (PMO) in June 2015. The PMO is coordinated at the Municipal Infrastructure Support Agent (MISA), to address service delivery backlogs in the 27 Priority District Municipalities. The primary function of the PMO is to fast track the planning and implementation of projects and operations as well as maintenance requirements in the 27 priority district municipalities. Key sector departments, namely: the Departments of Water and Sanitation, Energy, Environmental Affairs, Transport, and their provincial counterparts have collaborated with MISA to address the service delivery backlogs in a holistic approach, that is implemented in phases. Phase 1, which included diagnosing municipalities to identify the status of basic service delivery, key challenges, availability of resources against requirements, and the way forward, has been concluded in some districts. The plan is to conduct the assessments in 10 District Municipalities by March 2017.

The DCOG has also made strides with regard to the development of ward level service operational plans. To date, 4,264 out of 4,277 (99,7%) ward service level operational plans have been developed with only 13 (1,3%) plans outstanding from the Mogalakwena Local Municipality in Limpopo, which has been placed under administration in terms of Section 139 of the Constitution. The Department will continue to monitor and assist municipalities to improve communication with communities through regular feedback meetings on service delivery issues by means of the Back to Basics programme.

In our endeavour to improve audit outcomes in local government, the Department, in conjunction with its counterparts, has assisted municipalities to address the issues raised by the AGSA to reduce the disclaimer and adverse audit outcomes. There is an improvement in audit results of municipalities over the years from 2010/11 to 2014/15.

COGTA and National Treasury will continue to guide and monitor the implementation of post-audit action plans by municipalities.

DCOG has finalised the Integrated Urban Development Framework (IUDF) and the 2016-2019 Implementation Plan, which were endorsed by Cabinet on 26 April 2016.

The approval of the framework is a significant milestone for the entire government and other partners, as it provides a shared understanding on how to manage urbanisation. DCOG will continue to work collaboratively with relevant stakeholders to ensure that levers at our disposal are used.

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

The Department continued to implement plans, strategies and actions geared towards the attainment of long-term goals and objectives. There were refinements to the Strategic Objectives that were set in the Strategic Plan 2014-2019, mainly due to the introduction of the Back to Basics Programme in 2015, which necessitated a new approach in executing our strategy. These improvements have been included in the revised Strategic Plan 2015-2019.

A periodic review of progress on our set objectives is necessary and gives us the opportunity to adjust our thinking, correct our course, improve our delivery approach and move forward as we continue with the implementation of our Strategic Plan. Among the 17 strategic objectives set in the Strategic Plan and APP 2015/16, there are some showing significant progress in implementation towards the attainment of our goals, as shown in the table below:

Strategic Objectives 2019	Progress
<p><b>1. Provide efficient and effective corporate governance and administrative support services for COGTA to deliver on its mandate by March 2019.</b></p>	<p>The in-year realignment of functions to give effect to implementation of the B2B programme had an effect on implementing some planned initiatives. However, this is a significant milestone since the beginning of the electoral term 2014-2019, because there is now stability moving forward subsequent to concurrence by DPSA and approval of the Organisational Structure by the Minister. We are confident that this will boost the internal capacity of DCOG to enable the delivery of key programmes planned for the remainder of the electoral term. The organisational structure and budget programme structure are now approved. This will help us to put the necessary capacity and capabilities in place to execute DCOG's mandate.</p>
<p><b>2. Build accountability for performance in local government systems through setting and enforcing clear performance standards by March 2019.</b></p>	<p>Officially launched by the President in April 2014, the B2B Programme signals our commitment to working with provinces and municipalities in order to deliver the best quality services to communities. As of 2014, we were able to conduct assessments on the state of at least 90% of municipalities. We also formed provincial crack teams, which comprised sector department and provincial counterparts. Focused intervention plans are currently being implemented and quarterly reports generated. These assessment reports, coupled with the report on the state of local government, will provide insight on areas of intervention and isolate municipalities that are struggling. We have also, in this financial year, and since 2010, developed the Municipal Performance Report as per Section 48 of the Municipal Systems Act.</p>
<p><b>3. Strengthen accountability for performance in the local government system by enhancing knowledge and information management by March 2019.</b></p>	<p>Enhancing knowledge and information management is the key to devising intervention strategies. Factoring in data on categories of municipalities (at risk and dysfunctional) we were able to revisit our intervention plan and beef up provincial crack teams. Almost 60% of municipalities are reporting against set indicators. We have developed an information hub with various information sources for municipalities. We also documented 10 case studies on best practices at municipalities.</p>

Strategic Objectives 2019	Progress
<p><b>4. Implement initiative to improve financial sustainability, revenue management and audit outcomes in local government by March 2019.</b></p>	<p>Since the beginning of the 2014/15 financial year, we have placed effort into improving financial sustainability. We were able to assist 90 municipalities to better manage their debt issues through analysis and feedback on their credit control and debt collection policies. 252 municipalities were assisted with compliance to the Municipal Property Rates Act (MPRA) and recommendations were communicated. We notice an increasing trend of municipal audit outcomes, from 53% in 2014/15 to 64% in the year under review.</p>
<p><b>5. Structure intergovernmental relations (IGR) so that National and Provincial government can support, monitor, intervene and enforce performance by March 2019.</b></p>	<p>We continue to promote the efficient functioning of IGR structures over the medium term expenditure framework (MTEF). We managed to facilitate discussions related to the Government Programme of Action on Outcome 9; quarterly reports were compiled and tabled at Cabinet consistently since 2011. We are still confident that the Intergovernmental Monitoring, Support and Intervention (IMSI) Bill will be tabled in Parliament within this medium term strategic framework (MTSF) period in order to set a firm base for supporting management interventions where there are challenges and enforcing performance where necessary.</p>
<p><b>6. Coordinate and implement sustainable infrastructure development and maintenance initiatives in order to improve and extend infrastructure to unserved communities by March 2019.</b></p>	<p>With this objective we would like to see an improvement in service delivery. A total of 2.4 million (67,8%) indigent households benefited from free water services. Free basic electricity was provided to 2.2 million (62,8%) indigent households and 2.1 million (58,7%) of these households benefited from the indigent support system for sewerage and sanitation. While a further 2.1 million (57,6%) indigent households benefited from the indigent support system for solid waste management, 75,738 indigent households benefited from free basic alternative energy in the form of a solar home system.</p>
<p><b>7. Provide and maintain 1 million work opportunities through building capacity of participants and establishing strategic partnerships by March 2019.</b></p>	<p>We are continuing with the creation of work opportunities and other initiatives in order to meet the one million target. The number of work opportunities created increased from 174,725 in 2013/14 to 202,447 in 2014/15.</p>
<p><b>8. Increase public confidence in the local government system by changing the relationship between citizens and local government and strengthening citizen engagement mechanisms by March 2019.</b></p>	<p>In the year under review, we continued to monitor the functionality of Ward Committees. A cumulative total of 4 264 (99.7%) ward operational plans were developed and implemented in municipal wards. A framework on community engagement mechanisms was developed to provide municipalities in particular Speakers with the context in which to plan, implement and monitor community engagement processes. We also conducted a National citizens' satisfaction survey to assess communities' confidence in Local Government.</p>
<p><b>9. Strengthen anti-corruption measures and enforce applicable legislation and policies by March 2019.</b></p>	<p>We are still on track in terms of enforcing all municipalities to implement anti-corruption measures. We revised the Local Government anti-corruption strategy and started implementing some elements thereof. We have begun to compile reports that outline progress about forensic investigations.</p>
<p><b>10. Improve the system of disaster management and fire services across government by March 2019.</b></p>	<p>Our initiative to improve disaster management and fire services systems is on track. We are confident that, after all the consultations have been completed, we will be having a solid Bill on fire services. Our advocacy campaigns on disaster risk reduction were extended to all provinces, of which five provinces have been identified to roll out the advocacy and awareness plans.</p>

Strategic Objectives 2019	Progress
11. Develop a disaster management and fires services monitoring and evaluation system by March 2019.	The Disaster Management and Fire Services M&E framework was implemented. In the year under review, a database was developed of declared disasters, which included North West, KwaZulu-Natal, Free State, Limpopo and the Western Cape. A NDMC team has been working with these provinces, particularly KwaZulu-Natal, which is more severely affected, in order to assist with mitigating the effects of the drought.
12. Strengthen the functionality of municipalities through the development and implementation of administrative institutional systems by March 2019.	One of the key pillars of the Back to Basics programme is building institutional capacity. This includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. The number of people employed by municipalities increased from 270,714 in 2014 to 279,109 in 2015. 38% of the 278 posts of mayors and executive mayors are female.
13. Facilitate and coordinate capacity building initiatives in order to build capable municipalities by March 2019.	Municipalities also proved to be an important source of employment. One of the key pillars of the Back to Basics programme is building institutional capacity. This includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. The number of people employed by municipalities increased from 270,714 in 2014 to 279,109 in 2015. Importantly, of the 278 posts of mayors and executive mayors in SA, 38% were female.
14. Facilitate the restructuring of city space economy through changes in land use planning and management by March 2019.	Targeted cities and towns were not supported to develop long-term strategies and spatial development frameworks (SDFs). The project was re-conceptualised to focus on the development of a toolkit to support integrated spatial planning in secondary cities and fast-growing towns.
15. Promote good governance and an ethical culture in local government by March 2019.	The annual oversight report to the Minister and the Consolidated Section 106 report were not developed. The output of this particular target was achieved through the State of Local Government performance report which gives insight of the state of governance of municipalities
16. Facilitate private sector investment through the implementation of innovative programmes that stimulate local economies by end-March 2019.	Since 2013 we have been facilitating collaborative catalytic business ventures between the private sector and municipalities. In the year under review, we managed to support 22 municipalities in establishing partnerships with the private sector.

There are some strategic objectives where implementation progress was not as significant as we expected it to be. Some were due to situations beyond the Department's control.

We remain open to trends already emerging from a rapidly changing Local Government.

## 2.2.5 PERFORMANCE INFORMATION BY PROGRAMME

The activities of the Department were organised according to the following programmes for the financial year under review:

- **Programme 1:** Administration.
- **Programme 2:** Policy, Research and Knowledge Management.
- **Programme 3:** Governance and Intergovernmental Relations.
- **Programme 4:** National Disaster Management Centre.
- **Programme 5:** Provincial and Municipal Government Support.
- **Programme 6:** Infrastructure and Economic Development.

# Programme 1: *Administration*



## PURPOSE

To provide for the management, leadership and administration of the Department. The programme includes the Office of the Director-General (ODG); Office of the Chief Operating Officer (COO), Corporate and Financial Services.

## PROGRAMME OBJECTIVES AND MEASURES

This programme seeks to achieve the following strategic objectives:

- Build accountability for performance in local government systems through setting and enforcing clear performance standards by March 2019.
- Provide efficient and effective cooperative governance and administrative support services for COGTA to deliver on its mandates by March 2019.

## SUB-PROGRAMMES

The sub-programmes listed below are linked to the strategic orientated goals, namely: refocusing and strengthening COGTA's capacity to deliver on its mandate as

well as creating a functional local government system based on accountability for performance. All the activities contributing to the achievement of these strategic goals and objectives were implemented through the operation plans.

### ▪ **Ministry**

The office of the Minister provided Administrative, Parliamentary, Cabinet Support and Media Liaison services to the Minister and Deputy Minister.

### ▪ **Management (ODG)**

During the 2015/16 financial year, the Department had effective management and executive structures in place. MINEXCO, Top Management Committee, Quarterly Performance Review Meetings and Strategic Planning Sessions are structures where departmental performance against planned targets in the 2015/16 Annual Performance Plan and Budget allocations were monitored and strategic interventions were put in place where programmes were lagging behind the quarterly targets. These committees convened on a regular ba-



sis and according to the approved Terms of References. Executive guidance and interventions were obtained during these engagements to ensure actions towards the effective achievement of Departmental objectives and goals. During COGTA MinMec meetings, MECs and provinces provided reports on the implementation of the Back to Basics programme. At the Presidential Coordinating Council (PCC), Premiers provided reports to the President on, inter alia, the implementation of the B2B programme.

#### ▪ International and donor relations

South Africa's local government system is seen as one of the best models for local governance and democratic involvement of citizens in planning and participating in their own development by both its regional, continental and international peers. During the reporting year, the Department played an important role in assisting its regional and international peers by exchanging knowledge on South African local government policy and legislation. In this regard, the Department hosted a number of knowledge exchange study visits with the Ministry of Local Government and Chieftainship of the government of Lesotho on the establishment of executive councils in local government, as well as Swaziland on the Local Economic Development (LED) policy environment in South Africa and the role of Local Government Associations in LED.

The Department also sustained its support to the post-war reconstruction and development of the Democratic Republic of Congo (DRC) by participating in the implementation of South Africa's Tri-partite Mechanism on Dialogue and Cooperation with Angola and the DRC. In addition, the Department participated in a number of international learning and training engagements with partner countries such as Japan, Russia, India, China, Germany and Italy. These international engagements have helped to integrate international experiences from the more developed countries in a number of our programmes, including urban development practices,

comparative local government systems, disaster management and human resource development. In addition, the Department also benefited from the support of development cooperation partners such as the Japan International Cooperation Agency (JICA) and the German GIZ.

#### ▪ Chief Operating Officer

This sub-programme provided strategic management support and directed the system of corporate governance with a view to achieving the long-term strategic goals of the Department. In this regard, the sub-programme facilitated the development of the Annual Performance Plan (APP) 2016/17, which was approved by the Minister and tabled in Parliament on 10 March 2016. The sub-programme also facilitated the Monitoring and Evaluation (M&E) of organisational performance through the development of quarterly performance reports as well as the 2014/15 Annual Performance Report. The sub-programme provided strategic support to the Department's Executive and the various branches in the development of quarterly performance reports and Annual Performance Plan through the facilitation of Strategic Planning Sessions and Quarterly Review Meetings.

The sub-programme also ensured that the Department complied with various legislative requirements on strategic planning, such as the National Treasury Framework for Strategic Plans and Annual Performance Plans and Quarterly Reporting guidelines. In an effort to address the recurring audit findings relating to performance information, a Departmental Monitoring and Evaluation Task Team was established, comprising M&E practitioners from various branches. The M&E Task Team assessed the draft APP 2016/17 to ensure that performance targets are specific, measurable, attainable, realistic and timely (SMART) and indicators are well-defined in accordance with the Framework for Managing Programme Performance Information.

The sub-programme also managed the strategic relations with various stakeholders with regard to performance management, such as the National Treasury, Department of Planning, Monitoring and Evaluation and the AGSA.

### ▪ **Corporate Services**

This sub-programme has achieved the following:

#### **Human Capital Management**

The sub-programme Human Capital Management is mainly responsible for the overall workforce planning and management to ensure that COGTA cultivates a diverse, competent and well-managed staff complement capable of and committed to the delivery of high quality services. Key hereto is to ensure balance by the recruitment of the right quality and quantity of staff, and their optimum utilisation, resulting in a multi-skilled, representative and flexible work force. Support was provided throughout the Department by facilitating the development of job profiles and conducting job evaluations in line with the Public Service Act requirements. Several employee wellness sessions, such as financial wellness, ear and eye tests, HIV and AIDS were organised by the sub-programme, including the introduction of a partnership with the South African National Blood Services (SANBS).

One hundred and twenty-three vacant funded posts were filled with the support of the various line function managers. All Senior Management Services (SMS) members disclosed their financial interests before the due date and the information was submitted to the Public Service Commission on time. Various information sessions were held with staff members to communicate the available service benefits and to ensure a better understanding of them. Furthermore, 28 training programmes were implemented during this financial year. Moreover, orientation programmes for 86 newly appointed employees and 10 Compulsory Induction Programmes (CIPs) for levels 1 to 5 staff members and 26 for level 6 to 12 staff mem-

bers were conducted. A total of 842 staff members were trained in the above-mentioned interventions during this financial year with some officials having attended more than one intervention.

The Department awarded 42 staff members with bursaries to study towards qualifications in line with the Departmental Strategic Plan, but only 25 utilised their bursaries. The Directorate further facilitated the achievement of employment equity in the Department by ensuring 47% representation of women at senior management level and improved representation of people with disabilities to 1%. The programme institutionalised the 8 Principles Action Plan for Promoting Women Empowerment and Gender Equality. To encourage meritorious achievement, performance rewards were granted to all qualifying staff members in the Department during the year under review. Quarterly performance management and development sessions were conducted to ensure that individual performance was linked to the broader overall objectives of the Department.

#### **Financial services**

The prescribed financial, supply chain and asset management services were provided to the Department. Continued efforts were made to improve compliance with legislative and policy requirements in support of the service delivery of the Department. Budget planning, expenditure management and reporting were done in collaboration with all line functions

#### **Legislative review and drafting**

This unit is responsible for the review and drafting of legislation, contract management and due diligence and provides litigation support in cases involving the Ministry. During the 2015/16 financial year, the Directorate: Litigation prepared a report for the Minister, reflecting cases managed on behalf of DCoG and DTA as at 31 March 2016. Of the 12 Promotion of Administrative Justice Act (PAJA) workshops planned, the Directorate: Due Diligence and Contracts Management conduct-

ed eight workshops. The reason for the variance was that workshops were provisionally discontinued due to budget constraints implemented by DCoG. A Monitoring Toolkit report reflecting projects undertaken by DCoG by 31 March 2016 was submitted. A report reflecting the number of compliance issues of DCoG and a report reflecting the number of contracts edited/vetted and legal opinions furnished by 31 March 2016 were also submitted.

### **Internal Audit and Risk Management**

During the 2015/16 financial year, the Internal Audit Directorate developed a risk-based Internal Audit Plan that was adopted and approved by the Audit Committee and subsequently implemented. As per the approved plan, 23 audits were scheduled for the year under review. This also included ad hoc projects as requested by Management. The Internal Audit Directorate also provided comprehensive recommendations to strengthen and improve internal controls.

The Community Work Programme (CWP) Internal Audit Directorate was capacitated in June 2015 and site visits were conducted in all provinces, providing management with reasonable assurance that the internal controls that had been put in place were working as intended. This process also identified challenges and emerging risks that were presented to management for intervention. The Internal Audit Directorate also assisted management with various consulting engagements in respect of CWP, specifically on issues of Value Added Tax (VAT) and Unemployment Insurance Fund (UIF) implications. The Directorate also assisted with the verification of irregular expenditure to ensure that there was compliance with Supply Chain Management policies and other relevant legislation and prescripts, and to ensure that irregular expenditure was fully disclosed in the Annual Financial Statements. An annual risk management plan was developed, approved and implemented. The Departmental Risk Management policy, strategy and related procedures were also reviewed during this period. The

annual risk assessments were conducted at strategic and operational levels. This also included identifying Information and Communications Technology (ICT) and fraud-related risks which were used in the development of the Department's Internal Audit Plan. New and/or emerging risks were also identified during this period, and mitigation measures for managing such risks were developed and monitored as well.

The mitigation measures and key risk indicators were developed for the high-risk areas and monitored on a quarterly basis. The management of the departmental risks were further reported to the Risk Management Committee, Quarterly Review Management and Audit Committee meetings throughout the year.

Branch Risk Champions were appointed and trained on their roles and responsibilities. New officials were also trained on their risk management responsibilities as contained in the departmental risk management strategy.

Regular fraud prevention and ethics awareness and related programmes were implemented in accordance with the fraud prevention awareness plan for 2015/16.

### **Office accommodation**

This sub-programme had several engagements with the Department of Public Works on the acquisition of a COGTA Head Office building. The tender to procure the building will be re-advertised due to non-responsiveness of the shortlisted bids to tender specifications.

## STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENT

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators per sub-programme as well as reasons for variance on targets that were not achieved.

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Build accountability for performance in local government systems through setting and enforcing clear performance standards by March 2019.	Assessments of all municipalities were done.	Back to Basic interventions coordinated in identified municipalities within Northern Cape and Free State provinces by target date.	1.1.1 Report on Back to Basics interventions in identified municipalities within Northern Cape and Free State provinces by target date.	<b>Achieved</b> Consolidated report on the Back to Basics interventions in identified municipalities within Northern Cape and Free State developed.	None	None
	2 monthly B2B assessment reports were submitted by end of March 2015.	4 assessment B2B reports submitted to the Minister by target date.	1.1.2 Number of B2B assessment reports submitted to the Minister by target date.	<b>Not achieved</b> 3 B2B assessment reports (6, 9 and 12 months) were submitted to the Minister by target date.	1 report was still in draft format and not submitted to the Minister by the end of March 2016.	The service provider was utilised to develop an annual State of LG report for an envisaged LG summit. As a result, the consolidation of the municipal responses for the 15th month report was received late – only by 3 March 2015.
	-	2013/14 MSA Section 48 report developed by end of March 2016.	1.1.3 Annual Municipal Performance Report (MSA Section 48) developed by target date.	<b>Not achieved</b> The Annual Municipal Performance Report was developed later than the set target date.	The report from the North West Province was only received on 31 March 2016.	The Annual Municipal Performance Report will be submitted to Parliament and the MECs for local government.
Provide efficient and effective cooperative governance and administrative support services for COGTA to deliver on its mandates by the end of March 2019	-	Skills audit outcomes implemented as per the HR plan by the end of March 2016.	1.1.4 Report on skills audit outcomes by target date.	<b>Not achieved</b> The skills audit was not conducted.	A service provider was not appointed due to internal realignment of functions.	A process was initiated to develop the e-skills system, which will be managed internally. No service provider will be appointed.

## STRATEGY TO OVERCOME AREAS OF UNDER-PERFORMANCE

- **B2B assessment reports:** The Department will, in the next financial year, produce a bi-annual report on implementation of the Back to Basics priorities by municipalities, which will provide a comprehensive overview of the areas that have performed well and those that require improvements and intervention.
- **Annual Municipal Performance Report (MSA Section 48):** The Annual Municipal Performance Report will be submitted to Parliament and the MECs for local government.
- **Skills audit outcomes implemented:** The Skills Audit will be implemented internally. The e-s Skills System has been conceptualised and the target is carried over to the 2016/17 financial year. The system will then be implemented through phases, details of which will be included in the project plan.

## CHANGES TO PLANNED TARGETS

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

## LINKING PERFORMANCE WITH BUDGETS

The expenditure and variance versus the final appropriation are provided below: (pre-audit figures)

Sub-Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Performance	(Over) Under Expenditure	Final Appropriation	Actual Performance	(Over) Under Expenditure
Ministry	30 247	29 551	696	33 305	33 305	–
Management	18 905	18 864	41	16 673	16 668	5
Chief Operating Officer	14 126	14 122	4	12 181	11 905	276
Corporate Services	98 243	98 204	39	85 476	85 360	116
Financial Services	27 590	27 589	1	22 013	22 013	–
Communication & Liaison	8 004	7 082	922	9 321	9 321	–
Legislation, Review & Drafting	10 310	10 310	–	11 130	11 130	–
Internal Audit & Risk Management	7 836	7 836	–	8 619	8 619	–
Office Accommodation	55 864	55 864	–	43 307	43 307	–
<b>Total</b>	<b>271 125</b>	<b>269 422</b>	<b>1 703</b>	<b>242 025</b>	<b>241 628</b>	<b>397</b>

Administration provides leadership and administration of the Department. The programme spent 99.4% of its budget. The under-spending was mainly in Ministry and Communication. No serious concerns of underperformance were reported.

# Programme 2:

## *Policy, Research and Knowledge Management*



### PURPOSE

To provide specialised support services to the Department in the areas of research and knowledge management, policy formulation and information communication and business technology.

### PROGRAMME OBJECTIVES AND MEASURES

The programme seeks to achieve the following strategic objectives:

- Strengthen accountability for performance in the local government system by enhancing knowledge and information management by March 2019
- Provide efficient and effective corporate governance and administrative support services for COGTA to deliver on its mandate by March 2019.

### SUB-PROGRAMMES

The sub-programmes listed below are linked to the following strategic orientated goals: Refocus and strengthen the capacity of COGTA to deliver on its mandate and functionality of local government system based on accountability for performance.

#### ▪ **Policy and research methods**

This sub-programme contributes to the strategic objective of strengthening accountability for performance in

the local government system by enhancing knowledge and information management by March 2019. The purpose of the sub-programme is to provide specialised support services to the Department in the areas of research and knowledge management as well as policy development. In this regard, the unit supported the Department with more than 25 research analyses on issues topical for local government, e.g. protest hotspots, more than 12 profiles of municipalities, various briefings on topics such as the organisation and functions of local government, analysis of performance in metros and provinces and the relevance of poverty and social impact analysis. A State of Local Government report was developed in view of an envisaged local government summit.

#### ▪ **Knowledge and information management**

The Knowledge and Information sub-programme designed the prototype of the Local Government information hub on SharePoint and was instrumental in the creation and maintenance of a B2B workspace for the Department. The Knowledge Management unit furthermore provided support to the Risk Management unit on the business process mapping project, documenting and mapping records and information management processes, as well as support to the Corporate Secretariat on the B2B contact databases.

## STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENT

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators per sub-programme as well as reasons for variance on targets that were not achieved.

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Strengthen accountability for performance in the local government system by enhancing knowledge and information management by March 2019.	-	Back to Basics interventions coordinated in identified municipalities within North West province.	2.1.1 Report on Back to Basics interventions in identified municipalities within North West province by target date.	<b>Achieved</b> Back to Basics interventions were coordinated and reports were consolidated and submitted. Action plans for all dysfunctional municipalities were implemented.	None	None
	-	Information Hub developed by end of March 2016.	2.1.2 Local Government information hub established to promote access to local government information by target date.	<b>Achieved</b> A prototype of the Local Government information hub was designed on SharePoint and a B2B workspace created, tested and content uploaded onto the workspace. The site is also shared with units within the branch for information exchange.	None	None
	-	20 best practice case studies documented and published.	2.1.3 Number of best practice cases studies developed by target date.	<b>Not achieved</b> Only 10 case studies were documented and submitted for publication on the COGTA website.	10 case studies were not developed. This project did not realise because there was not funding or human resources to implement the project.	Although there were discussions around possible alternatives to a tender process, there were insufficient human resources to perform this work internally.
Provide efficient and effective cooperative governance and administrative support services for COGTA to deliver on its mandate by March 2019.	-	ICT Enterprise Architecture developed.	2.1.4 ICT Enterprise Architecture developed by target date.	<b>Not achieved</b> Enterprise Architecture was not developed within the set timeframe.	The process to approve the Terms of Reference took too long.	The project will be implemented in the 2016/17 financial year.
	-	Back to Basics dashboard on the Municipal Performance Management Information System (MIP/MIS) implemented.	2.1.5. Back to Basics dashboard on the Municipal Performance Management Information System implemented by target date.	<b>Achieved</b> The B2B dashboard MIP/MIS is being implemented and used to capture Municipal information.	None	None

## STRATEGIES TO OVERCOME AREAS OF UNDER-PERFORMANCE

- Due to human resources constraints, the development and publishing of the case studies will not be implemented in 2016/17.
- The development of the ICT architecture was carried over to the 2016/17 financial year and will be implemented through the Operational Plan.

## CHANGES TO PLANNED TARGETS

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

## LINKING PERFORMANCE WITH BUDGETS

The expenditure and variance versus the final appropriation are provided below (pre-audited figures)

Sub-Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Performance	(Over) Under Expenditure	Final Appropriation	Actual Performance	(Over) Under Expenditure
<b>Management: Research and Policy</b>	5 779	4 776	1 003	4 151	3 404	747
<b>Policy Methods and Research</b>	5 572	5 358	214	7 792	6 759	1 033
<b>Knowledge and Information Management</b>	7 930	7 780	150	8 308	8 308	–
<b>Total</b>	<b>19 281</b>	<b>17 914</b>	<b>1 367</b>	<b>20 251</b>	<b>18 471</b>	<b>1 780</b>

Policy, Research and Knowledge Management provided specialised support services to the Department in the areas of research and knowledge management, and policy formulation. The Programme spent 92.9% of its budget. The under-spending was mainly in the office of the Deputy Director-General. There are no serious concerns of underperformance reported.





## Programme 3:

### *Governance and Intergovernmental Relations*



#### PURPOSE

To manage, promote and facilitate an effective system of intergovernmental fiscal relations in support of municipalities to deliver sustainable infrastructure for increased access to basic services, improve financial and revenue management audit outcomes, and to implement the Municipal Property Rates Act (MPRA).

#### OBJECTIVES AND MEASURES

The programme seeks to achieve the following objectives:

- Strengthen intergovernmental arrangements for delivery of services, collaborative planning and oversight within the system of cooperative government.
- Coordinate and implement sustainable infrastructure development and maintenance initiatives in order to improve the quality of services and extend infrastructure to un-served communities by March 2019.
- Build institutional resilience and initiate the next phase of institution building.

- Create a functional local government system based on accountability for performance.
- Entrench a culture of good governance in local government.

#### SUB-PROGRAMMES

The sub-programmes listed below contributed to the following strategic orientated goals:

##### ▪ **Management: Governance**

##### **Intergovernmental coordination**

The Intergovernmental Relations sub-programme's strategic objective was to review and develop policy, as well as assess impact of internal legislation and sector legislation on provincial and local government. In the financial year under review, the sub-programme focused on finalising the assessment of the intergovernmental relations (IGR) structures at national and provincial level, and producing a comprehensive Synthesis Report. The assess-

ments were conducted in terms of the effective administration of the Intergovernmental Relations Framework Act (2005) and the assessment cycle is now complete. Intergovernmental coordination is an essential element of monitoring the implementation of Back to Basics, and the IGR structures are playing a key role in this regard.

### **Intergovernmental fiscal relations**

This sub-programme strengthens intergovernmental fiscal relations through local government equitable share transfers, manages the transfers to municipalities for the municipal infrastructure grant and municipal systems improvement grant, and manages the Municipal Property Rates Act (2004).

The sub-programme guides municipalities to comply with critical rating aspects of the Municipal Property Rates Act and its regulations. Amongst others, this is accomplished by sourcing information, such as municipal rates policies, rates by-laws and resolutions regarding levy rates that contain rates tariffs. The outcome of the assessment indicates whether a particular municipality is compliant or not. A municipality is deemed compliant if its rating practice is in line with the criteria/objectives/conditions stipulated in the principal legislation, relevant Regulations and Guidelines/Circulars. In terms of the 2015/16 financial year, 152 municipalities were assessed and the outcome was provided to municipalities in February 2016, including in the case of non-compliance, recommendations on corrective actions for the 2016/17 municipal financial year.

In recognising that the level of service delivery needs to be supported by solid financial health, the revenue management leg of the sub-programme is responsible for implementing initiatives to improve financial sustainability, revenue management and debt collection in municipalities. These initiatives include the review of municipal credit control and debt collection policies in order to create a solid legal platform for the debt collection legal process. During the year under review, 60 municipalities' policies were reviewed and input provided for the municipalities to support credible budgets.

In order to improve financial management oversight, a support programme to strengthen the functionality of Municipal Public Accounts Committees (MPACs) resulted in training that was conducted, targeting Gauteng, Limpopo, Northern Cape, Mpumalanga, Free State and North West Provinces.

Transparent financial management reporting and good governance in municipalities are supported through a national audit outcomes response plan that was developed and implemented to guide provinces and municipalities on the focus areas and quarterly deliverables in response to audit outcomes. In this regard, municipalities were supported to develop credible post-audit action plans, which were reviewed for adequacy in responding to the Auditor-General's finding and the implementation was monitored through provincial intergovernmental structures. This resulted in an improvement in overall audit outcomes of municipalities.

### **Governance and Public Participation**

The sub-programme Governance and Public Participation's strategic objective was to deepen participatory democracy through common standards and practices of accountability that will strengthen the functionality of ward committees by facilitating community feedback and other engagement mechanisms. Appropriate support measures to strengthen the functionality of ward committees were instituted through a compliance framework that will inform the establishment and operations of ward committees post-2016 Local Government elections. All municipalities were supported to implement the national framework on funding for ward committees. The compliance framework also provides for the development of municipal community engagement plans, which will give effect to effective public participation programmes to be implemented by councillors.

Measures were intensified to ensure that people's concerns are put first and that the social gap between communities and local government is narrowed through a national citizens' satisfaction survey, which measured municipalities' performance in relation to responsive-



ness, representation and accountability. The survey was a necessary criterion variable for identifying key drivers of municipal services and was conducted with the intention of creating awareness, measuring citizens' satisfaction on services delivered by municipalities, understanding how citizens respond to municipal performance and creating an enabling environment for citizens to assert themselves in defining their needs. The survey kick-started a series of periodic national citizens' satisfaction surveys which will provide standardised customer survey formats for future use by municipalities.

### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENT

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators per sub-programme, as well as reasons for variance on targets that were not achieved.

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
<b>Build accountability for performance in the local government system through setting and enforcing clear performance standards by March 2019.</b>	-	Back to Basic interventions coordinated in identified municipalities within Limpopo province.	3.1.1 Report on Back to Basic interventions in identified municipalities within Limpopo province by target date	<b>Achieved</b> Back to Basics interventions coordinated and reports were consolidated and submitted. Action Plans for all dysfunctional municipalities implemented.	None	None
<b>Structure IGR so that National and Provincial government can support, monitor, intervene and enforce performance by March 2019.</b>	A report on the impact and effectiveness of selected S139 interventions complied.	IMSI Bill promulgated.	3.1.2 IMSI Bill promulgated by target date.	<b>Not achieved</b> IMSI Bill was not promulgated as planned. The Bill still requires approval for submission to Cabinet and processing to Parliament.	The Cabinet has not yet given its approval, which is a prerequisite for the Bill to be tabled in Parliament.	This project will be implemented in the 2016/17 financial year.
	-	4 reports on the implementation of Outcome 9 presented to IGR structures.	3.1.3 Number of reports on the implementation of Outcome 9 presented to IGR structures.	<b>Achieved</b> 4 quarterly Outcome 9 progress reports were discussed at the IGR structures (Technical MinMec/ Implementation Forum/ Ministerial Implementation Forum). All four reports were tabled and approved by Cabinet.	None	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations	
Implement initiatives to improve financial sustainability, revenue management and audit outcomes in Local Government.	30 municipalities	Initiatives to influence the ability of municipalities to collect outstanding debt developed and implemented in 60 municipalities.	3.1.4 Initiatives to influence the ability of municipalities to collect outstanding debt developed and implemented in identified municipalities by target date.	<b>Achieved</b> The Department took an initiative to analyse municipal credit control and debt collection policies of 60 municipalities. Furthermore, assisted one municipality on identification of ownership and billing of government properties.	None	None	
	-	A national campaign on improving the culture of payment implemented.	3.1.5 A national campaign on improving the culture of payment implemented by target date.	<b>Not achieved</b> The campaign strategy documentation was developed. However, the project could not be implemented due to the unavailability of funds after the project was costed by GCIS.	The municipalities will be implementing credible credit control policies in the next financial year.	N/A	
	Preliminary audit outcomes for 2013/14: 53% of municipalities with unqualified audits.	58% unqualified audits for the 2014/15 audit.	3.1.6 Percentage of unqualified audit outcomes by target date.	<b>Achieved</b> The 2014/15 audit outcomes report to be released by the AG reflects 64% unqualified audits.	The 64% achievement is attributed to a number of contributing factors which involve a number of stakeholders such as NT etc. The positive impact of the measures to improve audit yielded the highest result than estimated.	None	None
	Training and capacity building provided to Municipal Public Account Committees (MPACs) in partnership with APAC.	The functionality of MPACs in all dysfunctional municipalities as well as municipalities with adverse and disclaimer opinions' monitored and enforced.	3.1.7 Report on functional MPACs by target date.	<b>Achieved</b> Report on Coordination and Monitoring of the Training of Municipal Public Account Committees (MPACs), which include MPACs trained in Limpopo, Gauteng, Free State and North West Provinces as well as the recommendation thereof.	None	None	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Implement initiatives to improve financial sustainability, revenue management and audit outcomes in Local Government.	100 municipalities monitored and assessed pertaining to compliance with the MPRA and guidance provided to non-complying municipalities.	152 municipalities assessed pertaining to compliance with the MPRA and guidance provided to non-complying municipalities by 31 March 2016.	3.1.8 Number of municipalities assessed to comply with MPRA by target date.	<b>Achieved</b> Findings and recommendations (in the case of non-compliance matters where applicable) on corrective measures for 2016/17 financial year communicated by way of letters in February 2016 to all 152 municipalities.	None	None
Promote public confidence in the local government system through citizen engagement mechanisms by March 2019.	-	Public participation regulatory framework work piloted in 50 dysfunctional municipalities.	3.1.9 Number of dysfunctional municipalities piloted on public participation compliance framework by target date.	<b>Achieved</b> Public participation regulatory framework piloted in 50 dysfunctional municipalities.	None	None
	-	Conduct a nationwide citizen satisfaction survey.	3.1.10 Nationwide citizen satisfaction survey conducted by target date.	<b>Achieved</b> Citizen satisfaction survey conducted and report produced (quantitative and qualitative)	None	None
	-	27 "Back to Basics" priority municipalities supported to develop and implement citizen empowerment programmes.	3.1.11 Citizen engagement programmes implemented in identified municipalities by target date.	<b>Achieved</b> 27 "Back to Basics" priority municipalities supported to develop and implement community empowerment programmes.	None	None
	Develop and implement ward operational plans in 1,777 municipal wards.	Monitor the functionality of ward committees in line with the implementation of ward operational plans.	3.1.12 Report on the functionality of ward committees in line with the implementation of ward operational plans.	<b>Achieved</b> National analysis conducted on the current ward committee functionality to inform the next generation post-2016 local government elections.	None	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Strengthen anti-corruption measures and enforce applicable legislation and policies by March 2019.	LG Anti-corruption strategy reviewed.	100%	3.1.13 % of municipalities implementing the anti-corruption measures by target date.	<b>Not achieved</b> Engagements held with provincials on the revised Local Government Anti-Corruption Strategy, Integrity Management Framework (IMF), and Implementation Plan. There is partial implementation of some of the elements of the strategy, as some are being investigated.	Delays in the implementation	Final approval of the Anti-corruption Local Government Strategy, IMF and the Implementation Plan is still pending.
	Assessments of forensic reports.	Annual progress report to the Minister on cases reported, investigated and prosecuted.	3.1.14 Monitoring of cases reported and investigated which results in successful prosecution, assets forfeiture and civil claims by target date.	<b>Achieved</b> Annual report to the Minister on cases reported, investigated and prosecuted for the period April 2015 to March 2016 has been prepared. The report covers cases reported through the National Anti-Corruption hotline and also through letters, e-mails and by telephone to the office of the Minister. In addition, the report covers progress with regard to forensic investigations and municipal cases being investigated by the Directorate for Priority Crimes Investigation (DPCI) under operation Clean Audit and cases being investigated by the Special Investigating Unit.	None	None
Promote good governance and an ethical culture in local government by March 2019.	New	-	3.1.15 Local Government Anti-corruption tribunal established by target date.	Implementation set for 2017/18 as per the Annual Performance Plan (APP) 2015/17.	None	None
	New	Local Government Code of Good Governance developed and implemented.	3.1.16 Local Government Code of Good Governance implemented by target date.	<b>Not achieved</b> The Local Government Code of Good Governance was not implemented as planned.	Project halted to explore other alternative platforms of improving good governance and ethical culture.	Legal opinion has been obtained regarding the matter that other platforms should be explored on how to improve good governance.

## STRATEGIES TO OVERCOME AREAS OF UNDER-PERFORMANCE

- Issues beyond the control of the Department, like promulgation, have been excluded from the 2016/17 APP. The promulgation of the IMSI Bill is beyond the control of the Department. The Department will impress upon the Cabinet to appreciate the importance of processing the Bill without further delay and the benefits it will bring to all spheres of government, if it becomes law.
- The national campaign on improving the culture of payment will be proposed in the 2017/18 financial year after the local government elections, pending availability of funds.
- The approval of the Anti-Corruption Local Government Strategy, Integrity Management Framework and the Implementation Plan will be fast-tracked to ensure complete implementation by targeted municipalities.
- The legal opinion obtained by the Department suggests that other platforms should be explored on how to improve good governance.

## CHANGES TO PLANNED TARGETS

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

## LINKING PERFORMANCE WITH BUDGETS

The expenditure and variance versus the final appropriation are provided below: (pre-audited figures)

Sub-Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Performance	(Over) Under Expenditure	Final Appropriation	Actual Performance	(Over) Under Expenditure
<b>Management: Governance</b>	11 448	11 411	37	15 466	15 466	–
<b>Intergovernmental Coordination</b>	5 236	5 236	–	6 319	6 319	–
<b>Intergovernmental Fiscal Relations</b>	17 872	17 849	23	12 425	12 425	–
<b>Governance and Public Participation</b>	6 960	4 625	2 335	2 977	2 977	–
<b>South African Local Government Association</b>	9 215	9 215	–	26 904	26 904	–
<b>Municipal Demarcation Board</b>	45 793	45 793	–	44 230	44 230	–
<b>South African Cities Network</b>	6 286	6 286	–	6 071	6 071	–
<b>United Cities and Local Government of Africa</b>	–	–	–	5 594	3 209	2 385
<b>Local Government Equitable Share</b>	51 706 516	49 366 507	2 340 009	44 490 145	41 592 070	2 898 075
<b>Total</b>	<b>51 809 326</b>	<b>49 466 922</b>	<b>2 342 404</b>	<b>44 610 131</b>	<b>41 709 671</b>	<b>2 900 460</b>

Governance and Intergovernmental Relations manages, promotes and facilitates an effective system of intergovernmental fiscal relations in support of municipalities to deliver sustainable infrastructure for increased access to basic services, to improve financial and revenue management audit outcomes, and implement the Municipal Property Rates Act (MPRA). The Programme spent 95.5% of its budget. The underspending was mainly in Governance and Public Participation and Local Government Equitable Share. The serious concerns of underperformance were reported on Local Government Equitable Share, which was due to the withholding/off-setting of funds from some municipalities as per DoRA requirements.

# Programme 4:

## *National Disaster Management Centre (NDMC)*



### PURPOSE

The purpose of the programme is to promote an integrated and coordinated system of disaster management with special emphasis on prevention, mitigation and preparedness by national, provincial and municipal organs of state, statutory functionaries and other role players involved in disaster management and communities. This programme is also responsible for the administration and oversight of fire services legislation.

### OBJECTIVES AND MEASURE

The programme seeks to achieve the following objectives:

- Build accountability for performance in local government systems through setting and enforcing clear performance standards by March 2019;
- Improve the system of disaster management and fire services across government by March 2016; and
- Develop a disaster management and fire services monitoring and evaluation system by March 2016.

### SUB-PROGRAMMES

#### ▪ **Legislation, Policy and Compliance Management**

This sub-programme successfully amended the Disaster Management legislation during the past financial year. Following the parliamentary process and the approval by the National Assembly, the President assented to the Disaster Management Amendment Act, which was published in the Government Gazette No 39520 (Notice 1239 of 15 December 2015.) The President subsequently determined that the Act would come into operation on 1 May 2016. The National Disaster Management Advisory Forum (NDMAF) met quarterly (four times) to discuss cross-cutting disaster management issues. The NDMAF is a technical forum in which national, provincial and local government and other disaster management roleplayers consult one another and coordinate their actions on matters relating to disaster management.



In executing its mandate, the sub-programme also developed two organisational policy documents, which include the Disaster Management Legislative Compliance Obligations Register and guidelines on conducting comprehensive disaster risk assessments, Part 1: Hazard Identification, Analysis and Prioritisation. Moreover, the following policy work was done:

- Unpacked the policy implications for South Africa of the Sendai Framework for Disaster Risk Reduction 2015 – 2030.
- Developed the National Disaster Management Guideline Framework.
- Supported various sector departments with policy-related inputs.
- Focused on supporting the establishment and functionality of disaster management centres across the spheres of government by reporting on compliance to the disaster management legislation.

#### ▪ **Planning, Coordination, Intervention and Support**

This sub-programme is responsible for disaster management planning, conducting risk assessments, implementation of risk reduction measures, as well as response and recovery, i.e. rehabilitation and reconstruction of damaged infrastructure resulting from disasters. The country experienced severe drought disasters in the 2014/15 and 2015/16 financial years. The conditions had a negative impact on the water and agricultural sectors. The country's water resources capacity and supply, together with the agricultural production (plant and animal) declined drastically. As a result, provinces have declared a state of disaster and the declaration has been classified by the NDMC. Disaster declarations that have been classified are as follows: KwaZulu-Natal (Provincial State), North West (Provincial State), Free State (Provincial State), Limpopo (Provincial State), Mpumalanga (Provincial State), Western Cape (Local State), Northern Cape (Provincial State), Eastern Cape (Provincial State).

The NDMC has thus far successfully coordinated drought intervention in collaboration with all relevant role players. A national Joint Drought Coordination Committee was established, comprising all relevant role players to consolidate intervention measures and ensure speedy drought response within the affected communities.

The sub-programme also implemented disaster risk reduction priorities in education, training, advocacy, public awareness and research. Due to capacity constraints, the research component was not effective. However, priority areas and research agendas have been established through an exercise undertaken by the Centre to identify the National Education, Training and Research Needs and Resources Analysis (NETaRNRA). With regard to the implementation of formalised capacity building projects across the disaster risk reduction continuum, which are aimed at enhancing career pursuance and improve skills base in disaster management, a draft Disaster Management School Kit Framework was developed and all provinces were workshopped to source inputs in building up the framework. In addition to that, a national stakeholder workshop was held to ensure participation of all relevant national stakeholders. The sub-programme engaged with SALGA to develop the business case on Councilor and Traditional Leadership Training. The purpose is to ensure capacity building among the political leaders and traditional leaders on disaster management.

A successful annual National International Day for Disaster Risk Reduction was hosted in collaboration with the Chris Hani District Municipality and the Eastern Cape Province. The theme focused on the use of indigenous and local knowledge in disaster risk reduction. Extensive consultations were undertaken with the Khoisan in the Northern Cape Province and Eastern Cape communities to obtain more information on how they use indigenous knowledge to reduce disasters. Several awareness campaigns were held in different provinces, such as UMkhanyakude District Municipality in KwaZulu-Natal, to address the community about the drought situation.

### ▪ **Intelligence and Information Management Systems**

This sub-programme guides the development of a comprehensive information management and communication system and establishes integrated communication links with all disaster management role players. During the year under review, a National Indicative Risk and Vulnerability profile for snowfall was produced in collaboration with the Meraka Institute at the Council for Scientific and Industrial Research (CSIR). This was the first attempt to quantify a hazard using a combination of satellite imagery, climatic data and statistical modelling. The year under review also saw the sub-programme play a crucial role in understanding the spatial extent of the drought phenomena apart from conducting its usual in-house business of data updates and the issuing of severe early warnings in relation to weather events. Furthermore, the information and communication platform within the NDMC that enables and supports everyday operations across the NDMC, was maintained.

### ▪ **Fire Services Coordination**

During this financial year, this sub-programme conducted an assessment of Urban Search and Rescue (USAR) capacity across the country. This assessment has revealed areas that require intervention to improve existing capacity and ensure an improved state of readiness to respond to USAR incidents. A Memorandum of Understanding (MOU) with the South African Petro-Chemical Fire Chiefs Committee was signed during this period. The MOU will enable and create a framework for cooperation between the NDMC and the petro chemical fire services sector on fire services issues. Furthermore, the unit entered into a partnership with the Department of Trade and Industry (DTI), National Regulator of Compulsory Specifications (NRCS) and the National Consumer Commission (NCC) regarding an initiative to reduce fire risks by replacing unsafe and illegal paraffin stoves with safe and compliant ones. As part of this initiative, a launch was held on 8 December 2015 in Vusumuzi, Tembisa,

which was attended by the Minister of Trade and Industry as well as the Minister of Economic Development. While 2,500 unsafe stoves were removed from the area, 2,400 safe and compliant paraffin stoves were given to beneficiaries in this community. Identified areas across all provinces will also be visited during the 2016/17 financial year. The unit hosted a National Fire Safety and Prevention Summit from 3 to 4 March 2016 at the Public Works Durban Conference Centre, KwaZulu-Natal.

### ▪ **Monitoring and Evaluation (M&E)**

The sub-programme Monitoring and Evaluation develops and implements integrated support to provinces, as well as a monitoring and evaluation system for disaster management and fire services.

During the period under the review, the sub-programme managed to roll out the implementation of the Disaster Management and Fire Services M&E Framework to all provinces. The monitoring and reporting tools for the Provincial Disaster Management Centres (PDMCs) were developed, consulted upon and adopted. The submission of quarterly reports by PDMCs is now fully institutionalised and reports were received from all provinces. Reports received over a period of three quarters were analysed and a report presented to the National Disaster Management Advisory Forum and those provinces that needed support on some of the Key Performance Areas were supported accordingly. Further, the sub-programme managed to build capacity in the provinces and this led to the institutional capabilities for the effective implementation of the Disaster Management M&E Framework.

## STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENT

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators per sub-programme as well as reasons for variance on targets that were not achieved.

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
<b>Build accountability for performance in local government system through setting and enforcing clear performance standards by March 2019.</b>	-	Back to Basic interventions coordinated in identified municipalities within Gauteng province.	4.1.1 Report on Back to Basic interventions in identified municipalities within Gauteng province by target date.	<b>Achieved</b> Back to Basics interventions coordinated and reports were consolidated and submitted. Action Plans for all dysfunctional municipalities were implemented.	None	None
<b>Improve the system of disaster management and fire services across government by March 2019.</b>	<ul style="list-style-type: none"> <li>White Paper</li> <li>integrated key issues from the B2B Programme.</li> <li>Approved by the Minister for further processing through Cabinet structures.</li> <li>Draft White Paper will form basis for the Draft Bill on Fire Services.</li> </ul>	First Draft Bill on Fire Services finalised.	4.1.2 First draft Fire Services bill by target date.	<b>Achieved</b> Consultation held with COGTA Legal Services. First Draft Bill on Fire Services prepared. First Draft Bill on Fire Services consulted with key stakeholders. Inputs of stakeholders integrated into the First Draft Bill on Fire Services. First Draft Bill on Fire Services prepared and submitted to Head: NDMC. Several issues identified for further research and engagements with key stakeholders to be addressed during the Second Draft Bill in the next financial year 2016/17.	None	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
<b>Improve the system of disaster management and fire services across government by March 2019.</b>	National DM advocacy and public awareness plan developed and adopted by the National Capacity Building Coordinating Forum (NCBCF). The National IDDR was commemorated in Rustenburg, hosted by the Bojanala Platinum District Municipality and the Rustenburg LM. Public awareness programmes implemented in 5 provinces (EC; KZN; MP; NW & WC) on floods, Basic Emergency, Safety & Fire Education (BESAFE); severe weather awareness and fires in informal settlements. Public awareness programme facilitated through hosting of the NCBCF meeting that assessed implementation of the NCBCF Action Plan. Advocacy conducted through engagements with municipalities on DM plans – B2B diagnostic exercise at municipalities.	National Disaster Management and fire services advocacy and public awareness campaigns facilitated in 9 provinces.	4.1.3 No of provinces with Disaster Management and fire services Advocacy and Public awareness campaigns facilitated by target date.	<b>Achieved</b> Supported the North West and Gauteng provinces in plenary engagements and hosting of provincial commemorations of the 2015 IDDR. Hosted the national commemoration of the 2015 IDDR in collaboration with the Eastern Cape Provincial Government in Queenstown. Conducted a drought awareness campaign at the Umkhanyakude District Municipality, in collaboration with the KwaZulu-Natal PDMC. Supported North West PDMC by providing earthquake awareness material for the Earthquake and Dolomitic Sinkholes Awareness Campaign. Supported and guided Mpumalanga PDMC in their Awareness plenary meeting (17 February 2016 in Dr JS Moroka LM in Siyabuswa). Monitored progress in the implementation of the adopted capacity building action plan through the National Capacity Building Coordinating Forum Meeting (25 February 2016). A high-level report on the activities related to the implementation of the plan was prepared and submitted to HOC.	None	None
<b>Develop a disaster management and fire services monitoring and evaluation system by March 2019.</b>	DM M&E Implementation Plan was developed, adopted by the NDMAF and approved by HOC. Key Performance Indicators (KPIs) for NDMC, Sector Departments, PDMCs and municipalities developed, consulted upon and adopted.	Report on the implementation of Disaster Management M&E Framework by 31 March 2016.	4.1.4 Disaster Management and Fire Services Monitoring and Evaluation Framework implemented by target date.	<b>Achieved</b> Database for declared disasters for KwaZulu-Natal, Mpumalanga, Western Cape, North West, Northern Cape and Eastern Cape for 2010 to date developed and data was validated against the Professional Services reports/allocation letters and Parliamentary Responses.	None	None

## STRATEGIES TO OVERCOME AREAS OF UNDER-PERFORMANCE

None.

## CHANGES TO PLANNED TARGETS

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

## LINKING PERFORMANCE WITH BUDGETS

The expenditure and variance versus the final appropriation are provided below: (pre-audited figures)

Sub-Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Performance	(Over) Under Expenditure	Final Appropriation	Actual Performance	(Over) Under Expenditure
Management: Head of Disaster	6 105	5 683	422	19 740	17 851	1 889
Legislation, Policy and Compliance Management	6 115	6 115	–	5 021	5 021	–
Planning Coordination and Support	13 740	13 204	536	41 619	41 619	–
Intelligence and Information Systems Management	10 914	10 254	660	9 830	9 830	–
Disaster relief	364 343	35 588	328 755	560 952	121 483	439 469
Integrated disaster management monitoring and evaluation systems	1 238	1 193	45	–	–	–
Municipal disaster recovery grant	188 900	186 121	2 779	194 253	190 102	4 151
<b>Total</b>	<b>591 355</b>	<b>258 158</b>	<b>333 197</b>	<b>831 415</b>	<b>385 906</b>	<b>445 509</b>

The National Disaster Management Centre promotes an integrated and coordinated system of disaster management with special emphasis on prevention, mitigation and preparedness by national, provincial and municipal organs of the state, statutory functionaries and other role players involved in disaster management and communities. The programme spent 43.7% of its budget. The underspending was mainly in the Disaster Relief Grant and Municipal Disaster Recovery Grant. The serious concerns of underperformance were reported on both, which was due to the uncertainty of when a disaster will be incurred and declared.

# Programme 5:

## *Provincial and Municipal Government Support*



### PURPOSE

To provide evidence-based regulatory mechanisms as well as oversight and support programmes for provincial and municipal government and associated institutions and to facilitate development of planning and service delivery.

### OBJECTIVES AND MEASURES

The programme seeks to achieve the following objectives:

- Build accountability for performance in the Local Government System through setting and enforcing clear performance standards by March 2019.
- Strengthen the functionality of municipalities through the development and implementation of administrative institutional systems by March 2019.
- Facilitate and coordinate capacity-building initiatives in order to build a capable municipality by March 2019.
- Facilitate the restructuring of city space economy

through changes in land use planning and management by March 2019.

- Promote good governance and an ethical culture in local government by March 2019.

### SUB-PROGRAMMES:

#### ▪ **Provincial Government Support and intervention**

The sub-programme also monitored the impact of nine S139 interventions by holding engagement sessions with officials and appointed administrators in the selected municipalities under intervention. A consolidated report was then compiled, detailing the root causes of the interventions in these nine municipalities, the impact of the intervention in terms of restoring good governance and service delivery, and then a key focus on what has worked and what has not worked regarding the lessons learned in terms of the more sustainable application of S139 interventions going forward. The Back to Basics

approach will also assist in guiding the management of dysfunctional municipalities going forward.

### ▪ Development planning

During the financial year under review, this sub-programme's Draft Integrated Urban Development Framework was approved by Cabinet for public consultation. The public consultation process started in October 2014 and was completed in June 2015. Consultation sessions were held in various provinces. Lever specific sessions were held in partnership with several partners. The Draft was also presented at various structures and meetings to solicit inputs and recommendations for improvement.

Through the support of the European Union Dialogue Facility, the draft document has also been peer reviewed to, among others, benchmark the principles outlined in the Draft IUDF with international practices, assess synergy of the various levers and priorities, as well as to propose recommendations for the implementation plan. The Department further partnered with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to review the draft on the inclusion of vulnerable groups. The reviews and consultations were finalised in June 2015, and the recommendations incorporated into to the revised document.

With regard to Development Planning, the sub-programme supported four provinces to develop IDP support plans by 31 March 2015. In addition, 25 municipalities were supported through training and development of Geographic Information Systems (GIS).

### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENT

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators per sub-programme as well as reasons for variance on targets that were not achieved.

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Build accountability for performance in the Local Government System through setting and enforcing clear performance standards by March 2019.	-	Back to Basic interventions coordinated in identified municipalities within KwaZulu- Natal province.	5.1.1 Report on Back to Basic interventions in identified municipalities within KwaZulu-Natal province by target date.	<b>Achieved</b> Back to Basics interventions coordinated and reports were consolidated and submitted. Action plans for all dysfunctional municipalities implemented.	None	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Strengthen the functionality of municipalities through the development and implementation of administrative institutional systems by March 2019.	-	A report on the status of filled municipal managers and s56 managers posts in identified priority municipalities	5.1.2 Number of reports on identified municipalities monitored and assisted in filling of posts with competent municipal managers and s56 managers with by target date.	<b>Achieved</b> A report on the status of filled municipal managers and s56 managers posts in identified priority municipalities	None	None
		Report on the status of appointment of competent and suitably qualified municipal managers and s56 managers.	5.1.3 Number of reports on competent and suitably qualified municipal managers and 56 managers appointed by target date.	<b>Achieved</b> Report on the status of appointment of competent and suitably qualified municipal managers and s56 managers was developed.	None	None
	4 quarterly reports on number of corrective measures taken to enforce compliance with competency requirements as prescribed in the Municipal Systems Act and Regulations.	4 quarterly reports on number of corrective measures taken to enforce compliance with competency requirements as prescribed in the Municipal Systems Act and Regulations.	5.1.4 Number of reports on corrective measures taken to enforce compliance with competency requirements as prescribed in the Municipal Systems Act and Regulations by target date.	<b>Achieved</b> Reports on corrective measures taken to enforce compliance with competency requirements as prescribed in the Municipal Systems Act and Regulations.	None	None
	-	Guidelines on roles and responsibilities of office bearers and delegation framework developed.	5.1.5 Guidelines on roles and responsibilities of office bearers and the delegation framework by target date.	<b>Not achieved</b> Guidelines on roles and responsibilities of office bearers and delegation framework were developed but not implemented.	Delays in implementation.	Inadequate resources to monitor such implementation.



Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Strengthen the functionality of municipalities through the development and implementation of administrative institutional systems by March 2019.	-	Preparations for the 2016 local government elections facilitated.	5.1.6 Report on preparations for the 2016 Local Government Elections by target date.	<b>Achieved</b> Various engagements held with MinMEC. <ul style="list-style-type: none"> <li>• PCC,</li> <li>• Technical Task Team and Inter-Ministerial Task Team on Municipal Elections and MDTC.</li> <li>• Presentations made to Portfolio Committee. A report on the coordination of preparations for the municipal elections developed.</li> </ul>	None	None
	Local Government Laws Amendment Bill Amended.	Implementation of Local Government Laws Amendment Bill.	5.1.7 Report on implementation of Local Government Laws Amendment Bill by target date.	<b>Achieved</b> The amended Bill was presented to the G&A Cabinet Committee on 1 March 2016. On 16 March 2016 Cabinet approved the Bill for introduction to Parliament.	None	None
Facilitate and coordinate capacity building initiatives in order to build a capable municipalities by 31 March 2019.	Progress on concept paper and business plan to establish a local government skills development institute (Local Government Learning Centre).	Local Government Skills Development Institute (Local Government Learning Centre) established.	5.1.8 Local Government Skills Development Institute (Local Government Learning Centre) established by target date.	<b>Not achieved</b> Skills Development Institute was not established.	None	The TMC special meeting held on 30 May 2015 resolved that the project be removed from the APP.
	New	Capacity-building strategies and intervention plans for councillors and officials implemented.	5.1.9 Report on implementation of the capacity-building strategies and intervention plans for councillors and officials by target date.	<b>Achieved</b> Capacity building strategy for municipal officials was implemented. The strategy was workshopped through the Human Resources and IDP workshops in all provinces.	None	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Facilitate and coordinate capacity building initiatives in order to build a capable municipalities by 31 March 2019.	New	Batho Pele Service Standards Framework for Local Government implemented.	5.1.10 Report on implementation of Batho Pele Service Standards Framework for Local Government by target date.	<b>Achieved</b> A Batho Pele Service Standards Framework was adopted and consulted upon with provinces to provide guidance to municipalities in the development of municipal service standards.	None	None
Facilitate the restructuring of city space economy through changes in land use planning and management by March 2019.	New	8	5.1.11 Number of cities and towns supported to develop long-term strategies and Spatial Development Frameworks (SDFs) by target date.	<b>Not achieved</b> Targeted cities and towns were not supported to develop long term strategies and SDFs.	Approval granted by the World Bank to offer technical support for the development of a toolkit for integrated spatial planning in secondary cities and fast growing towns.	The project was re-conceptualised to focus on the development of a toolkit that can be used to support integrated spatial planning in secondary cities and fast growing towns.
Promote good governance and an ethical culture in local government by March 2019.	New	12	5.1.12 Number of districts supported to develop integrated development plans (IDPs) that reflect sectoral and spatial convergence by target date.	<b>Achieved</b> All 12 districts were supported to develop integrated development plans (IDPs) that reflect sectoral and spatial convergence.	None	None
	New	Annual oversight by Minister and MECs over municipal councils strengthens and intensifies monitoring and reporting.	5.1.13 Annual Oversight Report on the State of Governance in Local Government by target date.	<b>Not achieved</b> Annual oversight report to Minister and Consolidated Section 106 report was not developed.	The output of this particular target was achieved through the State of Local Government performance report, which gives insight of the state of governance of municipalities.	None

## STRATEGIES TO OVERCOME AREAS OF UNDER-PERFORMANCE

- Dedicated human resources will be allocated to facilitate implementation and monitoring of the Guidelines on roles and responsibilities of office bearers and delegation framework.
- The Local Government Skills Development Institute will not be implemented in 2016/17, as the Department took a decision to halt the project in an effort to eliminate duplications among SALGA and DPSA and also to find common ground for a more effective learning centre and the correct placement thereof.
- The target to support cities and towns to develop long-term strategies and Spatial Development Frameworks has been reconceptualised to focus on the development of a toolkit for strengthening alignment of planning in secondary cities. The toolkit will guide cities in developing long-term strategies and SDFs.
- The Oversight by the Minister and MECs for local government, to municipal councils, will be strengthened through the MSA, section 106 and by monitoring the Back to Basics programme.

## CHANGES TO THE PLANNED TARGETS

There were no changes to the planned targets.

## LINKING PERFORMANCE WITH BUDGETS

The expenditure and variance versus the final appropriation is provided below: (pre-audited figures).

Sub-Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Performance	(Over) Under Expenditure	Final Appropriation	Actual Performance	(Over) Under Expenditure
<b>Management: Provincial and Local Government Support</b>	9 510	9 394	116	6 945	6 945	–
<b>Provincial Government Support and Intervention</b>	4 626	4 626	–	4 459	4 405	54
<b>Local Government Support and Intervention</b>	12 747	12 678	69	13 844	13 844	–
<b>Development Planning</b>	11 767	11 481	286	12 133	12 133	–
<b>Municipal Systems Improvement Grant</b>	251 442	251 442	–	252 152	252 152	–
<b>Municipal Demarcation Transition Grant</b>	39 000	3 714	35 286	–	–	–
<b>Total</b>	<b>329 092</b>	<b>293 335</b>	<b>35 757</b>	<b>289 533</b>	<b>289 479</b>	<b>54</b>

Provincial and Municipal Government Support provides evidence-based regulatory mechanisms as well as oversight and support programmes for provincial and municipal government and associated institutions in order to facilitate development of planning and service delivery. The programme spent 89.1% of its budget. The underspending was mainly in the Municipal Demarcation Transition Grant. The serious concerns of underperformance were reported on the Municipal Demarcation Transition Grant, which was due to delays by municipalities to finalise some of the DoRA conditions.

# Programme 6:

## *Infrastructure and Economic Development*



### PURPOSE

To support provincial and local government programmes and systems to promote economic and infrastructure development within the context of national priorities.

### OBJECTIVES AND MEASURES

- Build accountability for performance in local government systems through setting and enforcing clear performance standards by March 2019.
- Facilitate the improvement in service delivery by coordinating sustainable infrastructure provisioning to unserved communities to enable access to basic services by the end of March 2019.
- Coordinate and implement sustainable infrastructure development and maintenance initiatives in order to improve the quality of service and extend infrastructure to unserved communities by March 2019.

- Facilitate private sector investment through the implementation of innovative programmes that stimulate local economies by the end of March 2019.
- Provide and maintain one million work opportunities through effective and efficient programme management strategies, partnerships and training by the end of March 2019.

### SUB-PROGRAMMES

#### ▪ **Local Economic Development**

The strategic objective of this sub-programme is to facilitate private sector investment through the implementation of innovative programmes that stimulate local economies. During the financial year under review, 25 municipalities were supported to implement economic development programmes over the MTEF. During this financial year the sub-programme facilitated and sup-

ported the establishment of BDFs in Waterberg District Municipality, Greater Tubatse Local Municipality, and Ehlanzeni District Municipality, //Khara-Hais Local Municipality, Bojanala District Municipality and Matlosana Local Municipality. The seventh Business Development Forum, Thabo Mofutsanyane District Municipality is at the final stages of being established.

In municipalities that are prioritised mining towns, such as Bojanala District Municipality, Greater Tubatse Local Municipality and Matlosana Local Municipality, the approach undertaken is aligned to the current national government interventions such as the Special Presidential Package on Mining Towns and the Back to Basic approach.

The Department supported and facilitated the development of Catalytic Business Ventures in municipalities in terms of unblocking the red tape within National and Provincial Sector Departments. It also entered into partnership with DGRV (The German Co-operative Raiffeisen Confederation) to provide municipalities with skills for implementing a co-operatives programme and providing capacity building to co-operatives. Through this partnership, 46 LED officials from 23 municipalities were trained on co-operatives. The training covered the following provinces: KwaZulu-Natal, Free State, Eastern Cape and Northern Cape.

#### ▪ **Municipal Infrastructure Development**

This sub-programme's strategic objective is to facilitate the improvement in service delivery by coordinating sustainable infrastructure provision to unserved communities to enable access to basic services by the end of March 2019. The sub-programme is thus responsible for managing, coordinating and monitoring the implementation of the Municipal Infrastructure Grant (MIG). During the financial year under review, the review of the MIG Policy Framework continued and will be concluded in the 2016/17 financial year.

An amount of R14.9 billion was transferred to 247 municipalities for implementation in the municipal financial

year (for the period 1 April 2015 to 31 March 2016) and the following outputs were achieved during this period, which cut across the 2014/15 and 2015/16 municipal financial years:

- A total number of 73,351 households received access to water.
- 82,436 additional households received access to sanitation.
- 40 solid waste sites were developed.
- 467 km of roads were constructed.
- 386 community facilities (crèches, community halls, cemeteries, etc.) were developed.
- 193 sport and recreation facilities were provided.
- 356,865 households benefited from community lighting projects.
- A concerted effort was made to support some of the struggling municipalities to ensure that they were not badly affected by funding being ceased and reallocated. MIG turnaround plans were developed with municipalities to prevent funding being ceased due to poor performance in Sekhukhune District Municipality and Bushbuckridge Local Municipality.
- Two District Municipalities were co-opted to support some of their local municipalities that were not performing on the MIG. Sarah Baartman District Municipality supported and continue to support Thabazimbi Local Municipality. The MIG funds of the above-mentioned Local Municipalities were diverted to their District Municipalities.

#### ▪ **Community Work Programme**

During the year under review, the Community Work Programme (CWP) continued to provide a social safety net to unemployed and underemployed participants in all nine provinces by availing to them work opportunities that afforded them income security and access to the basic necessities of life. The number of participants benefiting from the programme increased from 202 447 the previous year to 223 318 in 2015/16. The useful work undertaken in targeted poor communities also contributed to improving the quality of life of residents in those communities.

Below are examples of the work outputs in three of the provinces:

### Gauteng

Sector / Area	Activity / Work undertaken	Concrete outputs
Environment	Clean up of public spaces, rivers and canals	297 155 square meters cleaned up
	Clean up of illegal dumping site	1 051 illegal dumping sites cleaned up
Agriculture	Maintenance of community gardens	2 076 community gardens maintained
Community Services	Cleaning of cemeteries	81 317 square meters cleaned
Education	Assistance to crèches	10 586 children benefited
	Assistance in classrooms as teacher aides	4 857 learners benefited
	Desks refurbished	2 058 desks refurbished
	Scholar patrols undertaken	34 140 learners benefited

### Limpopo

Sector / Area	Activity / Work undertaken	Concrete outputs
Environment	Clean up of public spaces, rivers and canals	1 667 126 square metres cleaned up
	Rubbish pits established	123 rubbish pits established
Agriculture	Maintenance of community gardens	3 106 community gardens maintained
Community Services	Cleaning of cemeteries	330 393 square meters cleaned
Education	Assistance to crèches	33 620 children benefited
	Assistance in classrooms as teacher aides	35 237 learners benefited
	Desks refurbished	891 desks refurbished

### Mpumalanga

Sector / Area	Activity / Work undertaken	Concrete outputs
Environment	Clean up of public spaces, rivers and canals	119 372 square meters cleaned up
	Rubbish pits established	304 rubbish pits established
Agriculture	Maintenance of community gardens	472 community gardens maintained
Community Services	Cleaning of cemeteries	89 556 square meters cleaned
Education	Assistance to crèches	37 076 children benefited
	Assistance in classrooms as teacher aides	49 654 learners benefited
	Desks refurbished	2 077 desks refurbished

## TRAINING IN THE COMMUNITY WORK PROGRAMME

Training remains a critical delivery area in the CWP. Not only does it equip participants with skills to optimise useful work outputs in their communities, but it also equips them with artisan and technical skills that enhance their employability prospects. Furthermore, the acquired skills make it possible for participants to earn additional income which supplements their CWP stipends while they are still on the programme. Some participants have also used skills obtained while enrolled in the CWP to access better opportunities in the wider economy.

Examples highlighting how training received in the CWP have benefitted participants from one Eastern Cape site are outlined below:

- Masixole Magwevana joined the CWP as a participant and was promoted to supervisor. While on the programme, he obtained his driver's license and when he left the programme, he became a paramedic.
- Vumile Msoki joined the CWP in 2012. While on the programme he learnt welding. He is responsible for all the welding work done in CWP at the Amahlathi site. On weekends he takes up private welding jobs in his community in Keiskammahoek, where he leads a team of welders.
- Sithembele Mbethe has refined his plumbing skills through the CWP. As a participant, he led the team that did all the plumbing work in the three schools where the CWP has been working on the toilet infrastructure programme in Amahlathi. He also does private plumbing work on weekends, thus supplementing his CWP stipend.
- Nkosana Zonke joined the programme in 2009. He has developed a number of different skills since joining the programme. He is currently working as a store keeper. The skills he has gained since he enrolled in the programme include plumbing, welding, spray painting and bricklaying. He also does private work on weekends.

The Keiskammahoek site management, where these participants are enrolled, has engaged the National

Youth Development Agency (NYDA) to explore the possibility of the NYDA assisting them to start their own businesses when they exit the programme.

Training in the CWP does not only involve participants. Members of CWP Local Reference Committees (LRCs) also receive training. LRCs, which constitute (among others) municipal representatives and community members, are central to the effective implementation of the CWP. They play an oversight and advisory role to Implementing Agents who are responsible for the day-to-day implementation of the programme at site level. They also assist with devising solutions to site-level challenges. To carry out their responsibilities effectively, members of LRCs need to understand the programme – its norms and standards as well as how it operates. To this end, for example, 110 LRC members were trained in the Eastern Cape last year, while 61 were trained in the Northern Cape and 81 were trained in the Western Cape.

## PARTNERSHIPS IN THE CWP

Partnerships are a key design feature of the CWP. Partnerships in the programme create a platform for private and public entities to work together to enhance programme outcomes and to improve the quality of life of communities where the programme is being implemented.

Forging, maintaining and strengthening partnerships between municipalities, provincial government and a variety of sectors including civil society is central to the success of the programme. A partnership established with the Department of Small Business Development (DSBD) during 2015/16 resulted in 227 CWP participants being trained on cooperatives by the DSBD. This has further resulted in 18 cooperatives being formed and registered. The cooperatives have received certificates and are operational at the Erasmus CWP site in Tshwane. The cooperatives focus on a number of sectors including agriculture (e.g. food gardening and piggery), brick making, sewing, art and construction.



Another partnership was formed with the Department of Correctional Services (DCS) in the Barberton Management Area where a Service Level Agreement was signed between DCoG and DCS. The DCS has made available 2.5 hectares of land to be available to the CWP for agricultural use to grow vegetables to enhance food security for vulnerable households at the uMjindi Local Municipality. In this partnership, 14 parolees have also been enrolled in the CWP as part of the process to promote their integration back into the community.

An example of a skills development partnership is the partnership with the University of the North West where 73 CWP participants are being trained to be Grade R Teachers. The contribution of the University is to charge lower fees for the CWP participants.



### OTHER BENEFITS THAT ACCRUE FROM PARTICIPATION IN THE CWP

The following examples taken from KwaZulu-Natal sites highlight some positive results of participating in the CWP:

- Our Ubuhlebezwe site, for example, has produced a full-time teacher and a Department of Correctional Services employee.
- In Ukhahlamba, a participant used his CWP stipend to take driving lessons and, upon getting his licence, was able to secure full-time employment at Eskom as a driver.
- Also from Ukhahlamba, a participant used supervisory skills obtained while enrolled in the CWP to get a job as a supervisor for a security company, while another one used his stipend to take a course in security services and is now in the process of registering his own security company.
- At the Umzumbe site, participants with Matric certificates were assigned work as teacher-aides in schools. This exposure kindled a passion for teaching in one of the participants. She decided to pursue her studies in education and is in her final year of training as a teacher.





## ■ Municipal Infrastructure Support Agency STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENT

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators per sub-programme as well as reasons for variance on targets that were not achieved.

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
<b>Build accountability for performance in local government systems through setting and enforcing clear performance standards by March 2019.</b>	-	Back to Basics interventions coordinated in identified municipalities within Mpumalanga, Eastern Cape and Western Cape provinces.	6.1.1 Report on Back to Basics interventions in identified municipalities in Mpumalanga, Eastern Cape and Western Cape provinces by target date.	<b>Achieved</b> Back to Basics interventions coordinated and reports were consolidated and submitted. Action Plans for all dysfunctional municipalities implemented.	None	None
<b>Facilitate the improvement in service delivery by coordinating sustainable infrastructure provisioning to unserved communities to enable access to basic services by end March 2019.</b>	2 IMC meetings held.	2 IMC convened.	6.1.2 Number of Inter-ministerial Committee meetings convened for functional coordination between sector departments by target date.	<b>Achieved</b> Resolutions of the IMC meetings implemented by various stakeholders.	None	None
	-	Monitor identified municipalities to reduce household access to municipal services by 2.0% (190 000 households).	6.1.3 Identified municipalities monitored to reduce the % of households with infrastructure but no services by target date.	<b>Not achieved</b> Municipalities monitored to reduce % of households with infrastructure but no services.	3 of 27 DM assessments concluded in Amatole and Umzinyathi Districts and presented for sign off by IMT. Sekhukhune District was completed, but not signed off by IMTT. The purpose of the assessment is to determine the levels of infrastructure backlog and identify specific interventions to address the challenges.	Capacity constraints to conclude on all 27 District Municipalities.
	-	Households without infrastructure for basic services reduced by 2.1% (400 000) households	6.1.4 Identified municipalities monitored to reduce the % of households without infrastructure for basic services by target date.	<b>Not achieved</b> Municipalities monitored to reduce % of households without infrastructure for basic services.	3 of 27 DM assessments concluded in Amatole and Umzinyathi Districts and presented for sign off by IMT. Sekhukhune District was completed, but not signed off by IMTT.	Capacity constraints to conclude on all 27.

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Facilitate the improvement in service delivery by coordinating sustainable infrastructure provisioning to unserved communities to enable access to basic services by end March 2019.	-	45 municipalities supported to develop infrastructure assets registers.	6.1.5 Number of municipalities supported to develop infrastructure assets registers by target date.	<b>Not achieved</b> 38 municipalities were provided with project management support to develop and implement, infrastructure projects.	7	The annual target was revised to 34 instead of 45 municipalities following the handover of the target to MISA.
	20 municipalities	50 municipalities supported to capture the infrastructure assets in the MIPMIS.	6.1.6 Number of municipalities supported to capture the infrastructure assets in the Municipal Infrastructure Performance Management Information System (MIPMIS) by target date	<b>Achieved</b> 50 municipalities were trained to utilise MIPMIS as a tool to capture infrastructure assets.	None	None
Coordinate and implement sustainable infrastructure development and maintenance initiatives in order to improve the quality of service and extend infrastructure to unserved communities by March 2019.	-	45 municipalities supported to spend at least 7% of operational budget on maintenance of infrastructure	6.1.7 Number of municipalities supported to spend at least 7% of operational budgets on maintenance of infrastructure by target date.	<b>Not achieved</b> Not all municipalities supported to spend at least 7% of operational budgets on maintenance of infrastructure.	24	The annual target was revised to 21 instead of 45 municipalities following the handover of the target to MISA.
	40	45 municipalities supported to develop operations and maintenance plans.	6.1.8 Number of municipalities supported to develop operations and maintenance plans by target date.	<b>Not achieved</b> Not all municipalities supported to develop operations and maintenance.	24	The annual target was revised to 21 instead of 45 municipalities following the handover of the target to MISA.
		70 municipalities supported to update the indigent registers.	6.1.9 Number of municipalities supported to update their indigent register by target date.	<b>Achieved</b> A total of 136 municipalities were supported. Interactive feedback sessions were held and an indigent assessment tool was administered..	Findings and recommendations signed off by municipal managers. FBS awareness campaigns done jointly with the Department of Communications.	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Facilitate private sector investment through the implementation of innovative programmes that stimulate local economies by end March 2019.	6	10	6.1.10 Number of municipalities supported to implement programmes in partnership with the private sector by target date.	<b>Achieved</b> 22 municipalities supported to establish partnerships with the private sector.	None	None
Provide and maintain one million work opportunities through effective and efficient programme management strategies, partnership and training by end March 2019	187,969 work opportunities as at end December 2014.	Additional 10 000 (197 000 cumulative) work opportunities provided.	6.1.11 Number of additional work opportunities provided by target date.	<b>Achieved</b> Additional 13,155 work opportunities were provided during the 2015/16 financial year.	An additional 3,155 work opportunities were provided as a result of an expenditure review exercise undertaken in October 2015. The review entailed determining the extent of the wage budget expenditure up to that point. The output was the identification of unused funds from the wages component of the budget. These are funds that had not been utilised at that time because of participants not working all the days budgeted for or new sites being incepted later than planned. The funds availed by this exercise were redirected to the enrolment of additional participants – hence the additional work opportunities.	None

Strategic Objective	Actual Achievement 2014/15	Planned Target 2015/16	Indicators	Actual Achievement 2015/16	Deviation from Actual Achievement	Comment on Deviations
Provide and maintain one million work opportunities through effective and efficient programme management strategies, partnership and training by end March 2019	170 municipalities with CWP sites as at end December 2014.	10 additional municipalities with CWP sites established.	6.1.12 Number of additional municipalities with CWP sites by target date.	<b>Achieved</b> 30 new additional sites were established in the 2015/16 financial year.	The number of municipalities reached exceeded due to upscaling of CWP sites.	None
	-	100% participants and relevant stakeholders trained.	6.1.13 Number of participants and relevant stakeholders trained by target date.	<b>Not achieved</b> 6,915 participants and relevant stakeholders were trained in the 2015/16 financial year.	The under-performance was due to the delays in the procurement processes.	None
	5 partnerships established	5 partnerships established to expand the CWP programme.	6.1.14 Number of partnerships established by target date.	<b>Achieved</b> Six partnerships were established in the 2015/16 financial year.	More partners were approached than the actual target. The reason was that negotiations to form partnerships are lengthy and require a lot of convincing for the targeted partner to provide support. Some partners after all the negotiations end up not forming the partnership. In this case 9 potential partners were approached and six of them actually provided the support in the time frame	None

## STRATEGIES TO OVERCOME AREAS OF UNDER-PERFORMANCE

In our efforts to address service delivery backlogs in the 27 priority District Municipalities, the Department will, through the Programme Management Office (PMO), which is coordinated at the Municipal Infrastructure Support Agency, complete the diagnostic assessments and develop concrete actions to address the backlogs on access to reliable services.

An Agency Agreement will be applied whenever projects are being handed over to MISA.

To avoid delays in the procuring of training services for CWP participants, the Department will ensure that the necessary supply chain processes are facilitated and approved prior to implementation.

## CHANGES TO PLANNED TARGETS

The initial planned targets for performance indicators 6.1.5 to 6.1.8 were reconceptualised and down-scaled following the transfer to MISA for implementation.

## LINKING PERFORMANCE WITH BUDGETS

The expenditure and variance versus the final appropriation are provided below: (pre-audited figures)

Sub-Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Performance	(Over) Under Expenditure	Final Appropriation	Actual Performance	(Over) Under Expenditure
Management: Infrastructure	2 796	2 658	138	3 382	2 047	1 335
Local Economic Development Plan	9 385	8 783	602	11 751	11 729	22
Infrastructure Development	21 475	20 412	1 063	13 482	13 417	65
Municipal Infrastructure Grant	14 955 762	14 955 762	–	14 764 049	14 745 445	18 604
Community Work Programme	2 375 939	2 394 230	1 709	2 257 840	1 558 729	699 111
Municipal Infrastructure Support Agent	304 013	304 013	–	294 162	294 162	–
<b>Total</b>	<b>17 669 370</b>	<b>17 665 858</b>	<b>3 512</b>	<b>17 344 666</b>	<b>16 625 529</b>	<b>719 137</b>

The Infrastructure and Economic Development programme supports provincial and local government programmes and systems to promote economic and infrastructure development within the context of national priorities. The programme spent 99.5% of its budget. The under-spending is mainly in the Community Work Programme and the serious concerns for under-performance was due to delays in receipt of invoices from Implementing Agents and filling of vacant posts.

## 2.2.6 TRANSFER PAYMENTS

### Transfer payments to Public Entities

The table below relates to Public Entities who received funding from the department for the period 1 April 2015 to 31 March 2016

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
<b>South African Local Government Association</b>	Building leadership and technical capacity of local government (programmes for councillors) to play a developmental role, facilitate labour stability and peace, local government research, and knowledge sharing initiatives.	9 215	9 215	Dedicated support provided to municipalities on <i>inter alia</i> governance, councillor training, human, labour relations and performance related matters .
<b>Municipal Demarcation Board</b>	Determine and re-determine municipal outer boundaries, delimitation of wards for local government elections, capacity of local government to perform their functions and exercise their powers and advisory services.	45 793	45 793	Redetermination concluded, which resulted in a reduction of number of municipalities from 278 to 257 with effect from 3 August 2016.

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

The table below reflects the transfer payments made for the period 1 April 2015 to 31 March 2016

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the depl. comply with s 38 (1) (i) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
<b>South African Cities Network</b>	Non-profit institutions	Fund operational activities, including enabling cooperation between South African cities.	Yes	6 286	6 286	N/A
<b>Local Government Equitable Share</b>	Provinces and municipalities	The share of nationally raised revenue, which is payable to the local government sphere in terms of section 214 of the Constitution. This transfer supplements municipal revenue for the provision of free basic services to poor households, and for the funding of institutional capacity and support to weaker municipalities.	Yes	49 366 507	Municipalities not required to report on this grant.	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the depl. comply with s 38 (1) (i) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
<b>Disaster Relief Grant</b>	Provinces and municipalities	A conditional allocation that aims to provide immediate relief after disasters. Transfers are made only when a disaster has been declared	Yes	221 714	88 288	Inconsistent reporting, submission of incomplete information and delays in implementation of projects contributed to low expenditure.
<b>Municipal Systems Improvement Grant</b>	Provinces and municipalities	Transfers to assist municipalities in building in-house capacity to perform functions, and to stabilise institutional and governmental systems.	Yes	251 442	68 511	Inconsistent reporting, submission of incomplete information and delays in implementation of projects contributed to low expenditure.
<b>Municipal Demarcation Transition Grant</b>	Provinces and municipalities	Transfers to assist municipalities in building in-house capacity to perform functions, and to stabilise institutional and governmental systems.	Yes	3 714	-	Transfers were made to the erstwhile Randfontein and Westonaria Local Municipalities in the Gauteng Province on 12 February 2016. The funds were not spent by the municipalities by 31 March 2016 as they still had to comply with various supply chain processes.
<b>Municipal Infrastructure Grant</b>	Provinces and municipalities	Transfers to supplement municipal capital budgets to eradicate backlogs in municipal infrastructure delivery.	Yes	14 887 917	13 744 274	<ul style="list-style-type: none"> <li>Inadequate ability to plan a municipal capital budget (3 year horizon) informed by Integrated Development Planning process which requires the participation of relevant stakeholders i.e sector departments;</li> <li>Lack of capacity to manage and monitor MIG projects (Project Management Units and Sector Departments);</li> <li>Appointing service providers or contractors who cannot deliver;</li> <li>Late payment of service providers;</li> <li>Council decisions take too long (approval of projects and budgets);</li> <li>Unnecessary delays in MIG project processes i.e. Technical Reports and Environmental Impact Assessment; and</li> <li>Use of MIG funds for operational budget pressures.</li> </ul>

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the depl. comply with s 38 (1) (i) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
<b>Municipal Infrastructure Support Agency</b>	Departmental agencies	Transfers to assist municipalities in building in-house capacity to perform functions, and to stabilise institutional and governmental systems.	Yes	304 013	291 725	The positive variance is a results of MISA structure being revised and not yet approved.
<b>Traditional Affairs</b>	Departmental agencies	Promotes and coordinates research and information management and the development of policies and legislation on traditional affairs; and coordinates institutional development and capacity building programmes to enhance efficiency and effectiveness within the institutions of traditional affairs	Yes	125 928	125 332	The underspending of R596 000 is mainly attributed to the austerity and cost containment measures that the Department introduced during the year under review. In addition, late receipt of inter-Departmental claims and virement contributed to the underspending.



The table below reflects the transfer payments which were budgeted for in the period 1 April 2015 to 31 March 2016, but no transfer payments were made.

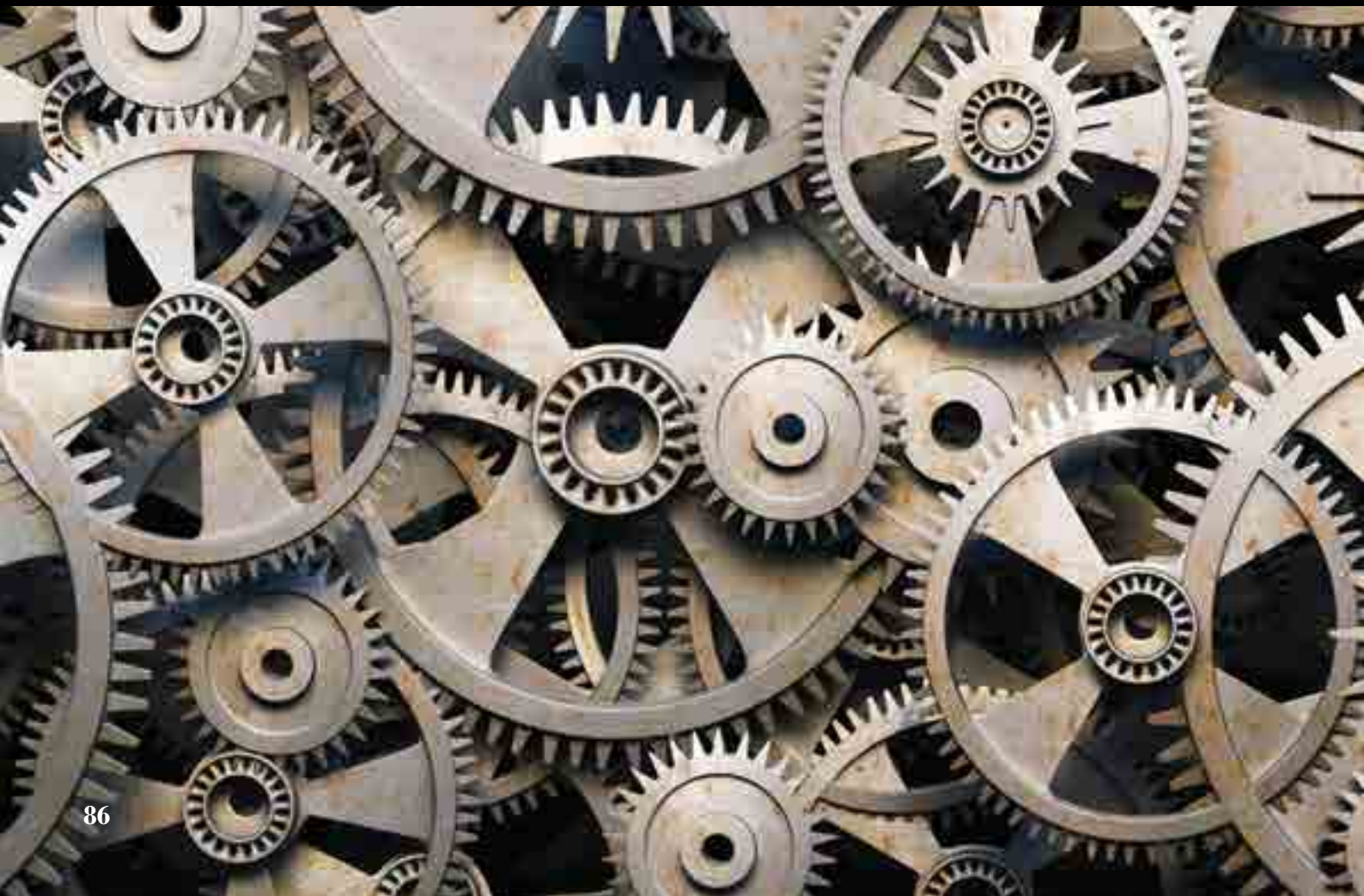
Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
<b>Municipal Disaster Recovery Grant</b>	Provinces and municipalities	A conditional allocation to repair municipal infrastructure damaged by disasters. This grant is allocated as a second phase of disaster response to municipalities following a post-disaster cost verification process.	188 900	0	mainly due to the uncertainty with regard to the payment of Disaster Relief Grants
<b>United Cities and Local Government of Africa</b>	Non-profit institutions	Fund operational activities, to enhance cooperation and knowledge sharing among local governments in Africa and to improve the delivery of services to communities across the continent.	5 792	0	The Entity was discontinued

### Donor funds received

The Department did not receive any gifts or donations in the 2015/16 financial year, except for assets relating to the Community Work Programme.

## 2.2.7 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

The Department was not involved in any capital investment.





Chapter **3**  
**Part C: Governance**



## 3.1 Introduction

In its endeavour to promote good corporate governance, the Department is continuously striving to enforce compliance with the principles and requirements of King III. Good corporate governance is of great relevance to the Department as an effective measure to ensure proper functioning thereof.

## 3.2 Risk Management

In line with the departmental risk management strategy, annual risk assessments were conducted at both strategic and operational levels. Risk assessments were also conducted to identify ICT and fraud-related risks. These assessments were conducted in line with the strategic objectives of the Department. Management further identified new and/or emerging risks on a quarterly basis and developed mitigation measures for managing such risks.

During the year under review, the unit embarked on a robust approach to monitor the high- risk areas through key risk indicators in order to reduce the impact of the risks to an acceptable level and to provide reasonable assurance regarding the achievement of the Department's objectives.

## 3.3 Fraud and corruption

The Department has adequate and effective policies and procedures in place to prevent, detect and address acts of fraud and corruption. An assessment of fraud and corruption risks is conducted in high-risk areas annually and monitored quarterly. The Department has an approved Anti-Corruption and Whistle-blowing policy that has been communicated to all employees.

The reporting procedure has also been developed and communicated to all officials. Regular awareness is also raised within the Department on prevention, detection and reporting of fraud and corruption.

Fraud and corruption allegations are reported by employees to the Internal Audit unit or through the internal anonymous fraud email service or fraud reporting boxes placed in all buildings of the Department. Allegations reported are investigated and appropriate recommendations are submitted to the Accounting Officer for action to be taken.

## 3.4 Minimising conflict of interest

The Treasury Regulations 16A, 2005, provide operating guidelines on how to manage conflict of interest and ensure proper declarations are made by all Supply Chain Management (SCM) practitioners as well as by other role players involved with the its processes. All SCM practitioners and Bid Committee members are required to disclose their business interests every financial year and also sign the Code of Conduct in accordance with the National Treasury Practice Number 4 of 2003 and 7 of 2009/10. For every bid or tender dealt with, the Bid Committee members are obliged to disclose their interest and a record is kept for audit purposes.

### 3.5 Code of Conduct

The Public Service Code is a guiding document for the good conduct of employees in the Department. The Code of Conduct for the Public Service and the collective agreement (PSCBC Resolution 1 of 2003) are important prescripts in the Department insofar as discipline is concerned. It is endorsed by the PSCBC Resolution 1 of 2003. Annexure A of the resolution contains numerous acts of misconduct that the Department outlaws and complies with. It prescribes that an employee will be guilty of misconduct if he or she “contravenes any prescribed code of conduct in the Public Service”. The Department complies with the Code in that it enforces the Code of Conduct. Any employee who contravenes or breaches the Code, as indicated in the Collective Agreement (PSCBC Resolution 1 of 2003), is guilty of misconduct. A disciplinary process is followed, as indicated in the Collective Agreement, against any employee who breaches or contravenes the code of conduct in the Department.

### 3.6 Health Safety and Environmental Issues

Environmental health and safety within COGTA buildings is implemented according to the Occupational Health and Safety Act (OHSA) and the internal policy on OHS. The policy intends to create a healthy and hazard-free physical work environment for all employees, visitors and service providers. The following internal controls have been put in place to ensure compliance to the Act in implementing the policy:

- Health and Safety Committee member appointments reviewed in line with the Occupational Health and Safety Act as well as the Minimum Information Security Standards.
- OHS representatives, fire fighters and first aiders teams' appointments were reviewed.
- The Evacuation/Emergency Policy was reviewed and approved.
- The OHS Policy was reviewed and approved.

### 3.7 Portfolio Committees

Date of meeting	Agenda	Resolutions
24 February 2015	Briefing by DCOG on Disaster Management Amendment Bill (DMAB)	After the introduction of the Bill to Parliament, this was just a briefing to the Committee.
3 March 2015	Briefing by COGTA on its APP	This was the annual tabling of the departmental plans for 2015/2016, and the committee recommendations were noted have all been addressed.
10 March 2015	Briefing by SALGA on its APP	Not applicable, no expectation from the Department.
17 March 2015	Briefing by the CRL Rights Commission on its APP	Not applicable, no expectation from the Department.
14 April 2015	Deliberations on the Disaster Management Amendment Bill (DMAB)	Further engagements with the relevant stakeholders with the Department's presence as observers.
21 April 2015	Stakeholder engagement on DMAB	Further engagements with the relevant stakeholders with the Department's presence as observers.

<b>Date of meeting</b>	<b>Agenda</b>	<b>Resolutions</b>
<b>22 April 2015</b>	Stakeholder engagement on DMAB	Further engagements with the relevant stakeholders with the Department's presence as observers.
<b>5 May 2015</b>	Adoption of budget vote report	Internal process by the committee and no expectation from the Department.
<b>12 May 2015</b>	Briefing on withholding of equitable share (joint meeting by CoGTA, NT and SALGA)	Challenges facing the affected municipalities were noted and appreciated. The committee also resolved to convene another meeting with Eskom and the water boards.
<b>13 May 2015</b>	Stakeholder engagement on DMAB	Further engagements with the relevant stakeholders with the Department's presence as observers.
<b>20 May 2015</b>	Briefing by MDB on its APP and briefing by National Treasury on DMAB	Not applicable, no expectation from the Department.
<b>26 May 2015</b>	Discussion on Integrated Urban Development and effects of migration and climate change on municipalities (joint meeting by DCoG, Stats SA, SACN)	Progress made was noted and appreciated by the committee.
<b>27 May 2015</b>	Stakeholder engagement on DMAB	Further engagements with the relevant stakeholders with the Department's presence as observers.
<b>3 June 2015</b>	Briefing by the NHTL on the role of traditional leaders	The briefing was noted and appreciated, with the proposal to convene another meeting with Rural Development & Land Reform committee and the Khoisans.
<b>9 June 2015</b>	Briefing on capacity building in local government (jointly by DcoG, LG Seta and SALGA)	Briefings were noted and appreciated.
<b>17 June 2015</b>	Briefing by the CRL Rights Commission (request for adequate resources)	Not applicable, no expectation from the Department.
<b>24 June 2015</b>	Briefing on state of local government (by NW MEC and Madibeng LM MM)	Not applicable, no expectation from the Department.
<b>4 August 2015</b>	Briefing by the office of the AG on audit outcomes for local government	Not applicable, no expectation from the Department.
<b>11 August 2015</b>	Briefing by MEC for Limpopo on the state of municipalities in the province	Not applicable, no expectation from the Department,
<b>19 August 2015</b>	Briefing by DCoG on reviewing of equitable share, progress on B2B programme and bulk infrastructure	Progress reports were noted and appreciated.
<b>8 September 2015</b>	Traditional Leaders Audit; Initiations Winter 2015 Report	The report was noted with the committee resolving to play a role through oversight visits and also urging the Basic Education committee to play an active role.
<b>13 October 2015</b>	Briefing by the office of the AG on audit outcomes for COGTA and its entities	Not applicable, no expectation from the Department.

Date of meeting	Agenda	Resolutions
14 October 2015	Briefing on Annual Reports by DCoG, DTA, MISA and SALGA	Reports were noted.
15 October 2015	Briefing on Annual Reports by MDB and CRL	Not applicable, no expectation from the Department.
20 October 2015	Adoption of BRRR report	Internal process by the committee, no expectation from the Department.
27 October 2015	Briefing on the Traditional and Khoi-San Leadership Bill	After the introduction of the Bill to Parliament, this was just a briefing to the Committee.
28 October 2015	Briefing by the Department of Cooperative Governance (DCoG) on: <ul style="list-style-type: none"> <li>• Progress report on Committees 2014 BRRR recommendations</li> <li>• Demarcation Transitional Grant</li> <li>• Withholding/late transfer of equitable share</li> <li>• Report on municipal forensic reports</li> <li>• Progress report on Municipal Infrastructure Support Agent (MISA) Post Audit Action Plan (PAAP)</li> </ul>	All the reports were noted.
17 November 2015	Adoption of Disaster Management Amendment Bill	Internal process by the committee and no expectation from the Department.
2 February 2016	Public hearings on the Traditional and Khoi-San Leadership Bill	Further engagements with the relevant stakeholders with the Department's presence as observers.
3 February 2016	Public hearings on the Traditional and Khoi-San Leadership Bill	Further engagements with the relevant stakeholders with the Department's presence as observers.
16 February 2016	Impact of SONA 2016 on COGTA	A report by the Department was noted.
1 March 2016	Briefing by COGTA and MISA on APPs	The committee noted the plans and resolved to convene the following day for clarity-seeking questions.
2 March 2016	Continuation of the CoGTA/MISA APPs and Public hearings on the Traditional and Khoi-San Leadership Bill	Responses to all questions regarding the APPs and further engagements with the relevant stakeholders on the Bill.
8 March 2016	Briefing by SALGA on its APPs	Not applicable, no expectation from the Department.
15 March 2016	Briefing by MDB on its APPs	Not applicable, no expectation from the Department.

### 3.8 SCOPA *Resolutions*

The Department did not have engagements with SCOPA during the period under review.

## 3.9 Prior modifications to audit reports

Nature of qualification, disclaimer, adverse opinion and matter of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
Unqualified audit opinion with an emphasis on the matter of measurability of indicators and targets as well as reliability of reported performance information.	2012/13 to 2014/15	An Integrated Management Tool was developed to address the identified internal control weaknesses and monitoring of the progress is taking place on a monthly basis through existing governance structures.

## 3.10 Internal Control Unit

An internal Controls Committee and Audit Steering Committee were established and meet regularly on matters relating to predetermined objectives and financial management. A risk-based Internal Audit Plan was approved by the Audit Committee and subsequently implemented. As per the approved plan, 27 audits were scheduled for the year under review. This also included ad hoc projects as requested by management. Internal Audit provided comprehensive recommendations to strengthen and improve internal controls.

The Community Work Program (CWP) – The Internal Audit Directorate was capacitated in June 2015 and site visits were conducted in all nine Provinces, providing management with reasonable assurance that the internal controls put in place are working as intended. This process also identified challenges and emerging risks that were presented to management for interventions. Internal Audit also assisted management with various consulting engagements in respect of CWP, specifically on issues of Value Added Tax (VAT) and Unemployment Insurance Fund (UIF) implications.

Internal Audit assisted the Department with the following forensic audit investigations:

- Possible fraudulent activities regarding financial irregularities related to conferences, travel and logistics management. This investigation has been finalised

and the Department is in the process of implementing necessary disciplinary action, as recommended.

- Irregular expenditure emanating from the procurement of goods and services in respect of the Community Work Programme. This investigation has been finalised and the Department is in the process of implementing the said recommendations.

## 3.11 Internal Audit and Audit Committee

The Audit Committee is fully functional and met regularly during the year to provide an oversight role on the operations of the Department and the systems of corporate governance supporting the achievement of the Department's objectives. The Audit Committee also approved the Three Year Strategic Rolling Plan for the period 2016-2019 and the Annual Project Plan for Internal Audit. The Audit Committee also met with the Executive Authority to raise areas of concern that would impact on the performance of the Department. Quarterly reports were submitted to the Audit Committee, which enabled the committee to monitor the performance of Internal Audit against the Internal Audit Annual Project Plan. Furthermore, the Committee plays an oversight role to ensure that the recommendations from Internal Audit are being fully implemented by management in improving the control environment of the Department.

The Department also implemented the Integrated Management Tool, which is a reporting mechanism for all



internal control and audit findings raised through the external audit, internal audit and MPAT processes. The progress on the implementation of these recommendations are monitored by the Audit Committee on a quarterly basis.

## 3.12 Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2016.

### 3.12.1 AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Audit Committee consisted of the members listed hereunder. The Committee is required to meet at least four times per annum as per its approved terms of reference. Four (4) meetings were held for the current financial period.

Name	Qualifications	Role	Scheduled Meetings	
			Held	Attended
<b>Mr F Sinthumule</b>	DIP: Finance and Accounting; BCom Accounting MBA( with special project on PFMA)	Chairperson appointed on 22 July 2013	4	4
<b>Mr E Cousins</b>	B.Com (Accounting) B.Com (HONS) (AUD) Advanced Diploma in Public Administration	External Member appointed on 22 July 2013	4	4
<b>Adv RR Dehal</b>	B.PROC (UNISA) • LLB (UNISA) Certificate in Constitutional Litigation (NADEL – Prof. Guto) Certificate in Maritime Law (University of Natal); Admitted as an Advocate in SA on 17-08-07	External Member appointed on 22 July 2013	4	4
<b>Ms D Dondur CA(SA)</b>	BCompt (Honours) Certificate in Theory of Accounting (CTA) • MBA Executive Development Programme	External Member appointed on 01 September 2014	4	3
<b>Ms P Mzizi CA(SA)</b>	BBusSci Finance (UCT) • BCompt Hons CTA (UNISA) BCom Hons in Transport Economics (UNISA)	External Member appointed on 01 February 2015	4	3

### 3.12.2 AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee is satisfied that it has complied with its responsibilities as outlined in Section 38(1) (a) of the PFMA and Treasury Regulation 3.1.3. The Audit Committee also reports that it has adopted a formal terms of reference as its audit committee charter, and has discharged all its responsibilities as contained therein. These have been reviewed and updated to conform and/or comply with changes in governance/legislative requirements.

### 3.12.3 THE EFFECTIVENESS OF INTERNAL CONTROL

The system of internal controls is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations. In accordance with the PFMA and the King III Report requirements relating to public sector, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. However during the period under review and based on

the coverage of the Internal Audit plan, the effectiveness of the system of internal control for the department proved to be ineffective, particularly with regard to the Community Work Programme. The unit also identified corrective actions and suggested enhancements to strengthen the internal control environment and processes. This was also reported at the appropriate quarterly reporting process. During the period under review the Committee noted that although management made every effort in addressing the control environment the department however was unable to achieve a satisfactory audit outcome. The major challenge for the department during the year under review was the internal control environment around the Community Work Programme (CWP) which has resulted in a qualification in the following areas:

- Movable tangible assets in CWP; and
- Payments made to CWP implementing agents included in Goods and Services.

The Community Work Programme is a serious concern for the committee as it urges management to implement robust, strategic interventions to ensure the effective and efficient running of this programme and also the enhancement of the system of internal controls.

The Committee also notes with concern the magnitude of the irregular expenditure for the 2015/2016 financial year as disclosed in the annual financial statements. Management is urged to improve its compliance with legislation and regulations to curb the irregular expenditure and also finalise the existing irregular expenditure.

During the year under review the Committee met with the Executive Authority and raised concerns with regard to internal control deficiencies that required immediate corrective action. The Committee also emphasized the challenges experienced with the Community Work Programme and requested the urgent intervention of the Minister to ensure the effective and efficient implementation of the programme.

### 3.12.4 RISK MANAGEMENT

The Committee is responsible for the oversight of risk management. Internal Audit assisted the Department in facilitating the Risk Management processes and in compiling the Risk Register. The Risk Management Committee also monitors and oversees the implementation of the risk action plans for the department.

Based on the quarterly reviews performed, it can be concluded that the departmental risk management is adequate and effective except in CWP where the risk management was inadequate.

### 3.12.5 EFFECTIVENESS OF INTERNAL AUDIT

The Committee is not satisfied with the capacity constraints facing Internal Audit which may negatively impact on the unit achieving the annual operational plan. Internal Audit Management reported directly to the Audit Committee, with Internal Audit also reporting independently on the progress by management in implementing the turnaround strategy plan to secure remedial actions.

An approved three year risk based strategic plan and an annual operation plan were implemented by Internal Audit.

During the year under review Internal Audit was sourced with a Director and three (3) Senior Internal Auditors to assist with the audit of the Community Work Programme. This unit was fully functional in September 2015 and serious efforts were made to provide some level of assurance in the system of internal controls of CWP.

Internal Audit also assisted the Department with the following Management ad hoc requests:

- Analysis of the Northern Cape Bucket Eradication Programme - finalized and report has been issued.
- Investigation of alleged unethical conduct by employee of the department that was reported on the Presidential Hotline (NACH) – A forensic audit was commissioned which resulted in disciplinary action.

- Possible abuse of travel policy – finalized and report issued.
- Investigation into the appointment and awarding of tenders to the Implementing Agents for the Community Work Programme and procurement processes of goods/services procured by the Implementing Agents – Phase 1 has been finalized. Tender process for Phase 2 is in progress.
- Possible abuse in usage of cellphones and data costs – finalized and report issued.
- Assisting the Municipal Demarcation Board in a disciplinary matter – finalized.

### 3.12.6 QUALITY OF MANAGEMENT AND MONTHLY / QUARTERLY REPORTS SUBMITTED IN TERMS OF THE ACT AND THE DIVISION OF REVENUE ACT

The Department presented and reviewed the financial management and performance (predetermined objectives) reports at its Quarterly Review Meetings. These reports were also discussed at the Audit Committee meetings and issues were raised with the Department.

The Department has reported to the National Treasury as required by the PFMA and the Department of Monitoring and Evaluation on a quarterly basis.

### 3.12.7 EVALUATION OF FINANCIAL STATEMENTS

The Audit Committee has:

- Reviewed the Annual Financial Statements prior to submission for Audit;
- Reviewed and discussed with the Auditor-General and Accounting Officer the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor-General's management letter and management response; and
- Reviewed significant adjustments resulting from the audit.

### 3.12.8 AUDITOR GENERAL SOUTH AFRICA

We have reviewed the department's implementation plan for audit issues raised in the previous year and concluded that it is adequate but partially effective as some of the matters have not been adequately resolved.

The Audit Committee is not aware of any unresolved issues with respect to the current audit.

The Audit Committee concurs and accepts the conclusions of the Auditor General South Africa 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 South Africa.

### 3.12.9 GENERAL

The Audit Committee strongly recommends that the Department must prioritize the adequate and effective implementation and frequent monitoring of the audit action plans for both internal and external audit in order to achieve the required effectiveness in governance, accountability and the clean administration.

### 3.12.10 CONCLUSION

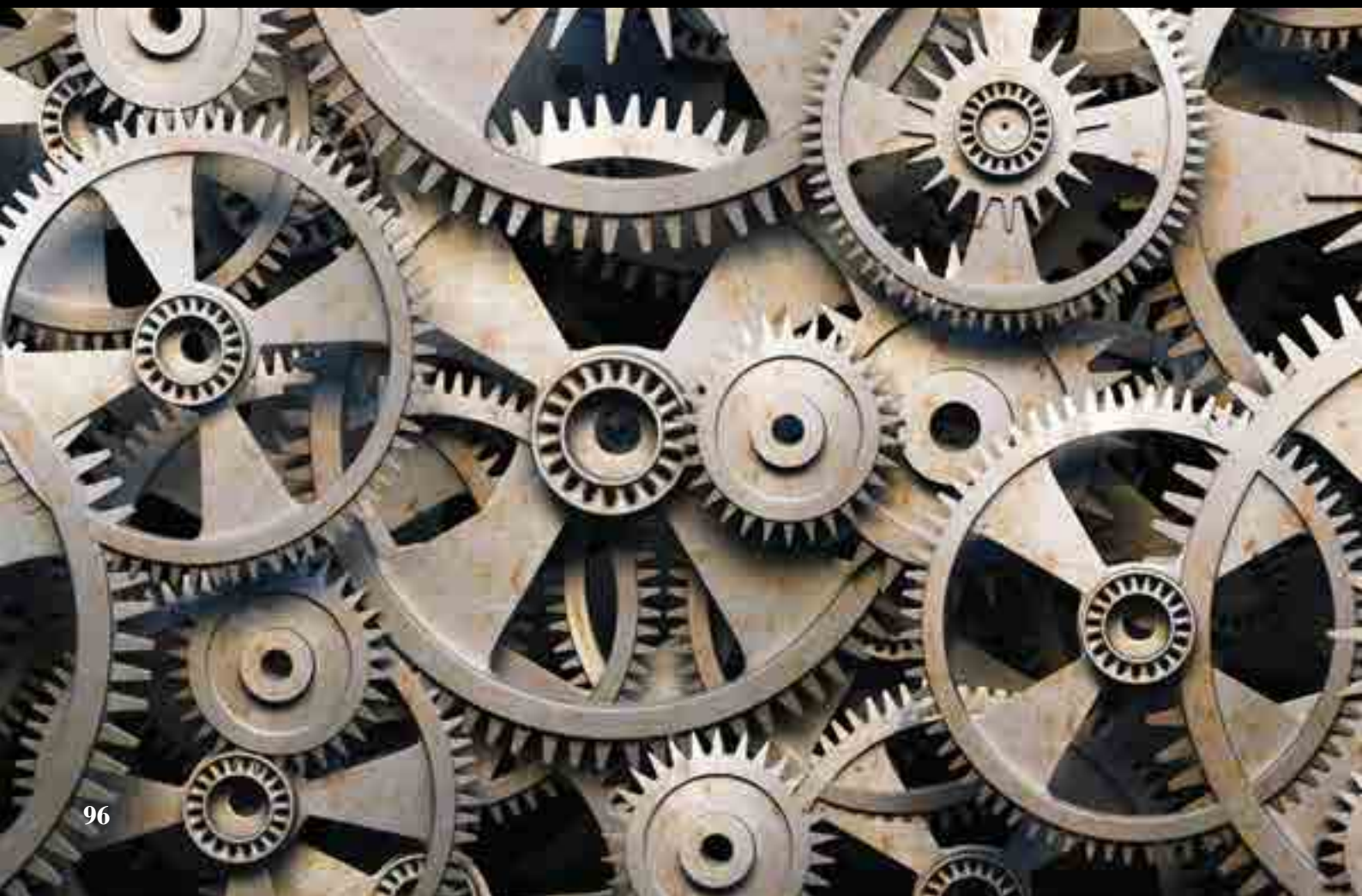
The Audit Committee wishes to extend its appreciation to the Executive Authority, Accounting Officer and Management, Internal Auditors and Auditor General South Africa for their tireless efforts, commitment and support throughout the year.

Signed on behalf of the Audit Committee by:



**Mr A F Sinthumule**

Date: 09 September 2016





Chapter **4**  
**Part D:**  
**Human Resource  
Management**



## 4.1 Introduction

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

## 4.2 The status of *Human Resource Management*

Competent and skilled workforce are key for the success of the Department's mission and vision. Integrated HR processes are being pursued to promote the well-being of employees to achieve on the strategic priorities this includes ensuring that the correct people are recruited, maintained and managed at the correct time and place always.

### HUMAN RESOURCE PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE.

The Department had four priorities in the Human Resource Plan during the year under review. The said priorities were the following:

- Organisational structure approved and implemented;
- Training and Development;
- Change Management; and
- Leave management.

### ORGANISATIONAL STRUCTURE APPROVED AND IMPLEMENTED:

The Public Service Act requires each department to have an approved organisational structure, which is very important because every department has to have an approved organisational structure for purposes of recruitment. The impact is that the department cannot develop job profiles, conduct job evaluation and ultimately recruit without an approved organisational structure.

### TRAINING AND DEVELOPMENT

The training and development of employees are key since employees need to develop to improve produc-

tivity in the workplace. The economy needs employees who are competent and can compete in terms of productivity. During the 2015/2016 Financial Year, the Directorate: Human Resource Development implemented 28 training programmes. The Directorate also conducted orientation programmes for 86 newly appointed employees and 10 Compulsory Induction Programmes (CIP) for level 1 to 5 staff members and 26 for level 6 to 12 staff members. Eight hundred and forty-two (842) staff members were trained in the above mentioned interventions during the Financial Year. (NB: Some staff members have attended more than one intervention.) The Department awarded 42 staff members with bursaries to study towards qualifications in line with the Departmental Strategic Plan. (NB: Only 25 staff members utilised their bursary allocations.)

### CHANGE MANAGEMENT

The Department embarked on a project to develop a Change Management Strategy. The Department took a decision after a climate survey was conducted in 2013-14 which revealed challenges on how change management was conducted or not conducted at all. The Department subsequently developed a Change Management Strategy, which will be implemented. The impact will be monitored and assessed in 2016/2017.

### LEAVE MANAGEMENT

Circulars, which included procedure manuals on all leave matters, were communicated to staff members. Information sessions were also held throughout the Department, explaining the leave requirements and

procedures. Leave champions were appointed in each Branch and trained on leave application.

- **Workforce planning and key strategies to attract and recruit a skilled and capable workforce.**

No priority posts were identified for the year under review due to budget constraints.

The Department, therefore, only filled posts when vacated by employees. One hundred and twenty-three (123) posts were filled with the support of the various line function managers, some of which on contract basis.

- **Employee performance management**

The Department implemented the Performance Management and Development System in line with the Performance Management and Development Policy and Chapter 4 of the SMS Handbook on Performance Management, amongst others.

During the year under review, one hundred and forty-one (141) of the one hundred and forty-six members of the SMS submitted their performance agreements, translating to ninety-seven percent (97%). The five (5) SMS members who did not submit their performance agreements translated to three percent (3%). They were dealt in terms of the prescripts on consequence management as indicated in clause 4.8.2 of the SMS Handbook.

To encourage meritorious achievement, performance rewards were granted to all qualifying staff members in the Department during the year under review. Quarterly performance management and development sessions were conducted to ensure that individual performance is linked to the broader overall objectives of the Department.

- **Employee wellness programmes.**

The Department has a Unit responsible for Employee Health and Wellness staffed with two qualified employees at a Deputy Director and Assistant Director

level. The Department implemented a number of interventions, amongst others, blood donation, cancer awareness, financial management awareness, and counselling. The Employee Health and Wellness programme has attracted a number of staff members who benefit through products provided by different service providers. GEMS Medical Scheme played a pivotal role given that there was no amount budgeted for the Wellness days due to the cost cutting measures.

## ACHIEVEMENTS AND CHALLENGES

The highlights of the previous year are the following:

- The Department's organisational structure was approved by the Minister of Cooperative Governance after concurrence by the Minister of Public Service and Administration.
- All the additional staff members were absorbed in permanent posts to rectify the anomaly.
- All planned training and development activities achieved.
- The Change Management Strategy finalised.
- Leave management compliance by line managers improved.
- Employee Health and Wellness programme targets achieved.
- The Chief Directorate further facilitated the achievement of equity in the Department by ensuring 50% representation of women at senior management level and improved representation of people with disabilities to 1%. The programme institutionalised the 8 Principles Action Plan for Promoting Women Empowerment and Gender Equality.
- All SMS members disclosed their financial interests before the due date and the information was submitted to the Public Service Commission on time.
- Information sessions were held with staff members to communicate the available service benefits and to ensure a better understanding.
- The challenge is that the department will not be able to fill any posts in the near future given that it has no funds in the MTEF period. This will have a negative impact on employees as they will have to do extra work resulting in possible fatigue and absenteeism.

## 4.3 Human Resources

### *Resources Oversight Statistics*

#### 4.3.1 PERSONNEL-RELATED EXPENDITURE

The following tables summarise the final audited personnel-related expenditure by programme and by salary bands. In particular, they provide an indication of the following:

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

*Table 4.3.1 Personnel expenditure by programme for the period 1 April 2015 to 31 March 2016*

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and Special Services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	269 422	119 441	1 041	5 368	44.3%	579.8
Policy, Research and Knowledge management	17 914	12 692	30	1 354	70.85%	248.9
Governance and Intergovernmental relations	49 466 922	28 514	36	5 042	0.1%	331.6
National Disaster Management Centre	258 158	20 772	19	2 603	8.0%	670.1
Provincial and Municipal Government Systems	293 335	24 006	46	1 814	8.2%	648.8
Infrastructure and Economic development	17 665 858	52 909	71 311	193 392	0.3%	518.7
<b>Total</b>	<b>67 971 609</b>	<b>258 334</b>	<b>1 552</b>	<b>215 932</b>	<b>0.4%</b>	<b>503.6</b>

*Table 4.3.2 Personnel costs per band for the period 1 April 2015 to 31 March 2016*

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)	0	0	0	0
Skilled (levels 3-5)	9 342	4%	57	158.3
Highly skilled production (levels 6-8)	40 333	16%	153	263.6
Highly skilled supervision (levels 9-12)	85 121	33%	165	519.0
Senior and Top Management (levels 13-16)	123 538	48%	138	901.7
<b>Total</b>	<b>258 334</b>	<b>100%</b>	<b>513</b>	<b>503.6</b>



*Table 4.3.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2015 to 31 March 2016*

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	87 208	78.9	998	0.9	2 025	1.8	2 157	2.0
Policy, Research and Knowledge Management	19 625	78.9	183	0.7	398	1.6	581	2.3
Governance and Intergovernmental Relations	45 923	83.5	11	-	1 046	1.9	561	1.0
National Disaster Management Centre	16 595	76.1	88	0.4	420	1.9	281	1.3
Provincial and Municipal Government Systems	19 013	76.7	85	0.3	450	1.8	458	1.8
Infrastructure and Economic Development	43 618	80.2	96	0.2	852	1.6	712	1.3
<b>Total</b>	<b>231 982</b>	<b>79.6</b>	<b>1 461</b>	<b>0.5</b>	<b>5 191</b>	<b>1.8</b>	<b>4 750</b>	<b>1.6</b>

*Table 4.3.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2015 to 31 March 2016*

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
Skilled (levels 1-2)	0	0	0	0	0	0	0	0
Skilled (levels 3-5)	6 588	70.4	279	3.0	579	6.2	481	5.1
Highly skilled production (levels 6-8)	32 594	76.8	707	1.7	1 341	3.2	1 659	3.9
Highly skilled supervision (levels 9-12)	68 229	78.6	476	0.5	881	1.0	1 399	1.6
Senior Management (levels 13-16)	124 571	81.5	-	-	2 389	1.6	1 212	0.8
<b>Total</b>	<b>231 982</b>	<b>79.6</b>	<b>1 462</b>	<b>0.5</b>	<b>5 190</b>	<b>1.8</b>	<b>4 751</b>	<b>1.6</b>

## 4.4 Employment and vacancies

*Table 4.4.1 Employment and vacancies by programme as on 31 March 2016*

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	223	201	9.9	20
Programme 2: Policy, Research and Knowledge Management	28	25	10.7	1
Programme 3: Governance and Intergovernmental Relations	43	40	7	1
Programme 4: National Disaster Management Centre	34	30	11.8	0
Programme 5: Provincial and Municipal Government Support	45	36	20	0
Programme 6: Infrastructure and Economic Development	82	74	9.8	76
<b>Total</b>	<b>455</b>	<b>406</b>	<b>10.8</b>	<b>98</b>

*Table 4.4.2 Employment and vacancies by salary band as on 31 March 2016*

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	53	49	7.5	8
Highly skilled production (levels 6-8)	132	118	28.8	34
Highly skilled supervision (levels 9-12)	155	138	10.3	25
Senior Management (levels 13-16)	115	101	12.2	31
<b>Total</b>	<b>455</b>	<b>406</b>	<b>10.8</b>	<b>98</b>

*Table 4.4.3 Employment and vacancies by critical occupations as on 31 March 2016*

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Senior Managers	115	101	12.2	31
<b>Total</b>	<b>115</b>	<b>101</b>	<b>12.2</b>	<b>31</b>

## 4.5 Filling of SMS Posts

*Table 4.5.1 SMS post information as on 31 March 2016*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General / Head of Department	2	2	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	8	3	38	5	62
Salary Level 14	31	27	87	4	13
Salary Level 13	74	69	93	5	7
<b>Total</b>	<b>115</b>	<b>101</b>	<b>88</b>	<b>14</b>	<b>12</b>

*Table 4.5.2 SMS post information as on 30 September 2015*

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	2	2	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	8	3	38	5	62
Salary Level 14	31	27	87	4	13
Salary Level 13	74	71	96	3	4
<b>Total</b>	<b>115</b>	<b>103</b>	<b>90</b>	<b>12</b>	<b>10</b>

*Table 4.5.3 Advertising and filling of SMS posts for the period 1 April 2015 to 31 March 2016*

SMS Level	Advertising		Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months	
Director-General / Head of Department	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	1	0	0	0
Salary Level 14	2	0	0	2
Salary Level 13	3	0	0	2
<b>Total</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>4</b>

*Table 4.5.4 Reasons for not having complied with the filling of funded vacant SMS posts - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2015 to 31 March 2016*

<b>Reasons for vacancies not advertised within six months</b>
Filling of the posts was suspended in anticipation of the deliberations with the Department of Public Service and Administration on the new structure. The finalised structure was approved by the Minister on 18 March 2016.
<b>Reasons for vacancies not filled within twelve months</b>
Filling of the posts of Deputy Director-General: Corporate and Financial Services; 3 Deputy Directors-General: MISA; Chief Director: Capacity Building and Development; Chief Director: Communication and Marketing; and Director: Executive Support were suspended pending the finalisation of the re-alignment of the organisational structure.

*Table 4.5.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2015 to 31 March 2016*

<b>Disciplinary steps taken</b>
No disciplinary steps required since there are legitimate reasons for the delay with the filling of SMS posts.

## 4.6 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 4.6.1 Job evaluation by salary band for the period 1 April 2015 to 31 March 2016*

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)	0	0	0	0	0	0	0
Skilled (levels 3-5)	53	0	0	0	0	0	0
Highly skilled production (levels 6-8)	132	10	7.6	0	0	0	0
Highly skilled supervision (levels 9-12)	155	14	9	0	0	0	0
Senior Management Service Band A	74	0	0	0	0	0	0
Senior Management Service Band B	31	0	0	0	0	0	0
Senior Management Service Band C	8	1	12.5	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
<b>Total</b>	<b>455</b>	<b>25</b>	<b>5.5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

*Table 4.6.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2015 to 31 March 2016*

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	0	0	0	0	0
<b>Employees with a disability</b>					0

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

*Table 4.6.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2015 to 31 March 2016*

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Chief Director	1	14	15	Buy Offer
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				1
<b>Percentage of total employed</b>				0.25

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

*Table 4.6.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2015 to 31 March 2016*

Gender	African	Asian	Coloured	White	Total
Female	1	0	0	0	1
Male	0	0	0	0	0
<b>Total</b>	1	0	0	0	1
<b>Employees with a disability</b>					0

#### Notes

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

<b>Total number of employees whose salaries exceeded the grades determined by job evaluation</b>	None
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#### 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 on the next page)

*Table 4.6.5 Annual turnover rates by salary band for the period 1 April 2015 to 31 March 2016*

Salary band	Number of employees at beginning of period-April 2015	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate %
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	49	1	3	6.1
Highly skilled production (levels 6-8)	119	18	10	8.4
Highly skilled supervision (levels 9-12)	121	25	13	9.9
Senior Management Service Band A	70	1	6	8.6
Senior Management Service Band B	28	1	3	10.7
Senior Management Service Band C	6	0	3	50
Senior Management Service Band D	1	0	0	0
Contracts	80	77	24	30
<b>Total</b>	<b>474</b>	<b>123</b>	<b>62</b>	<b>13</b>

*Table 4.6.6 Annual turnover rates by critical occupation for the period 1 April 2015 to 31 March 2016*

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Senior Management Service (levels 13-16)	105	2	12	11.4
<b>Total</b>	<b>105</b>	<b>2</b>	<b>12</b>	<b>11.4</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 –
  - 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;
  - 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;
  - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
  - 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 4.6.7 Reasons why staff left the Department for the period 1 April 2015 to 31 March 2016*

Termination Type	Number	% of Total Resignations
Death	0	0
Resignation	29	47
Expiry of contract	18	29
Dismissal – operational changes	0	0
Dismissal – misconduct	1	1.5
Dismissal – inefficiency	0	0
Discharged due to ill health	0	0
Retirement	3	5
Transfer to other Public Service Departments	10	16
Other	1	1.5
<b>Total</b>	<b>62</b>	<b>100</b>
Total number of employees who left as a % of total employment		13

*Table 4.6.8 Promotions by critical occupation for the period 1 April 2015 to 31 March 2016*

Occupation	Employees 1 April 2015	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
Senior Management Service (levels 13-16)	105	1	1	96	91.4
<b>Total</b>	<b>105</b>	<b>1</b>	<b>1</b>	<b>96</b>	<b>91.4</b>

*Table 4.6.9 Promotions by salary band for the period 1 April 2015 to 31 March 2016*

Salary Band	Employees 1 April 2015	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)	0	0	0	0	0
Skilled (levels 3-5)	73	0	0	35	47.9
Highly skilled production (levels 6-8)	129	10	7.8	82	63.6
Highly skilled supervision (levels 9-12)	135	5	3.7	73	54.1
Senior Management (levels 13-16)	137	1	0.7	98	71.5
<b>Total</b>	<b>474</b>	<b>16</b>	<b>3.4</b>	<b>288</b>	<b>60.8</b>

## 4.7 Employment Equity

Table 4.7.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2016

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	131	4	6	10	122	3	3	15	294
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	39	2	0	1	96	1	2	11	152
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	35	0	0	0	23	0	0	0	58
<b>Total</b>	<b>205</b>	<b>6</b>	<b>6</b>	<b>11</b>	<b>241</b>	<b>4</b>	<b>5</b>	<b>26</b>	<b>504</b>
Employees with disabilities	1	0	0	1	1	1	0	1	5

Table 4.7.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	2	0	0	0	0	6
Senior Management	56	2	4	5	46	1	2	11	127
Professionally qualified and experienced specialists and middle-management	40	2	2	3	49	2	1	3	102
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	70	2	0	1	123	1	2	12	211
Semi-skilled and discretionary decision making	35	0	0	0	23	0	0	0	58
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>205</b>	<b>6</b>	<b>6</b>	<b>11</b>	<b>241</b>	<b>4</b>	<b>5</b>	<b>26</b>	<b>504</b>



*Table 4.7.3 Recruitment for the period 1 April 2015 to 31 March 2016*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	1	0	0	0	0	1
Senior Management	4	1	2	0	0	1	0	0	8
Professionally qualified and experienced specialists and middle-management	19	0	1	0	21	1	0	1	43
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	15	0	0	0	37	0	2	0	54
Semi-skilled and discretionary decision making	7	0	0	0	10	0	0	0	17
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>45</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>68</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>123</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

*Table 4.7.4 Promotions for the period 1 April 2015 to 31 March 2016*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and middle-management	3	0	0	0	2	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	5	0	0	0	5	0	0	0	10
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

*Table 4.7.5 Terminations for the period 1 April 2015 to 31 March 2016*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	1	0	0	1	1	0	0	3
Senior Management	5	0	0	0	6	1	0	0	12
Professionally qualified and experienced specialists and middle-management	6	0	0	0	9	0	0	2	17
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	8	1	0	0	16	0	1	0	26
Semi-skilled and discretionary decision making	1	0	0	0	3	0	0	0	4
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>20</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>35</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>62</b>
Employees with Disabilities	0	0	0	0	0	0	0	0	0

*Table 4.7.6 Disciplinary action for the period 1 April 2015 to 31 March 2016*

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>

*Table 4.7.7 Skills development for the period 1 April 2015 to 31 March 2016*

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	146	4	6	16	197	3	8	11	391
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	98	3	0	1	240	3	1	22	368
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	35	0	0	0	48	0	0	0	83
<b>Total</b>	<b>279</b>	<b>7</b>	<b>6</b>	<b>17</b>	<b>485</b>	<b>6</b>	<b>9</b>	<b>33</b>	<b>842</b>
Employees with disabilities	1	0	0	0	0	1	0	0	2

## 4.8 Signing of Performance Agreements by Senior Management Service (SMS) members

All members of 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 are presented here.

*Table 4.8.1 Signing of Performance Agreements by SMS members as on 01 April 2015 to 31 March 2016*

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	2	2	2	100
Salary Level 16	1	1	1	100
Salary Level 15	8	6	6	100
Salary Level 14	31	41	39	95
Salary Level 13	74	96	93	97
<b>Total</b>	<b>115</b>	<b>146</b>	<b>141</b>	<b>97</b>

*Table 4.8.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 March 2016*

Reasons
3 SMS members did not submit due to incapacity issues.
1 SMS member was transferred to another government department.
1 SMS member is covered by clause 8.1 of chapter 4 of the SMS handbook, which states that “a newly appointed member of the SMS shall complete his/her PA within three months of appointment”.

### Notes

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

*Table 4.8.3 Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 March 2016*

Reasons
Forfeiture of performance-related rewards in line with circular 1 of 2015 on Consequence Management as approved by the Director-General.

### Notes

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

## 4.9 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 4.9.1 Performance rewards by race, gender and disability for the period 1 April 2015 to 31 March 2016*

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	141	392	36	2 445	35
Male	61	187	33	1 148	19
Female	80	205	39	1 297	16
Asian	3	7	43	95	58
Male	2	4	50	75	38
Female	1	3	33	20	20
Coloured	7	11	66	192	51
Male	3	6	50	39	13
Female	4	5	80	153	38
White	29	37	78	756	62
Male	6	10	60	237	40
Female	23	27	85	519	23
<b>Total</b>	<b>180</b>	<b>447</b>	<b>40</b>	<b>3 545</b>	<b>20</b>

*Table 4.9.2 Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2015 to 31 March 2016*

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower skilled (levels 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	21	64	36	143	6 198	1.5
Highly skilled production (levels 6-8)	59	125	49	669	10 964	1.6
Highly skilled supervision (levels 9-12)	71	119	56	1 504	22 442	1.8
<b>Total</b>	<b>151</b>	<b>308</b>	<b>49</b>	<b>2 315</b>	<b>15 331</b>	<b>1.6</b>

*Table 4.9.3 Performance rewards by critical occupation for the period 1 April 2015 to 31 March 2016*

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Senior Management Services	29	139	21	1 147	40
<b>Total</b>	<b>29</b>	<b>139</b>	<b>21</b>	<b>1 147</b>	<b>40</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 –
  - 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;
  - 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;
  - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
  - in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

*Table 4.9.4 Performance-related rewards (cash bonus) by salary band for Senior Management Service for the period 1 April 2015 to 31 March 2016*

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	16	85	19	584	37	0.7
Band B	10	44	23	409	41	0.9
Band C	3	6	50	155	52	1.9
Band D	0	0	0	0	0	0
<b>Total</b>	<b>29</b>	<b>139</b>	<b>21</b>	<b>1 147</b>	<b>40</b>	<b>0.8</b>

## 4.10 Foreign workers

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

*Table 4.10.1 Foreign workers by salary band for the period 1 April 2015 to 31 March 2016*

Salary band	1 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0	0	0	0	0
Contract (levels 9-12)	0	0	0	0	0	0
Contract (levels 13-16)	1	100	1	100	0	0
<b>Total</b>	<b>1</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>

*Table 4.10.2 Foreign workers by major occupation for the period 1 April 2015 to 31 March 2016*

Major occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	100	1	100	0	0
<b>Total</b>	<b>1</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>

## 4.11 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 4.11.1 Sick leave for the period 1 January 2015 to 31 December 2015*

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 (levels 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	195	84.2	39	10.4	5	166
Highly skilled production (levels 6-8)	823	76.8	120	32.3	7	632
Highly skilled supervision (levels 9-12)	708	72.6	117	31.4	6	514
Top and Senior Management (levels 13-16)	590	79	96	25.8	6	466
<b>Total</b>	<b>2 316</b>	<b>76.8</b>	<b>372</b>	<b>100</b>	<b>6</b>	<b>1 778</b>

*Table 4.11.2 Disability leave (temporary and permanent) for the period 1 January 2015 to 31 December 2015*

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)	0	0	0	0	0	0
Skilled (levels 3-5)	79	100	8	53.3	10	88
Highly skilled production (levels 6-8)	24	100	3	20	8	50
Highly skilled supervision (levels 9-12)	30	100	2	13.3	15	109
Senior Management (levels 13-16)	16	100	2	13.3	8	20
<b>Total</b>	<b>149</b>	<b>100</b>	<b>15</b>	<b>100</b>	<b>100</b>	<b>267</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 4.11.3 Annual leave for the period 1 January 2015 to 31 December 2015*

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (levels 1-2)	0	0	0
Skilled (levels 3-5)	1 340	74	27
Highly skilled production (levels 6-8)	3 317	173	19
Highly skilled supervision (levels 9-12)	3 528	179	20
Senior Management (levels 13-16)	3 384	154	22
<b>Total</b>	<b>11 569</b>	<b>580</b>	<b>20</b>

*Table 4.11.4 Capped leave for the period 1 January 2015 to 31 December 2015*

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 at 31 March 2016
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	2	1	2	39
Highly skilled production (levels 6-8)	3	2	2	19
Highly skilled supervision (levels 9-12)	24	4	6	40
Senior Management (levels 13-16)	5	3	2	50
<b>Total</b>	<b>34</b>	<b>10</b>	<b>3</b>	<b>39</b>

The following table summarises payments made to employees due to leave that was not taken.

*Table 4.11.5 Leave payouts for the period 1 April 2015 to 31 March 2016*

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2015 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payout on termination of service for 2015	428	12	35 667
Current leave payout on termination of service for 2015	364	18	20 222
<b>Total</b>	<b>792</b>	<b>30</b>	<b>26 400</b>



## 4.12 HIV/AIDS and Health Promotion Programmes

*Table 4.12.1 Steps taken to reduce the risk of occupational exposure*

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
All staff	Employee health and wellness programme (HIV prevention, awareness and testing) HIV and AIDS policy Condom dispensers at all gents and ladies rooms

*Table 4.12.2 Details of Health Promotion and HIV/AIDS Programmes*

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.	✓		Mr Sonwabo Shibane: Senior manager: Organisational Development and Labour Relation
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.	✓		The Department has a dedicated unit staffed with two employees: <ul style="list-style-type: none"> <li>• 1 Deputy Director</li> <li>• 1 Assistant Director</li> <li>• Budget: R400,000</li> </ul>
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.	✓		Employee assistance programme (counselling), health promotion and life skills (awareness and workshops), HIV and AIDS programme (awareness and VCT) and financial wellness.
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.	✓		The Department has the Human Resource Committee that is responsible for a wide range of human resource issues. The Department is in the process of broadening the terms of reference of the committee to accommodate issues of EHW.
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.	✓		Employment policies and practices do not unfairly discriminate against employees on the basis of their HIV/AIDS status. The Department has the following employment policies and practices: Recruitment & Selection Policy, Training & Development Policy, HIV/AIDS Policy, Employment Equity Policy and Standard Operating Procedures.
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.	✓		HIV and AIDS policy is in place. The policy makes provisions for employees not to be discriminated on the basis of HIV status. Care and support referrals to support centres are established. Disciplinary and grievance procedures are in place to counter against those discriminating on the basis of HIV status.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	✓		Through bi-annual health assessments, VCT, annual wellness day screening and blood donation drives.
8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.		✓	None

## 4.13 Labour Relations

*Table 4.13.1 Collective agreements for the period 1 April 2015 to 31 March 2016*

Subject matter	Date
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 4.13.2 Misconduct and disciplinary hearings finalised for the period 1 April 2015 to 31 March 2016*

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	1	50
Dismissal	1	50
Not guilty	0	0
Case withdrawn	0	0
<b>Total</b>	<b>2</b>	<b>100</b>

*Table 4.13.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2015 to 31 March 2016*

Type of misconduct	Number	% of Total
Financial misconduct	2	100
<b>Total</b>	<b>2</b>	<b>100</b>

*Table 4.13.4 Grievances logged for the period 1 April 2015 to 31 March 2016*

Grievances	Number	% of Total
Number of grievances resolved	6	100
Number of grievances not resolved	0	0
Total number of grievances lodged	6	100

*Table 4.13.5 Disputes lodged with Councils for the period 1 April 2015 to 31 March 2016*

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	3	100
Total number of disputes lodged	3	100

*Table 4.13.6 Strike actions for the period 1 April 2015 to 31 March 2016*

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

*Table 4.13.7 Precautionary suspensions for the period 1 April 2015 to 31 March 2016*

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	103
Cost of suspension (R'000)	R136 774.98

## 4.14 Skills *development*

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

*Table 4.14.1 Training needs identified for the period 1 April 2015 to 31 March 2016*

Occupational category	Gender	Number of employees as at 1 April 2015	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	139	0	75	0	75
	Male	133	0	55	0	55
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	91	0	52	0	52
	Male	38	0	18	0	18
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	23	0	8	0	8
	Male	50	0	9	0	9
Sub-total	Female	253	0	135	0	135
	Male	221	0	82	0	82
<b>Total</b>		<b>474</b>	<b>0</b>	<b>217</b>	<b>0</b>	<b>217</b>

Table 4.14.2 Training provided for the period 1 April 2015 to 31 March 2016

Occupational category	Gender	Number of employees as at 1 April 2015	Training provided within the reporting period			Total
			Learnerships	Skills programmes and other short courses	Other forms of training	
Legislators, senior officials and managers	Female	139	0	314	4	318
	Male	133	0	217	6	223
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	91	0	193	7	200
	Male	38	0	76	5	81
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	1	0	1
Elementary occupations	Female	23	0	6	2	8
	Male	50	0	10	1	11
Sub-total	Female	253	0	513	13	526
	Male	221	0	304	12	316
Total		474	0	817	25	842

## 4.15 Injury on duty

The following tables provide basic information on injury on duty.

Table 4.15.1 Injury on duty for the period 1 April 2015 to 31 March 2016

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	1	100

## 4.16 Utilisation of consultants

The following tables relate 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:

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

*Table 4.16.1 Report on consultant appointments using appropriated funds for the period 1 April 2015 to 31 March 2016*

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Appointment of the service provider to conduct forensic investigation on appointment of implementing agents for the Community Work Programme.	6	74	R 821,057.68
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0

*Table 4.16.2 Analysis of consultant appointments using appropriated funds in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2015 to 31 March 2016*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	0	0	0

*Table 4.16.3 Report on consultant appointments using donor funds for the period 1 April 2015 to 31 March 2016*

Project title	Total number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
N/A	0	0	0
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	0	0	0

The following table relates information on the utilisation of consultants in the Department.

*Table 4.16.4 Report on consultant appointments using appropriated funds for the period 1 April 2015 to 31 March 2016*

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Appointment of the service provider to conduct forensic investigation on appointment of implementing agents for the Community Work Programme.	6	74	R 821 057.68

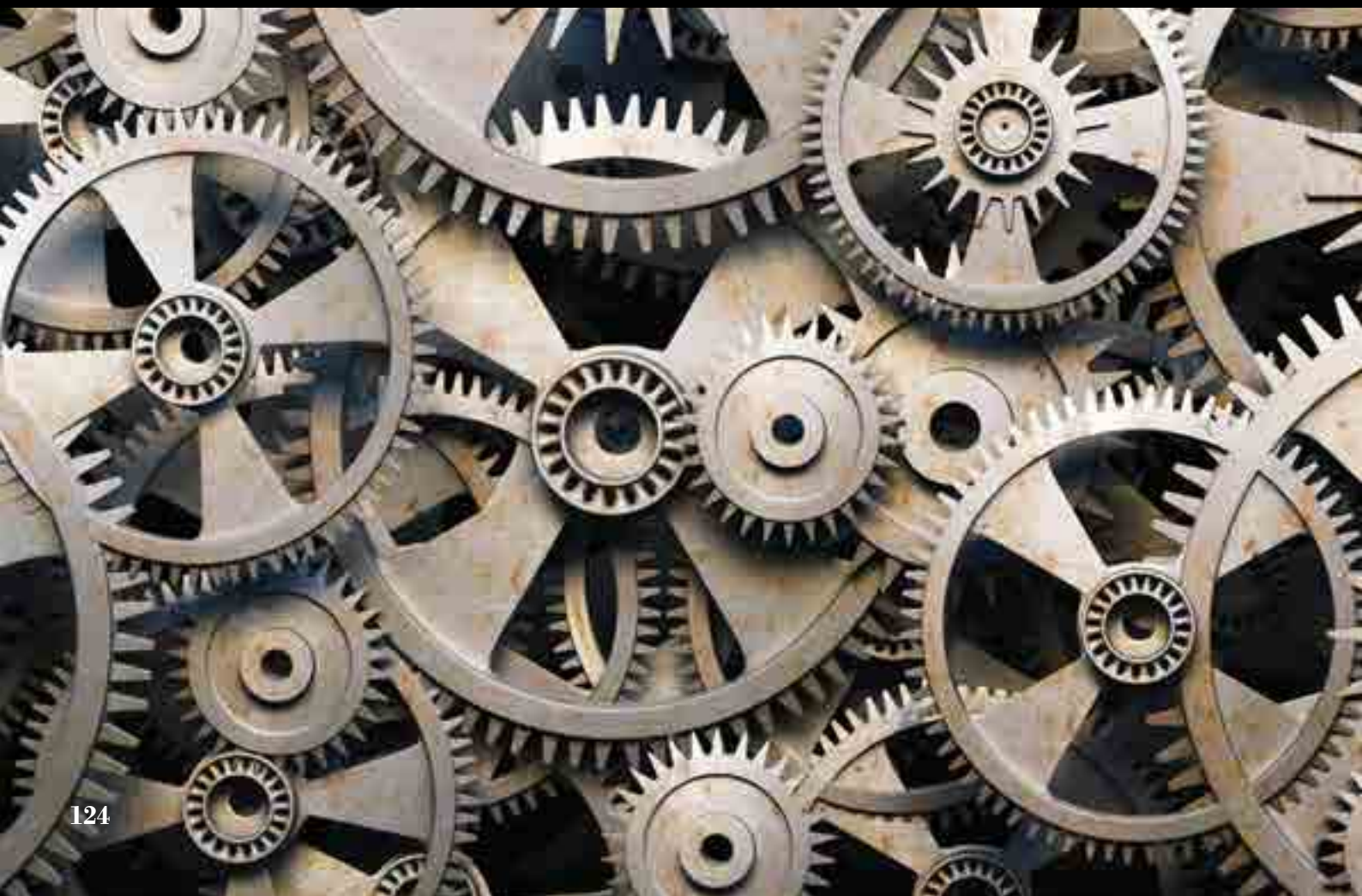
*Table 4.16.5 Analysis of consultant appointments using donor funds in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2015 to 31 March 2016*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
0	0	0	0

## 4.17 Severance Packages

*Table 4.17.1 Granting of employee-initiated severance packages for the period 1 April 2015 to 31 March 2016*

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







Chapter **5**  
Part E:  
**Financial Information**



## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 4: DEPARTMENT OF COOPERATIVE GOVERNANCE

### REPORT ON THE FINANCIAL STATEMENTS

#### Introduction

1. I have audited the financial statements of the Department of Cooperative Governance set out on pages 132 to 222, which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

#### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### BASIS FOR QUALIFIED OPINION

#### Goods and services

6. I was unable to obtain sufficient appropriate audit evidence for payments made to Community Work Programme implementing agents as the department could not provide accurate and complete substantiating records, as required by the contracts signed with implementing agents. I could not confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustment to goods and services stated at R2 501 289 000 (2015: R1 737 745 000) in note 5 to the financial statements was necessary.

### Movable tangible capital assets

7. I was unable to obtain sufficient appropriate audit evidence for movable tangible capital assets, as the department did not maintain an asset register for the Community Work Programme that adhered to the minimum requirements for an asset register as prescribed by the National Treasury. Additionally, assets were not in all instances measured in line with the prescripts of the Modified Cash Standard on capital assets. I was unable to confirm the physical assets and fair presentation thereof by alternative means. Consequently I was unable to determine whether any adjustment relating to movable tangible assets stated at R143 718 000 (2015: R102 734 000) in note 28 to the financial statements was necessary.

### Qualified opinion

8. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Department of Cooperative Governance as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard and the requirements of the PFMA and DoRA.

### Emphasis of matter

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

### Restatement of corresponding figures

10. As disclosed in note 30 to the financial statements, the corresponding figures for 31 March 2015 have been restated as a result of errors discovered during 2016 in the financial statements of the Department of Cooperative Governance at, and for the year ended, 31 March 2015.

### Additional matter

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

### Unaudited supplementary schedules

12. The supplementary information set out on pages 222 to 254 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives of selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2016:

- Programme 1 : Administration on page 48
- Programme 2: Policy, Research and Knowledge Management on page 51
- Programme 3: Governance and Intergovernmental Relations on pages 55 to 58
- Programme 4: National Disaster Management Centre on pages 63 to 64
- Programme 5: Provincial and Municipal Government Support on pages 67 to 70
- Programme 6: Infrastructure and Economic Development on pages 77 to 80

15. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).

16. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

17. The material findings in respect of the selected programmes are as follows:

### **Programme 1: Administration**

#### **Reliability of reported performance information**

18. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. The reported performance information was not reliable when compared to the evidence provided.

### **Programme 2: Policy, Research and Knowledge Management**

#### **Reliability of reported performance information**

19. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. The reported achievements against planned targets of 40% of the indicators were not reliable when compared to the evidence provided.

### **Programme 3: Governance and Intergovernmental Relations**

#### **Usefulness of reported performance information**

20. I was unable to obtain sufficient appropriate audit evidence to support the reasons provided for the variance between planned targets and actual achievements.

#### **Reliability of reported performance information**

21. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to the fact that the auditee could not provide sufficient appropriate evidence in support of the reported performance information.

### **Programme 4: National Disaster Management Centre**

#### **Reliability of reported performance information**

22. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. The reported performance information was not reliable when compared to the evidence provided.

### **Programme 5: Provincial and Municipal Government Support**

#### **Usefulness of reported performance information**

23. I was unable to obtain sufficient appropriate audit evidence to support the reasons provided for the variance between planned targets and actual achievements.

**Reliability of reported performance information**

24. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. The reported performance information was not reliable when compared to the evidence provided.

**Programme 6: Infrastructure and Economic Development****Usefulness of reported performance information**

25. I was unable to obtain sufficient appropriate audit evidence to support the reasons provided for the variance between planned targets and actual achievements.

26. Performance targets should be specific in clearly identifying the nature and required level of performance and measurable as required by the FMPPI. A total of 43% of the targets were not specific and could not be measured.

27. Performance indicators should be well defined by having clear definitions so that data can be collected consistently and is easy to understand and use and should be verifiable, as required by the FMPPI. A total of 43% of the indicators were not well defined and verifiable.

**Reliability of reported performance information**

28. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to the fact that the auditee could not provide sufficient appropriate evidence in support of the reported performance information.

**Additional matter**

29. I draw attention to the following matter:

**Achievement of planned targets**

30. Refer to the annual performance report on pages 44 to 81 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 18 to 28 of this report.

**Adjustment of material misstatements**

31. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 3: Governance and Intergovernmental Relations and Programme 6: Infrastructure and Economic Development. As management subsequently corrected only some of the misstatements, I identified material findings on the usefulness and reliability of the reported performance information.

**Compliance with legislation**

32. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

**Financial statements, performance and annual reports**

33. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the Public Finance Management Act.

34. Material misstatements of payables, expenditure and disclosure items identified by the auditors in the

submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

### Procurement and contract management

35. Goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1.

36. Contracts and quotations were awarded to suppliers whose tax matters had not been declared by the South African Revenue Services to be in order as required by Treasury Regulations 16A9.1(d) and the Preferential Procurement Regulations.

37. Thresholds for local content on designated sectors procurement were not properly applied in accordance with the requirements of preferential procurement regulation 9.

38. Contracts and quotations were awarded to bidders based on preference points that were not allocated and calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act and its regulations.

### Expenditure management

39. Effective steps were not taken to prevent irregular expenditure, amounting to R482 283 000 as disclosed in note 23 of the AFS, as required by section 38(1)(c)(ii) of the Public Finance Management Act and Treasury Regulation 9.1.1.

### Internal control

40. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified

opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

### Leadership

41. Leadership did not exercise adequate oversight responsibility regarding financial and performance reporting and compliance and related internal controls. Oversight in respect of the Community Work Programme is of particular concern.

42. Leadership did not effectively monitor the timely implementation of action plans developed to address internal control deficiencies.

### Financial and performance management

43. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information was accessible and available to support financial and performance reporting.

44. Management did not implement effective controls over daily and monthly processing and reconciling of transactions.

45. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.

46. Management did not appropriately review and monitor compliance with applicable laws and regulations.

### Other reports

47. I draw attention to the following engagements that could potentially impact on the department's financial, performance and compliance related matters. My opinion is not modified in respect of these engagements that are either in progress or have been completed.

## Investigations

48. An investigation was conducted by an external service provider into various allegations relating to possible improper procurement of travel management solutions and abuse of travel benefits in the Department of Cooperative Governance. The scope of the audit was to investigate possible fraudulent and/or irregular transactions perpetrated through travel, accommodation and conferencing arrangements under the stewardship of the department's travel agency. The allegations also included abuse of travel privileges, not in accordance with departmental policy. There was also potential conflict of interest by some officials through colluding with the travel agency to book venues where they might possibly have an interest. The report had been issued as at the end of February 2016. A follow-up investigation (phase 2) is currently in progress.
49. An investigation was conducted by an external service provider into possible tender irregularities in the appointment of the implementing agents for the Community Work Programme as well as the review of irregular expenditure incurred by the programme. The investigation was concluded at the end of March 2016 and the department is in the process of following up on the recommendations made.

*Auditor-General*

Pretoria  
9 September 2016



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

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## APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Appropriation per programme											
2015/16										2014/15	
Programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
ADMINISTRATION	240 088	-	31 037	271 125	269 422	1 703	99,4%	242 025	241 628		
POLICY, RESEARCH AND KNOWLEDGE MANAGEMENT	20 281	-	(1 000)	19 281	17 914	1 367	92,9%	20 251	18 471		
GOVERNANCE AND INTERGOVERNMENTAL RELATIONS	51 825 863	-	(16 537)	51 809 326	49 466 922	2 342 404	95,5%	44 610 131	41 709 671		
NATIONAL DISASTER MANAGEMENT CENTRE	606 805	-	(15 450)	591 355	258 158	333 197	43,7%	831 415	385 906		
PROVINCIAL AND MUNICIPAL GOVERNMENT SYSTEMS	328 092	-	1 000	329 092	293 335	35 757	89,1%	289 533	289 479		
INFRASTRUCTURE AND ECONOMIC DEVELOPMENT	17 668 420	-	950	17 669 370	17 665 858	3 512	100,0%	17 344 666	16 625 529		
TRADITIONAL AFFAIRS	125 928	-	-	125 928	125 928	-	100,0%	115 864	115 864		
<b>TOTAL</b>	<b>70 815 477</b>	<b>-</b>	<b>-</b>	<b>70 815 477</b>	<b>68 097 537</b>	<b>2 717 940</b>	<b>96,2%</b>	<b>63 453 885</b>	<b>59 386 548</b>		
2015/16											
2014/15											
TOTAL (brought forward)											
Reconciliation with statement of financial performance											
ADD											
Departmental receipts					1 116				1 916		
NRF Receipts											
Aid assistance											
<b>Actual amounts per statement of financial performance (total revenue)</b>					<b>70 816 593</b>				<b>63 455 801</b>		
ADD											
Aid assistance											
Prior year unauthorised expenditure approved without funding											
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>68 097 537</b>				<b>59 386 548</b>		

DEPARTMENT OF COOPERATIVE GOVERNANCE | VOTE 04  
ANNUAL FINANCIAL STATEMENTS • FOR THE YEAR ENDED 31 MARCH 2016

	Appropriation per economic classification									
	2015/16					2014/15				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
<b>Current payments</b>	<b>2 811 470</b>	<b>(37 162)</b>	<b>(4 200)</b>	<b>2 770 108</b>	<b>2 759 622</b>	<b>10 846</b>	<b>99,6%</b>	<b>2 677 916</b>	<b>1 972 180</b>	
Compensation of employees	271 777	(7 079)	-	264 598	258 334	6 264	95,4%	239 394	234 442	
Salaries and wages	242 673	(6 146)	100	236 577	232 590	3 987	95,8%	216 400	211 449	
Social contributions	29 104	(933)	(100)	28 021	25 744	2 277	91,7%	22 994	22 993	
Goods and services	2 539 693	(30 083)	(4 200)	2 505 510	2 501 288	4 222	100,1%	2 438 522	1 737 738	
Administrative fees	17 213	(5 330)	-	11 883	11 824	59	99,5%	5 963	5 963	
Advertising	3 457	(1 853)	-	1 604	1 554	50	96,9%	3 446	2 474	
Minor assets	1 979	7 187	(161)	9 005	8 100	905	90,0%	3 570	5 652	
Audit costs: External	6 058	1 389	-	7 447	7 447	-	100,0%	6 871	6 871	
Bursaries: Employees	1 107	(356)	-	751	751	-	100,0%	937	937	
Catering: Departmental activities	10 686	(725)	(5 655)	4 306	3 784	522	87,9%	3 664	2 863	
Communication (G&S)	6 818	(1 206)	-	5 612	5 012	600	89,3%	6 359	5 831	
Computer services	29 337	5 373	(1 278)	33 432	33 146	286	99,1%	60 979	18 136	
Consultants: Business and advisory services	247 466	(23 262)	(14 561)	209 643	209 573	70	100,0%	247 572	239 900	
Infrastructure and planning services	-	-	-	-	-	-	-	-	-	
Laboratory services	-	-	-	-	-	-	-	-	-	
Scientific and technological services	-	-	-	-	-	-	-	-	-	
Legal services	4 018	5 354	1 100	10 472	10 472	-	100,0%	6 157	6 157	
Contractors	1 705 589	74 750	(429)	1 779 910	1 814 029	(34 119)	102,3%	1 514 542	1 269 531	
Agency and support / outsourced services	5 539	3 896	(323)	9 112	7 411	1 701	81,3%	1 258	606	
Entertainment	-	-	-	-	-	-	-	2	-	
Fleet services (including government motor transport)	1 051	1 030	708	2 789	2 747	42	98,5%	1 966	1 966	
Housing	-	-	-	-	-	-	-	-	-	
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	22 486	22 486	
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	
Inventory: Food and food supplies	-	-	-	-	-	-	-	1	1	
Inventory: Fuel, oil and gas	85	(85)	-	-	-	-	-	131	121	
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	3	3	
Inventory: Materials and supplies	110 374	(5 607)	-	104 767	87 765	17 002	83,8%	407 046	22 222	
Inventory: Medical supplies	8	(8)	-	-	-	-	-	-	-	
Inventory: Medicine	-	-	-	-	-	-	-	-	-	
Medsas inventory interface	-	-	-	-	-	-	-	-	-	

Appropriation per economic classification										
	2015/16					2014/15				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Inventory: Other supplies	375	(375)	-	-	-	-	-	274	-	
Consumable supplies	100 267	22 235	(255)	122 247	122 243	4	100,0%	4 562	4 558	
Consumable: Stationery, printing and office supplies	15 746	(2 894)	-	12 852	4 942	7 910	38,5%	16 087	6 571	
Operating leases	36 081	1 078	12 155	49 314	48 843	471	99,0%	37 437	35 813	
Property payments	13 098	(5 336)	8 111	15 873	15 873	-	100,0%	14 636	14 636	
Transport provided: Departmental activity	(1 200)	1 200	-	-	-	-	-	-	-	
Travel and subsistence	35 253	3 082	(1 954)	36 381	29 250	7 131	80,4%	36 422	29 295	
Training and development	98 956	(24 532)	(550)	73 874	72 483	1 391	98,1%	31 187	31 169	
Operating payments	87 141	(84 559)	-	2 582	2 564	18	99,3%	2 194	1 803	
Venues and facilities	3 191	(429)	(1 108)	1 654	1 475	179	89,2%	2 770	2 173	
Rental and hiring	-	-	-	-	-	-	-	-	-	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-	
Rent on land	-	-	-	-	-	-	-	-	-	
<b>Transfers and subsidies</b>	<b>67 997 386</b>	<b>406</b>	-	<b>67 997 792</b>	<b>65 290 923</b>	<b>2 706 869</b>	<b>96,0%</b>	<b>60 755 786</b>	<b>57 393 046</b>	
Provinces and municipalities	67 506 063	(34)	-	67 506 029	64 799 161	2 706 868	96,0%	60 261 609	56 901 276	
Provinces	103 194	5	-	103 199	35 593	67 606	34,5%	197 391	19	
Provincial Revenue Funds	103 194	5	-	103 199	35 593	67 606	34,5%	197 391	19	
Provincial agencies and funds	-	-	-	-	-	-	-	-	-	
Municipalities	67 402 869	(39)	-	67 402 830	64 763 568	2 639 262	96,1%	60 064 218	56 901 257	
Municipal bank accounts	15 696 353	(39)	-	15 696 314	15 397 061	299 253	98,1%	15 574 073	15 309 187	
Municipal agencies and funds	51 706 516	-	-	51 706 516	49 366 507	2 340 009	95,5%	44 490 145	41 592 070	
Departmental agencies and accounts	484 949	-	-	484 949	484 949	-	100,0%	481 895	481 895	
Social security funds	-	-	-	-	-	-	-	-	-	
Departmental agencies (non-business entities)	484 949	-	-	484 949	484 949	-	100,0%	481 895	481 895	
Higher education institutions	-	-	-	-	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	-	260	238	
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	
Public corporations	-	-	-	-	-	-	-	-	-	
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-	

Appropriation per economic classification										
	2015/16					2014/15				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Other transfers to public corporations	-	-	-	-	-	-	-	-	-	
Private enterprises	-	-	-	-	-	-	-	-	-	
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-	
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-	
Non-profit institutions	6 286	-	-	6 286	6 286	-	100,0%	11 665	9 280	
Households	88	440	-	528	527	1	99,8%	357	357	
Social benefits	88	308	-	396	395	1	99,7%	290	290	
Other transfers to households	-	132	-	132	132	-	100,0%	67	67	
<b>Payments for capital assets</b>	<b>6 521</b>	<b>31 873</b>	<b>3 400</b>	<b>41 794</b>	<b>41 209</b>	<b>585</b>	<b>98,6%</b>	<b>19 920</b>	<b>21 059</b>	
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	
Buildings	-	-	-	-	-	-	-	-	-	
Other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	6 521	36 684	3 400	46 605	46 078	527	98,9%	19 782	20 921	
Transport equipment	478	(478)	-	-	-	-	-	361	361	
Other machinery and equipment	6 043	37 162	3 400	46 605	46 078	527	98,9%	19 421	20 560	
Heritage assets	-	-	-	-	-	-	-	138	138	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	58	-	58	-	58	-	-	-	
<b>Payment for financial assets</b>	<b>100</b>	<b>14</b>	<b>800</b>	<b>914</b>	<b>914</b>	<b>-</b>	<b>100,0%</b>	<b>263</b>	<b>263</b>	
<b>Total</b>	<b>70 815 477</b>	<b>-</b>	<b>-</b>	<b>70 815 477</b>	<b>68 097 537</b>	<b>2 717 940</b>	<b>96,2%</b>	<b>63 453 885</b>	<b>59 386 548</b>	

## PROGRAMME 1: ADMINISTRATION

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
Ministry	27 752	1 787	708	30 247	29 551	696	97,7%	33 305	33 305
Management	20 062	(1 157)	-	18 905	18 864	41	99,8%	16 673	16 668
Chief Operating Officer	13 365	761	-	14 126	14 122	4	100,0%	12 181	11 905
Corporate Services	82 914	6 063	9 263	98 240	98 204	36	100,0%	85 476	85 360
Financial Services	29 983	(3 193)	800	27 590	27 589	1	100,0%	22 013	22 013
Communication And Liaison	8 704	(697)	-	8 007	7 082	925	88,4%	9 321	9 321
Legislation Review And Drafting	9 853	457	-	10 310	10 310	-	100,0%	11 130	11 130
Internal Audit And Risk Management	11 857	(4 021)	-	7 836	7 836	-	100,0%	8 619	8 619
Office Accommodation	35 598	-	20 266	55 864	55 864	-	100,0%	43 307	43 307
<b>Total for sub programmes</b>	<b>240 088</b>	<b>-</b>	<b>31 037</b>	<b>271 125</b>	<b>269 422</b>	<b>1 703</b>	<b>99,4%</b>	<b>242 025</b>	<b>241 628</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>236 022</b>	<b>(881)</b>	<b>25 317</b>	<b>260 458</b>	<b>258 795</b>	<b>1 663</b>	<b>99,4%</b>	<b>229 611</b>	<b>229 248</b>
Compensation of employees	121 124	(23)	-	121 101	119 441	1 660	98,6%	116 791	116 791
Salaries and wages	108 331	(17)	-	108 314	106 971	1 343	98,8%	105 399	105 399
Social contributions	12 793	(6)	-	12 787	12 470	317	97,5%	11 392	11 392
Goods and services	114 898	(858)	25 317	139 357	139 354	3	100,0%	112 820	112 457
Administrative fees	172	(90)	-	82	82	-	100,0%	46	46
Advertising	1 450	(350)	-	1 100	1 100	-	100,0%	1 551	1 551
Minor assets	776	(538)	-	238	238	-	100,0%	1 318	1 318
Audit costs: External	6 058	1 323	-	7 381	7 381	-	100,0%	3 602	3 602
Bursaries: Employees	1 107	(356)	-	751	751	-	100,0%	937	937
Catering: Departmental activities	1 663	(834)	-	829	829	-	100,0%	1 104	1 104
Communication (G&S)	3 659	(692)	-	2 967	2 967	-	100,0%	3 698	3 619
Computer services	20 364	3 266	4 343	27 973	27 973	-	100,0%	14 429	14 429
Consultants: Business and advisory services	6 219	(851)	-	5 368	5 368	-	100,0%	5 940	5 940
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	4 018	2 421	-	6 439	6 439	-	100,0%	6 157	6 157
Contractors	1 531	(806)	-	725	725	-	100,0%	4 116	4 116
Agency and support / outsourced services	2 172	4 880	-	7 052	7 052	-	100,0%	3	3
Entertainment	-	-	-	-	-	-	-	-	-

DEPARTMENT OF COOPERATIVE GOVERNANCE | VOTE 04  
ANNUAL FINANCIAL STATEMENTS • FOR THE YEAR ENDED 31 MARCH 2016

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Fleet services (including government motor transport)	910	961	708	2 579	2 579	-	100,0%	1 852	1 852
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	1	1
Inventory: Fuel, oil and gas	85	(85)	-	-	-	-	-	121	111
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	3	3
Inventory: Materials and supplies	53	(45)	-	8	8	-	100,0%	12	12
Inventory: Medical supplies	8	(8)	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	375	(375)	-	-	-	-	-	-	-
Consumable supplies	1 015	(624)	-	391	391	-	100,0%	1 990	1 986
Consumable: Stationery, printing and office supplies	3 605	(1 403)	-	2 202	2 202	-	100,0%	3 249	3 249
Operating leases	33 866	(2 686)	12 155	43 335	43 335	-	100,0%	31 620	31 620
Property payments	13 098	(5 344)	8 111	15 865	15 865	-	100,0%	14 631	14 631
Transport provided: Departmental activity	(1 200)	1 200	-	-	-	-	-	-	-
Travel and subsistence	10 496	891	-	11 387	11 387	-	100,0%	13 694	13 425
Training and development	1 584	(543)	-	1 041	1 041	-	100,0%	437	437
Operating payments	526	490	-	1 016	1 016	-	100,0%	1 090	1 089
Venues and facilities	1 288	(660)	-	628	625	3	99,5%	1 219	1 219
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>164</b>	-	-	<b>164</b>	<b>124</b>	<b>40</b>	<b>75,6%</b>	<b>1 033</b>	<b>999</b>
Provinces and municipalities	100	(39)	-	61	22	39	36,1%	58	24
Provinces	-	-	-	-	-	-	-	19	19
Provincial Revenue Funds	-	-	-	-	-	-	-	19	19
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	100	(39)	-	61	22	39	36,1%	39	5
Municipal bank accounts	100	(39)	-	61	22	39	36,1%	39	5
Municipal agencies and funds	-	-	-	-	-	-	-	-	-

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	-	-	-	-	-	-	-	735	735
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	735	735
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	64	39	-	103	102	1	99,0%	240	240
Social benefits	64	39	-	103	102	1	99,0%	222	222
Other transfers to households	-	-	-	-	-	-	-	18	18
<b>Payments for capital assets</b>	<b>3 802</b>	<b>867</b>	<b>4 920</b>	<b>9 589</b>	<b>9 589</b>	<b>-</b>	<b>100,0%</b>	<b>11 118</b>	<b>11 118</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 802	867	4 920	9 589	9 589	-	100,0%	11 118	11 118
Transport equipment	478	(478)	-	-	-	-	-	361	361
Other machinery and equipment	3 324	1 345	4 920	9 589	9 589	-	100,0%	10 757	10 757
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>100</b>	<b>14</b>	<b>800</b>	<b>914</b>	<b>914</b>	<b>-</b>	<b>100,0%</b>	<b>263</b>	<b>263</b>
Total	240 088	-	31 037	271 125	269 422	1 703	99,4%	242 025	241 628

PROGRAMME 2: POLICY, RESEARCH AND KNOWLEDGE MANAGEMENT

	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
Management: Research And Policy	6 122	-	(343)	5 779	4 776	1 003	82,6%	4 151	3 404
Policy And Research Methods	5 630	(58)	-	5 572	5 358	214	96,2%	7 792	6 759
Knowledge And Information Management	8 529	58	(657)	7 930	7 780	150	98,1%	8 308	8 308
<b>Total</b>	<b>20 281</b>	<b>-</b>	<b>(1 000)</b>	<b>19 281</b>	<b>17 914</b>	<b>1 367</b>	<b>92,9%</b>	<b>20 251</b>	<b>18 471</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>20 257</b>	<b>(190)</b>	<b>(1 000)</b>	<b>19 067</b>	<b>17 758</b>	<b>1 309</b>	<b>93,1%</b>	<b>20 151</b>	<b>18 371</b>
Compensation of employees	13 891	(195)	-	13 696	12 692	1 004	92,7%	11 931	11 931
Salaries and wages	10 656	1 540	-	12 196	11 370	826	93,2%	10 610	10 610
Social contributions	3 235	(1 735)	-	1 500	1 322	178	88,1%	1 321	1 321
Goods and services	6 366	5	(1 000)	5 371	5 066	305	94,3%	8 220	6 440
Administrative fees	52	-	-	52	-	52	-	1	1
Advertising	132	(110)	-	22	-	22	-	22	-
Minor assets	-	10	-	10	10	-	100,0%	64	48
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	164	(102)	-	62	28	34	45,2%	201	51
Communication (G&S)	285	(49)	-	236	210	26	89,0%	354	339
Computer services	730	552	(657)	625	625	-	100,0%	388	388
Consultants: Business and advisory services	1 149	275	-	1 424	1 354	70	95,1%	3 521	3 521
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	5	-	-	5	-	5	-	5	5
Agency and support / outsourced services	100	259	-	359	359	-	100,0%	652	-
Entertainment	-	-	-	-	-	-	-	2	-
Fleet services (including government motor transport)	40	(30)	-	10	4	6	40,0%	2	2
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-



	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	4	-
Consumable supplies	22	(22)	-	-	-	-	-	5	5
Consumable: Stationery, printing and office supplies	970	218	-	1 188	1 170	18	98,5%	1 362	1 361
Operating leases	7	68	-	75	75	-	100,0%	70	70
Property payments	-	8	-	8	8	-	100,0%	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 071	(1 165)	(343)	563	563	-	100,0%	1 054	544
Training and development	144	(99)	-	45	30	15	66,7%	18	-
Operating payments	277	53	-	330	330	-	100,0%	440	50
Venues and facilities	218	139	-	357	300	57	84,0%	55	55
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>24</b>	<b>132</b>	-	<b>156</b>	<b>156</b>	-	<b>100,0%</b>	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-

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	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	24	132	-	156	156	-	100,0%	-	-
Social benefits	24	24	-	24	24	-	100,0%	-	-
Other transfers to households	-	132	-	132	132	-	100,0%	-	-
<b>Payments for capital assets</b>	-	<b>58</b>	-	<b>58</b>	-	<b>58</b>	-	<b>100</b>	<b>100</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	100	100
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	100	100
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	58	-	58	-	58	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20 281</b>	<b>-</b>	<b>(1 000)</b>	<b>19 281</b>	<b>17 914</b>	<b>1 367</b>	<b>92,9%</b>	<b>20 251</b>	<b>18 471</b>

## PROGRAMME 3: GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
Management: Governance	29 320	(583)	(17 289)	11 448	11 411	37	99,7%	15 466	15 466
Intergovernmental Relations Coordination	6 137	(1 342)	441	5 236	5 236	-	100,0%	6 319	6 319
Intergovernmental Fiscal Relations	13 021	4 112	739	17 872	17 849	23	99,9%	12 425	12 425
Governance And Public Participation	9 575	(2 187)	(428)	6 960	4 625	2 335	66,5%	2 977	2 977
South African Local Government Association	9 215	-	-	9 215	9 215	-	100,0%	26 904	26 904
Municipal Demarcation Board	45 793	-	-	45 793	45 793	-	100,0%	44 230	44 230
South African Cities Network	6 286	-	-	6 286	6 286	-	100,0%	6 071	6 071
United Cities And Local Government Of Africa	-	-	-	-	-	-	-	5 594	3 209
Local Government Equitable Share	51 706 516	-	-	51 706 516	49 366 507	2 340 009	95,5%	44 490 145	41 592 070
<b>Total for sub programmes</b>	<b>51 825 863</b>	<b>-</b>	<b>(16 537)</b>	<b>51 809 326</b>	<b>49 466 922</b>	<b>2 342 404</b>	<b>95,5%</b>	<b>44 610 131</b>	<b>41 709 671</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>58 033</b>	<b>(35)</b>	<b>(16 517)</b>	<b>41 481</b>	<b>39 086</b>	<b>2 395</b>	<b>94,2%</b>	<b>37 117</b>	<b>37 117</b>
Compensation of employees	27 387	(13)	1 200	28 574	28 514	60	99,8%	24 361	24 361
Salaries and wages	23 700	657	1 200	25 557	25 520	37	99,9%	21 869	21 869
Social contributions	3 687	(670)	-	3 017	2 994	23	99,2%	2 492	2 492
Goods and services	30 646	(22)	(17 717)	12 907	10 572	2 335	81,9%	12 756	12 756
Administrative fees	5	(1)	-	4	-	4	-	-	-
Advertising	27	211	-	238	238	-	100,0%	5	5
Minor assets	85	(58)	-	27	7	20	25,9%	7	7
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	6 489	(53)	(5 655)	781	758	23	97,1%	145	145
Communication (G&S)	496	(66)	-	430	383	47	89,1%	341	341
Computer services	210	(210)	-	-	-	-	-	-	-
Consultants: Business and advisory services	13 107	723	(8 788)	5 042	5 042	-	100,0%	8 295	8 295
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	528	(99)	(429)	-	-	-	-	-	-

DEPARTMENT OF COOPERATIVE GOVERNANCE | VOTE 04  
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	2015/16						2014/15		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Agency and support / outsourced services	806	(482)	(323)	1	-	1	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	20	17	-	37	31	6	83,8%	11	11
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	1	1
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1	(1)	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	40	(35)	-	5	1	4	20,0%	10	10
Consumable: Stationery, printing and office supplies	770	(212)	-	558	401	157	71,9%	739	739
Operating leases	23	-	-	23	-	23	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 255	1 531	(864)	3 922	3 270	652	83,4%	2 836	2 836
Training and development	3 349	(1 414)	(550)	1 385	36	1 349	2,6%	338	338
Operating payments	59	363	-	422	405	17	96,0%	2	2
Venues and facilities	1 376	(236)	(1 108)	32	-	32	-	26	26
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>51 767 810</b>	<b>35</b>	<b>-</b>	<b>51 767 845</b>	<b>49 427 836</b>	<b>2 340 009</b>	<b>95,5%</b>	<b>44 572 993</b>	<b>41 672 533</b>
Provinces and municipalities	51 706 516	-	-	51 706 516	49 366 507	2 340 009	95,5%	44 490 145	41 592 070
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	51 706 516	-	-	51 706 516	49 366 507	2 340 009	95,5%	44 490 145	41 592 070

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipal bank accounts	51 706 516	-	-	51 706 516	49 366 507	2 340 009	95,5%	44 490 145	41 592 070
Municipal agencies and funds									
Departmental agencies and accounts	55 008	-	-	55 008	55 008	-	100,0%	71 134	71 134
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	55 008	-	-	55 008	55 008	-	100,0%	71 134	71 134
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	6 286	-	-	6 286	6 286	-	100,0%	11 665	9 280
Households	-	35	-	35	35	-	100,0%	49	49
Social benefits	-	35	-	35	35	-	100,0%	-	-
Other transfers to households	-	-	-	-	-	-	-	49	49
<b>Payments for capital assets</b>	<b>20</b>	-	<b>(20)</b>	-	-	-	-	<b>21</b>	<b>21</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20	-	(20)	-	-	-	-	21	21
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	20	-	(20)	-	-	-	-	21	21
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>51 825 863</b>	<b>-</b>	<b>(16 537)</b>	<b>51 809 326</b>	<b>49 466 922</b>	<b>2 342 404</b>	<b>95,5%</b>	<b>44 610 131</b>	<b>41 709 671</b>

PROGRAMME 4: NATIONAL DISASTER MANAGEMENT CENTRE

	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
Management: Head Of Disaster Legislation, Policy And Compliance Management	6 010	95	-	6 105	5 683	422	93,1%	19 740	17 851
Planning Coordination And Support Intelligence And Information Systems Management	12 662	1 078	-	13 740	13 204	536	96,1%	41 619	41 619
Disaster Relief Transfers	26 749	(385)	(15 450)	10 914	10 254	660	94,0%	9 830	9 830
Integrated Disaster Management Monitoring And Evaluation Systems	364 343	-	-	364 343	35 588	328 755	9,8%	560 952	121 483
Municipal Disaster Recovery Grant	2 038	(800)	-	1 238	1 193	45	96,4%	-	-
	188 900	-	-	188 900	186 121	2 779	98,5%	194 253	190 102
<b>Total for sub programmes</b>	<b>606 805</b>	<b>-</b>	<b>(15 450)</b>	<b>591 355</b>	<b>258 158</b>	<b>333 197</b>	<b>43,7%</b>	<b>831 415</b>	<b>385 906</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>51 113</b>	<b>(27)</b>	<b>(14 200)</b>	<b>36 886</b>	<b>35 750</b>	<b>1 136</b>	<b>96,9%</b>	<b>67 738</b>	<b>67 738</b>
Compensation of employees	21 470	(3)	-	21 467	20 772	695	96,8%	18 711	18 711
Salaries and wages	18 514	549	-	19 063	18 667	396	97,9%	16 789	16 789
Social contributions	2 956	(552)	-	2 404	2 105	299	87,6%	1 922	1 922
Goods and services	29 643	(24)	(14 200)	15 419	14 978	441	97,1%	49 027	49 027
Administrative fees	-	1	-	1	1	-	100,0%	2	2
Advertising	155	41	-	196	196	-	100,0%	148	148
Minor assets	229	9	(161)	77	56	21	72,7%	1 363	1 363
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	327	181	-	508	508	-	100,0%	284	284
Communication (G&S)	457	27	-	484	474	10	97,9%	537	537
Computer services	7 928	(299)	(5 069)	2 560	2 274	286	88,8%	1 074	1 074
Consultants: Business and advisory services	13 844	(3 273)	(7 968)	2 603	2 603	-	100,0%	35 554	35 554
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	27	-	27	27	-	100,0%	407	407
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-

	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Fleet services (including government motor transport)	21	48	-	69	69	-	100,0%	72	72
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	106	106
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	649	(391)	(255)	3	3	-	100,0%	2 550	2 550
Consumable: Stationery, printing and office supplies	573	(96)	-	477	353	124	74,0%	158	158
Operating leases	1 669	3 712	-	5 381	5 381	-	100,0%	3 955	3 955
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 012	435	(747)	2 700	2 700	-	100,0%	2 030	2 030
Training and development	559	(540)	-	19	19	-	100,0%	9	9
Operating payments	121	85	-	206	206	-	100,0%	334	334
Venues and facilities	99	9	-	108	108	-	100,0%	444	444
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>553 243</b>	<b>27</b>	-	<b>553 270</b>	<b>221 736</b>	<b>331 534</b>	<b>40,1%</b>	<b>755 205</b>	<b>311 585</b>
Provinces and municipalities	553 243	5	-	553 248	221 714	331 534	40,1%	755 205	311 585
Provinces	103 194	5	-	103 199	35 593	67 606	34,5%	197 372	-
Provincial Revenue Funds	103 194	5	-	103 199	35 593	67 606	34,5%	197 372	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	450 049	-	-	450 049	186 121	263 928	41,4%	557 833	311 585
Municipal bank accounts	450 049	-	-	450 049	186 121	263 928	41,4%	557 833	311 585
Municipal agencies and funds	-	-	-	-	-	-	-	-	-

DEPARTMENT OF COOPERATIVE GOVERNANCE | VOTE 04  
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	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	22	-	22	22	-	100,0%	-	-
Social benefits	-	22	-	22	22	-	100,0%	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>2 449</b>	-	<b>(1 250)</b>	<b>1 199</b>	<b>672</b>	<b>527</b>	<b>56,0%</b>	<b>8 472</b>	<b>6 583</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 449	-	(1 250)	1 199	672	527	56,0%	8 334	6 445
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 449	-	(1 250)	1 199	672	527	56,0%	8 334	6 445
Heritage assets	-	-	-	-	-	-	-	138	138
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>606 805</b>	<b>-</b>	<b>(15 450)</b>	<b>591 355</b>	<b>258 158</b>	<b>333 197</b>	<b>43,7%</b>	<b>831 415</b>	<b>385 906</b>



## PROGRAMME 5: PROVINCIAL AND MUNICIPAL GOVERNMENT SYSTEMS

	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
Management: Provincial And Local Government Support	9 563	(1 053)	1 000	9 510	9 394	116	98,8%	6 945	6 945
Provincial Government Support And Intervention	6 018	(1 392)	-	4 626	4 626	-	100,0%	4 459	4 405
Local Government Support And Intervention	11 568	1 179	-	12 747	12 678	69	99,5%	13 844	13 844
Development Planning	10 501	1 266	-	11 767	11 481	286	97,6%	12 133	12 133
Municipal Systems Improvement Grant	251 442	-	-	251 442	251 442	-	100,0%	252 152	252 152
Municipal Demarcation Transition Grant	39 000	-	-	39 000	3 714	35 286	9,5%	-	-
<b>Total for sub programmes</b>	<b>328 092</b>	<b>-</b>	<b>1 000</b>	<b>329 092</b>	<b>293 335</b>	<b>35 757</b>	<b>89,1%</b>	<b>289 533</b>	<b>289 479</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>37 550</b>	<b>(80)</b>	<b>1 100</b>	<b>38 570</b>	<b>38 099</b>	<b>471</b>	<b>98,8%</b>	<b>37 213</b>	<b>37 213</b>
Compensation of employees	25 062	(585)	-	24 477	24 006	471	98,1%	22 888	22 888
Salaries and wages	22 004	(832)	-	21 122	21 469	(297)	101,4%	20 603	20 603
Social contributions	3 058	247	-	3 355	2 537	768	76,8%	2 285	2 285
Goods and services	12 488	505	1 100	14 093	14 093	-	100,0%	14 325	14 325
Administrative fees	12	(11)	-	1	1	-	100,0%	-	-
Advertising	42	(22)	-	20	20	-	100,0%	11	11
Minor assets	59	(55)	-	4	4	-	100,0%	6	6
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	473	20	-	493	493	-	100,0%	549	549
Communication (G&S)	574	(248)	-	326	326	-	100,0%	301	301
Computer services	105	1 925	-	2 030	2 030	-	100,0%	2 245	2 245
Consultants: Business and advisory services	5 369	(3 555)	-	1 814	1 814	-	100,0%	5 521	5 521
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	2 933	1 100	4 033	4 033	-	100,0%	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	18	18
Entertainment	-	-	-	-	-	-	-	-	-

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	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Fleet services (including government motor transport)	11	(4)	-	7	7	-	100,0%	7	7
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1	-	1	1	-	100,0%	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	36	(36)	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	1 351	(1 096)	-	255	255	-	100,0%	656	656
Operating leases	16	(16)	-	-	-	-	-	69	69
Property payments	-	-	-	-	-	-	-	5	5
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	4 176	504	-	4 680	4 680	-	100,0%	4 620	4 620
Training and development	195	(149)	-	46	46	-	100,0%	15	15
Operating payments	69	75	-	144	144	-	100,0%	126	126
Venues and facilities	-	239	-	239	239	-	100,0%	176	176
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>290 442</b>	<b>80</b>	-	<b>290 522</b>	<b>255 236</b>	<b>35 286</b>	<b>87,9%</b>	<b>252 220</b>	<b>252 220</b>
Provinces and municipalities	290 442	-	-	290 442	255 156	35 286	87,9%	252 152	252 152
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	290 442	-	-	290 442	255 156	35 286	87,9%	252 152	252 152
Municipal bank accounts	290 442	-	-	290 442	255 156	35 286	87,9%	252 152	252 152
Municipal agencies and funds	-	-	-	-	-	-	-	-	-

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	80	-	80	80	-	100,0%	68	68
Social benefits	-	80	-	80	80	-	100,0%	68	68
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>100</b>	-	<b>(100)</b>	-	-	-	-	<b>100</b>	<b>46</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	100	-	(100)	-	-	-	-	100	46
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	100	-	(100)	-	-	-	-	100	46
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>328 092</b>	-	<b>1 000</b>	<b>329 092</b>	<b>293 335</b>	<b>35 757</b>	<b>89,1%</b>	<b>289 533</b>	<b>289 479</b>

PROGRAMME 6: INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
Management: Infrastructure	2 725	71	-	2 796	2 658	138	95,1%	3 382	2 047
Local Economic Development Planning	8 997	(71)	459	9 385	8 783	602	93,6%	11 751	11 729
Infrastructure Development	20 984	-	491	21 475	20 412	1 063	95,1%	13 482	13 417
Municipal Infrastructure Grant	14 955 762	-	-	14 955 762	14 955 762	-	100,0%	14 764 049	14 745 445
Community Work Programme	2 375 939	-	-	2 375 939	2 374 230	1 709	99,9%	2 257 840	1 558 729
Municipal Infrastructure Support Agency	304 013	-	-	304 013	304 013	-	100,0%	294 162	294 162
<b>Total for sub programmes</b>	<b>17 668 420</b>	<b>-</b>	<b>950</b>	<b>17 669 370</b>	<b>17 665 858</b>	<b>3 512</b>	<b>100,0%</b>	<b>17 344 666</b>	<b>16 625 529</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 408 495</b>	<b>(35 949)</b>	<b>1 100</b>	<b>2 373 646</b>	<b>2 370 134</b>	<b>3 512</b>	<b>99,9%</b>	<b>2 286 086</b>	<b>1 582 493</b>
Compensation of employees	62 743	(6 260)	(1 200)	55 283	52 909	2 374	86,0%	44 712	39 760
Salaries and wages	59 418	(8 040)	(1 100)	50 278	48 593	1 685	86,0%	41 130	36 179
Social contributions	3 325	1 780	(100)	5 005	4 316	689	86,2%	3 582	3 581
Goods and services	2 345 752	(29 689)	2 300	2 318 363	2 317 225	1 138	100,2%	2 241 374	1 542 733
Administrative fees	16 972	(5 229)	-	11 743	11 740	3	100,0%	5 914	5 914
Advertising	1 651	(1 623)	-	28	-	28	-	1 709	759
Minor assets	830	7 819	-	8 649	7 785	864	90,0%	812	2 910
Audit costs: External	-	66	-	66	66	-	100,0%	3 269	3 269
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 570	63	-	1 633	1 168	465	71,5%	1 381	730
Communication (G&S)	1 347	(178)	-	1 169	652	517	55,8%	1 128	694
Computer services	-	139	105	244	244	-	100,0%	42 843	-
Consultants: Business and advisory services	207 778	(16 581)	2 195	193 392	193 392	-	100,0%	188 741	181 069
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	1 703 525	75 628	-	1 779 153	1 813 277	(34 124)	102,3%	1 510 014	1 265 003
Agency and support / outsourced services	2 461	(761)	-	1 700	-	1 700	-	585	585
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	49	38	-	87	57	30	65,5%	22	22
Housing	-	-	-	-	-	-	-	-	-

	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	22 486	22 486
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	9	9
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	110 320	(5 562)	-	104 758	87 756	17 002	83,8%	406 928	22 104
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	270	7
Consumable supplies	98 505	23 343	-	121 848	121 848	-	100,0%	-	-
Consumable: Stationery, printing and office supplies	8 577	(405)	-	8 172	561	7 611	6,9%	9 923	408
Operating leases	500	-	-	500	52	448	10,4%	1 723	99
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	12 243	886	-	13 129	6 650	6 479	50,7%	12 188	5 840
Training and development	93 125	(21 787)	-	71 338	71 311	27	100,0%	30 370	30 370
Operating payments	86 089	(85 625)	-	464	463	1	99,8%	202	202
Venues and facilities	210	80	-	290	203	87	70,0%	850	253
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>15 259 775</b>	<b>132</b>	-	<b>15 259 907</b>	<b>15 259 907</b>	-	<b>100,0%</b>	<b>15 058 471</b>	<b>15 039 845</b>
Provinces and municipalities	14 955 762	-	-	14 955 762	14 955 762	-	100,0%	14 764 049	14 745 445
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	14 955 762	-	-	14 955 762	14 955 762	-	100,0%	14 764 049	14 745 445
Municipal bank accounts	14 955 762	-	-	14 955 762	14 955 762	-	100,0%	14 764 049	14 745 445
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	304 013	-	-	304 013	304 013	-	100,0%	294 162	294 162
Social security funds	-	-	-	-	-	-	-	-	-

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	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies (non-business entities)	304 013	-	-	304 013	304 013	-	100,0%	294 162	294 162
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	260	238
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	132	-	132	132	-	100,0%	-	-
Social benefits	-	132	-	132	132	-	100,0%	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>150</b>	<b>35 817</b>	<b>(150)</b>	<b>35 817</b>	<b>35 817</b>	<b>-</b>	<b>100,0%</b>	<b>109</b>	<b>3 191</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	150	35 817	(150)	35 817	35 817	-	100,0%	109	3 191
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	150	35 817	(150)	35 817	35 817	-	100,0%	109	3 191
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>17 668 420</b>	<b>-</b>	<b>950</b>	<b>17 669 370</b>	<b>17 665 858</b>	<b>3 512</b>	<b>100,0%</b>	<b>17 344 666</b>	<b>16 625 529</b>

## PROGRAMME 7: TRADITIONAL AFFAIRS

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
Department Of Traditional Affairs	125 928	-	-	125 928	125 928	-	100,0%	115 864	115 864
<b>Total for sub programmes</b>	<b>125 928</b>	<b>-</b>	<b>-</b>	<b>125 928</b>	<b>125 928</b>	<b>-</b>	<b>100,0%</b>	<b>115 864</b>	<b>115 864</b>
<b>Economic classification</b>									
<b>Current payments</b>	-								
Compensation of employees	-								
Salaries and wages	-								
Social contributions	-								
Goods and services	-								
Administrative fees	-								
Advertising	-								
Minor assets	-								
Audit costs: External	-								
Bursaries: Employees	-								
Catering: Departmental activities	-								
Communication (G&S)	-								
Computer services	-								
Consultants: Business and advisory services	-								
Infrastructure and planning services	-								
Laboratory services	-								
Scientific and technological services	-								
Legal services	-								
Contractors	-								
Agency and support / outsourced services	-								
Entertainment	-								
Fleet services (including government motor transport)	-								
Housing	-								
Inventory: Clothing material and accessories	-								
Inventory: Farming supplies	-								
Inventory: Food and food supplies	-								
Inventory: Fuel, oil and gas	-								

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	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>125 928</b>	-	-	<b>125 928</b>	<b>125 928</b>	-	<b>100,0%</b>	<b>115 864</b>	<b>115 864</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	125 928	-	-	125 928	125 928	-	100,0%	115 864	115 864
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	125 928	-	-	125 928	125 928	-	100,0%	115 864	115 864
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-



	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>125 928</b>	<b>-</b>	<b>-</b>	<b>125 928</b>	<b>125 928</b>	<b>-</b>	<b>100,0%</b>	<b>115 864</b>	<b>115 864</b>

*Notes to the Appropriation Statement for the Year Ended 31 March 2016*

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

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

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

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

**3 Detail on payments for financial assets**

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

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

**4.1 Per programme:**

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
<b>Programme 1: Administration</b>	271 125	269 422	1 703	99%
In line with expenditure				
<b>Programme 2: Policy, Research And Knowledge Management</b>	19 281	17 914	1 367	93%
The under-spending is mainly due to the delays that emanated from the implementation of the 2015/16 Procurement Plan				
<b>Programme 3: Governance And Intergovernmental Relations</b>	51 809 326	49 466 922	2 342 404	95%
The under-spending mainly due to the offsetting withholding of the Equitable Share Grant due to non-compliance with the DORA act requirements.				
<b>Programme 4: National Disaster Management Centre</b>	591 355	258 158	333 197	44%
The under-spending is mainly due to Disaster Relief Grants that were not required to be paid out.				
<b>Programme 5: Provincial And Municipal Government Systems</b>	329 092	293 335	35 757	89%
The under-spending is mainly due to the delays in the transfer of the Municipal Demarcation Transition Grant, which was due to a change in the transfer arrangement from the municipalities in KwaZulu-Natal to the Provincial Department of Cooperative Governance.				
<b>Programme 6: Infrastructure And Economic Development</b>	17 669 370	17 665 858	3 512	100%
The under-spending is mainly due to delays in the filling of vacancies and delays in the receipt of invoices from Implementing Agents related to the CWP programme.				
<b>Programme 7: Traditional Affairs</b>	125 928	125 928	-	100%
In line with expenditure				

**4.2 Per economic classification**

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
<b>Current expenditure</b>	<b>2 770 108</b>	<b>2 759 622</b>	<b>10 486</b>	
Compensation of employees	264 598	258 334	6 264	98%
Goods and services	2 505 510	2 501 288	4 222	100%
Interest and rent on land				
<b>Transfers and subsidies</b>	<b>67 997 792</b>	<b>65 290 923</b>	<b>2 706 869</b>	
Provinces and municipalities	67 506 029	64 799 161	2 706 868	96%
Departmental agencies and accounts	484 949	484 949	0	100%
Higher education institutions				
Public corporations and private enterprises				
Foreign governments and international organisations				
Non-profit institutions	6 286	6 286	0	100%
Households	528	527	1	100%
<b>Payments for capital assets</b>	<b>46 663</b>	<b>46 078</b>	<b>585</b>	
Buildings and other fixed structures				
Machinery and equipment	46 605	46 078	527	99%
Heritage assets				
Specialised military assets				
Biological assets				
Land and subsoil assets				
Software and other intangible assets	58	-	58	0%
<b>Payments for financial assets</b>	<b>914</b>	<b>914</b>	<b>0</b>	<b>100%</b>

Goods and Services: The under-spending is mainly due to delays in receipt of invoices from the CWP Implementing Agents and delays emanating from the implementation of the 2015/16 Procurement Plan.

Transfer and subsidies: The under-spending is mainly due to the uncertainty with regard to the payment of Disaster Relief Grants, changes in the transfer arrangement for the Demarcation Transition Grant and withholding of the Local Government Equitable Share Grant in some municipalities as per DORA requirements

Payment of capital assets: The under-spending is mainly due to delays in the delivery of assets and cost containment measures implemented.

**4.3 Per conditional grant**

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
<i>Only show the conditional grants applicable to the department</i>				
Disaster Relief Transfers	364 343	35 588	328 755	10%
Municipal Disaster Recovery Grant	188 900	186 121	2 779	99%
Municipal Systems Improvement Grant	251 442	251 442	-	100%
Municipal Demarcation Transition Grant	39 000	3 714	35 286	10%
Municipal Infrastructure Grant	14 955 762	14 955 762	-	100%

The under-spending is mainly due to the uncertainty with regard to the payment of Disaster Relief Grants, changes in the transfer arrangement for the Demarcation Transition Grant.

## STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16	2014/15
		R'000	R'000
<b>REVENUE</b>			
Annual appropriation	1	70 815 477	63 453 885
Statutory appropriation		-	-
Departmental revenue	2	1 116	1 916
NRF Receipts		-	-
Aid assistance		-	-
<b>TOTAL REVENUE</b>		<b>70 816 593</b>	<b>63 455 801</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	258 331	234 443
Goods and services	5	2 501 289	1 737 745
Interest and rent on land		-	-
Aid assistance		-	-
<b>Total current expenditure</b>		<b>2 759 620</b>	<b>1 972 188</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	65 290 924	57 393 039
Aid assistance		-	-
<b>Total transfers and subsidies</b>		<b>65 290 924</b>	<b>57 393 039</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	46 079	21 059
Intangible assets		-	-
<b>Total expenditure for capital assets</b>		<b>46 079</b>	<b>21 059</b>
Unauthorised expenditure approved without funding	9		
Payments for financial assets	6	914	262
<b>TOTAL EXPENDITURE</b>		<b>68 097 537</b>	<b>59 386 548</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>2 719 056</b>	<b>4 069 253</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		2 717 940	4 067 337
Annual appropriation		2 351 120	<b>704 597</b>
Conditional grants		366 820	<b>3 362 740</b>
Departmental revenue and NRF Receipts	14	1 116	1 916
Aid assistance			
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>2 719 056</b>	<b>4 069 253</b>

## STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16 R'000	2014/15 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>2 818 546</b>	<b>4 068 209</b>
Unauthorised expenditure	9	1 123	1 123
Cash and cash equivalents	10	2 795 300	3 972 338
Other financial assets		-	-
Prepayments and advances	11	3 577	226
Receivables	12	18 546	94 522
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
<b>Non-current assets</b>		<b>87</b>	<b>64</b>
Investments		-	-
Receivables	12	87	64
Loans		-	-
Other financial assets		-	-
<b>TOTAL ASSETS</b>		<b>2 818 633</b>	<b>4 068 273</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>2 818 633</b>	<b>4 068 273</b>
Voted funds to be surrendered to the Revenue Fund	13	2 809 176	4 067 337
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	240	52
Bank overdraft		-	-
Payables	15	9 217	884
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
<b>Non-current liabilities</b>			
Payables	15	-	-
<b>TOTAL LIABILITIES</b>		<b>2 818 633</b>	<b>4 068 273</b>
<b>NET ASSETS</b>			

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16	2014/15
		R'000	R'000
<b>Capitalisation Reserves</b>			
Opening balance			
Transfers:			
Movement in Equity			
Movement in Operational Funds			
Other movements			
Closing balance			
<b>Recoverable revenue</b>			
Opening balance			
Transfers:			
Irrecoverable amounts written off			
Debts revised			
Debts recovered (included in departmental receipts)			
Debts raised			
Closing balance			
<b>Retained funds</b>			
Opening balance			
Transfer from voted funds to be surrendered (Parliament/ Legislatures ONLY)			
Utilised during the year			
Other transfers			
Closing balance			
<b>Revaluation Reserve</b>			
Opening balance			
Revaluation adjustment (Housing departments)			
Transfers			
Other			
Closing balance			
<b>TOTAL</b>			

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16 R'000	2014/15 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>70 816 593</b>	<b>63 455 748</b>
Annual appropriated funds received	1.1	70 815 477	63 453 885
Statutory appropriated funds received		-	-
Departmental revenue received	2	825	1 862
Interest received	2.2	291	1
NRF Receipts		-	-
Aid assistance received		-	-
Net (increase)/decrease in working capital		80 935	44 416
Surrendered to Revenue Fund		(3 977 029)	(2 059 455)
Surrendered to RDP Fund/Donor		-	(34 818)
Current payments		(2 759 620)	(1 972 188)
Interest paid		-	-
Payments for financial assets		(914)	(262)
Transfers and subsidies paid		(65 290 924)	(57 393 039)
<b>Net cash flow available from operating activities</b>	16	<b>(1 130 959)</b>	<b>2 040 402</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(46 079)	(21 059)
Proceeds from sale of capital assets		-	53
(Increase)/decrease in loans			
(Increase)/decrease in investments			
(Increase)/decrease in other financial assets			
<b>Net cash flows from investing activities</b>		<b>(46 079)</b>	<b>(21 006)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Distribution/dividend received			
Increase/(decrease) in net assets			
Increase/(decrease) in non-current payables			
<b>Net cash flows from financing activities</b>			
Net increase/(decrease) in cash and cash equivalents		(1 177 038)	2 019 396
Cash and cash equivalents at beginning of period		3 972 338	1 952 942
Unrealised gains and losses within cash and cash equivalents			
<b>Cash and cash equivalents at end of period</b>	17	<b>2 795 300</b>	<b>3 972 338</b>

## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

#### 1 Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

#### 2 Going concern

The financial statements have been prepared on a going concern basis.

#### 3 Presentation currency

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

#### 4 Rounding

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

#### 5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

#### 6 Comparative information

##### 6.1 Prior period comparative information

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

##### 6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.



## 7 Revenue

### 7.1 Appropriated funds

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

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

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

### 7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

### 7.3 Accrued departmental revenue

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

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

## 8 Expenditure

### 8.1 Compensation of employees

#### 8.1.1 Salaries and wages

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

#### 8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

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

## 8.2 Other expenditure

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

## 8.3 Accrued expenditure payable

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.

Accrued expenditure payable is measured at cost.

## 8.4 Leases

### 8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

### 8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

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

## 9 Aid Assistance

### 9.1 Aid assistance received

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

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

### 9.2 Aid assistance paid

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

## 10 Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

## 11 Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

## 12 Loans and receivables

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

## 13 Investments

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

## 14 Financial assets

### 14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

### 14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

## 15 Payables

Loans and payables are recognised in the statement of financial position at cost.

## 16 Capital Assets

### 16.1 Immovable capital assets

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

### 16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Biological assets are subsequently carried at fair value

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

### 16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

## 17 Provisions and Contingents

### 17.1 Provisions

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

### 17.2 Contingent liabilities

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

### 17.3 Contingent assets

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

### 17.4 Commitments

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

## 18 Unauthorised expenditure

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

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

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

## 19 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

## 20 Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

## 21 Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

## 22 Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

## 23 Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

## 24 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

## 25 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

## 26 Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

## 27 Inventories (*Effective from 1 April 2017*)

At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements

Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.

## 28 Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

**DEPARTMENT OF COOPERATIVE GOVERNANCE | VOTE 04**  
**ANNUAL FINANCIAL STATEMENTS • FOR THE YEAR ENDED 31 MARCH 2016**

*Notes to the Annual Financial Statements for the Year Ended 31 March 2016*

**1 Annual Appropriation**

**1.1 Annual Appropriation**

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

	2015/16			2014/15	
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	240 088	240 088	-	242 025	242 025
Policy, Research And Knowledge Management	20 281	20 281	-	20 251	20 251
Governance And Intergovernmental Relations	51 825 863	51 825 863	-	44 610 131	44 610 131
National Disaster Management Centre	606 805	606 805	-	831 415	831 415
Provincial And Municipal Government Systems	328 092	328 092	-	289 533	289 533
Infrastructure And Economic Development	17 668 420	17 668 420	-	17 344 666	17 344 666
Traditional Affairs	125 928	125 928	-	115 864	115 864
<b>Total</b>	<b>70 815 477</b>	<b>70 815 477</b>	<b>-</b>	<b>63 453 885</b>	<b>63 453 885</b>

**2 Departmental revenue**

	Note	2015/16	2014/15
		R'000	R'000
Sales of goods and services other than capital assets	2.1	158	174
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land	2.2	291	1
Sales of capital assets	2.3	-	53
Transactions in financial assets and liabilities	2.4	667	1 688
<b>Total revenue collected</b>		<b>1 116</b>	<b>1 916</b>
Less: Own revenue included in appropriation			
<b>Departmental revenue collected</b>		<b>1 116</b>	<b>1 916</b>

Included in the Departmental revenue is revenue generated from sale of waste paper, car parking and commission on insurance and garnishee orders

**2.1 Sales of goods and services other than capital assets**

	Note	2015/16	2014/15
		R'000	R'000
	2		
Sales of goods and services produced by the department		157	173
Sales by market establishment		157	173
Administrative fees		-	-
Other sales		-	-
Sales of scrap, waste and other used current goods		1	1
<b>Total</b>		<b>158</b>	<b>174</b>



## 2.2 Interest, dividends and rent on land

	Note	2015/16	2014/15
		R'000	R'000
	2		
Interest		291	1
Dividends			
Rent on land			
<b>Total</b>		<b>291</b>	<b>1</b>

## 2.3 Sale of capital assets

	Note	2015/16	2014/15
		R'000	R'000
	2		
<b>Tangible assets</b>			<b>53</b>
Buildings and other fixed structures			
Machinery and equipment		-	53
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
<b>Intangible assets</b>			
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
<b>Total</b>		<b>-</b>	<b>53</b>

## 2.4 Transactions in financial assets and liabilities

	Note	2015/16	2014/15
		R'000	R'000
	2		
Stale cheques written back		2	-
Other Receipts including Recoverable Revenue		665	1 688
<b>Total</b>		<b>667</b>	<b>1 688</b>

## 3 Aid assistance

	Note	2015/16	2014/15
		R'000	R'000
Opening Balance		-	34 818
Prior period error			
As restated		-	34 818
Transferred from statement of financial performance		-	-
Transfers to or from retained funds		-	-
Paid during the year		-	(34 818)
<b>Closing Balance</b>		<b>-</b>	<b>-</b>

DEPARTMENT OF COOPERATIVE GOVERNANCE | VOTE 04  
ANNUAL FINANCIAL STATEMENTS • FOR THE YEAR ENDED 31 MARCH 2016

Notes to the Annual Financial Statements for the Year Ended 31 March 2016

4 Compensation of employees

4.1 Salaries and Wages

	Note	2015/16	2014/15
		R'000	R'000
Basic salary		171 241	153 397
Performance award		3 404	2 138
Service Based		754	748
Compensative/circumstantial		3 055	4 863
Periodic payments		-	523
Other non-pensionable allowances		54 134	49 777
<b>Total</b>		<b>232 588</b>	<b>211 446</b>

4.2 Social contributions

	Note	2015/16	2014/15
		R'000	R'000
Employer contributions			
Pension		20 360	18 375
Medical		5 352	4 595
Bargaining council		31	27
Official unions and associations		-	-
Insurance		-	-
<b>Total</b>		<b>25 743</b>	<b>22 997</b>

**Total compensation of employees**

Average number of employees

**258 331**

**234 443**

435

429

5 Goods and services

	Note	2015/16	2014/15
		R'000	R'000
Administrative fees		11 825	5 964
Advertising		1 553	2 475
Minor assets	5.1	8 103	5 652
Bursaries (employees)		751	937
Catering		3 784	2 860
Communication		5 013	5 943
Computer services	5.2	33 145	17 801
Consultants: Business and advisory services		2 041 482	1 515 871
Audit cost – external	5.3	7 447	6 872
Fleet services		2 749	1 967
Inventory		-	-
Consumables	5.4	214 953	56 671
Housing		-	-
Operating leases		48 844	35 650
Property payments	5.5	15 873	14 630
Rental and hiring		-	-
Transport provided as part of the departmental activities		-	-
Travel and subsistence	5.6	29 246	29 295
Venues and facilities		1 474	2 128
Training and development		72 484	31 118
Other operating expenditure	5.7	2 563	1 911
<b>Total</b>		<b>2 501 289</b>	<b>1 737 745</b>

The amount for consumables and minor assets was restated due to a prior period error. The amount adjusted relates to the CWP assets which were not previously disclosed by the Department.

## 5.1 Minor assets

	Note	2015/16	2014/15
		R'000	R'000
	5		
<b>Tangible assets</b>			
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		8 103	5 652
Transport assets		-	-
Specialised military assets		-	-
<b>Total</b>		<b>8 103</b>	<b>5 652</b>

The amount for machinery and equipment was restated due to a prior period error. The adjusted amount relates to the CWP assets which were not previously disclosed by the Department.

## 5.2 Computer services

	Note	2015/16	2014/15
		R'000	R'000
	5		
SITA computer services		17 240	7 300
External computer service providers		15 905	10 501
<b>Total</b>		<b>33 145</b>	<b>17 801</b>

The increase is mainly due to the updating of the IT infrastructure.

## 5.3 Audit cost – External

	Note	2015/16	2014/15
		R'000	R'000
	5		
Regularity audits		7 447	6 488
Performance audits		-	-
Investigations		-	384
Environmental audits		-	-
Computer audits		-	-
<b>Total</b>		<b>7 447</b>	<b>6 872</b>

## 5.4 Consumables

	Note	2015/16	2014/15
		R'000	R'000
	5		
Consumable supplies		210 985	51 292
Uniform and clothing		121 861	292
Household supplies		181	259
Building material and supplies		-	-
Communication accessories		-	-
IT consumables		154	4 112
Other consumables		88 789	46 629
Stationery, printing and office supplies		3 968	5 379
<b>Total</b>		<b>214 953</b>	<b>56 671</b>

The amount for consumables was restated due to a prior period error. The amount adjusted relates to the CWP assets which were not previously disclosed by the Department.

Notes to the Annual Financial Statements for the Year Ended 31 March 2016

### 5.5 Property payments

	Note	2015/16	2014/15
		R'000	R'000
	5		
Municipal services		13 717	9 915
Property management fees		-	2 426
Property maintenance and repairs		-	-
Other		2 156	2 289
<b>Total</b>		<b>15 873</b>	<b>14 630</b>

Other comprises of pest control, cleaning and gardening services.

### 5.6 Travel and subsistence

	Note	2015/16	2014/15
		R'000	R'000
	5		
Local		26 326	21 823
Foreign		2 920	7 472
<b>Total</b>		<b>29 246</b>	<b>29 295</b>

### 5.7 Other operating expenditure

	Note	2015/16	2014/15
		R'000	R'000
	5		
Professional bodies, membership and subscription fees		29	2
Resettlement costs		359	313
Other		2 175	1 596
<b>Total</b>		<b>2 563</b>	<b>1 911</b>

## 6 Payments for financial assets

	Note	2015/16	2014/15
		R'000	R'000
Theft		-	-
Other material losses		-	-
Purchase of equity			
Extension of loans for policy purposes			
Other material losses written off	6.1	235	262
Debts written off	6.2	678	-
Forex losses	6.3	1	-
Debt take overs		-	-
Losses on GFECRA			
<b>Total</b>		<b>914</b>	<b>262</b>

### 6.1 Other material losses written off

	Note	2015/16	2014/15
		R'000	R'000
	6		
Air Tickets		235	178
Car accidents		-	84
S&T		-	-
<b>Total</b>		<b>235</b>	<b>262</b>

Notes to the Annual Financial Statements for the Year Ended 31 March 2016

## 6.2 Debts written off

	Note	2015/16	2014/15
		R'000	R'000
	6		
Irregular expenditure written off		-	-
<b>Total</b>		-	-
Recoverable revenue written off		-	-
<b>Total</b>		-	-
<b>Other debt written off</b>			
Subsistence and Travelling Debt		678	-
<b>Total</b>		<b>678</b>	-
<b>Total debt written off</b>		<b>678</b>	-

## 6.3 Forex losses

	Note	2015/16	2014/15
		R'000	R'000
	6		
Forex Losses		1	-
<b>Total</b>		<b>1</b>	-

## 7 Transfers and subsidies

	Note	2015/16	2014/15
		R'000	R'000
Provinces and municipalities	31, 32	64 799 161	56 901 350
Departmental agencies and accounts	Annex 1B	484 949	481 822
Higher education institutions		-	-
Foreign governments and international organisations	Annex 1E	-	238
Public corporations and private enterprises		-	-
Non-profit institutions	Annex 1F	6 286	9 280
Households	Annex 1G	528	349
<b>Total</b>		<b>65 290 924</b>	<b>57 393 039</b>

Unspent funds transferred to the above beneficiaries



## 8.2 Analysis of funds utilised to acquire capital assets – 2014/15

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>			
Buildings and other fixed structures	-	-	-
Heritage assets	-	-	-
Machinery and equipment	21 059	-	21 059
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-
<b>Intangible assets</b>			
Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names, trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
<b>Total</b>	<b>21 059</b>	<b>-</b>	<b>21 059</b>

The amount for machinery and equipment was restated due to a prior period error. The adjusted amount relates to the CWP assets which were not previously disclosed by the Department.

## 8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2015/16	2014/15
		R'000	R'000
<b>Tangible assets</b>			
Buildings and other fixed structures		-	-
Heritage assets		-	-
Machinery and equipment		870	2 895
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
<b>Total</b>		<b>870</b>	<b>2 895</b>

## 9 Unauthorised expenditure

### 9.1 Reconciliation of unauthorised expenditure

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		1 123	1 123
Prior period error		-	-
As restated		1 123	1 123
Unauthorised expenditure – discovered in current year (as restated)		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding		-	-
Capital		-	-
Current		-	-
Transfers and subsidies		-	-
Less: Amounts transferred to receivables for recovery		-	-
<b>Closing balance</b>		<b>1 123</b>	<b>1 123</b>

Unauthorised expenditure amounting to R1,123 million relates to prior years and it is not yet resolved. The matter has been referred to National Treasury and Parliament.

### 9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2015/16	2014/15
	R'000	R'000
Capital	-	-
Current	1 123	1 123
Transfers and subsidies	-	-
<b>Total</b>	<b>1 123</b>	<b>1 123</b>

### 9.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2015/16	2014/15
	R'000	R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	1 123	1 123
Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division	-	-
<b>Total</b>	<b>1 123</b>	<b>1 123</b>

### 9.4 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2015/16
		R'000
		-
<b>Total</b>		<b>-</b>



## 10 Cash and cash equivalents

	Note	2015/16	2014/15
		R'000	R'000
Consolidated Paymaster General Account		2 795 276	3 972 322
Cash receipts		-	-
Disbursements		-	-
Cash on hand		24	16
Investments (Domestic)		-	-
Investments (Foreign)		-	-
<b>Total</b>		<b>2 795 300</b>	<b>3 972 338</b>

An amount of R34 million is held in a separate Standard bank account. The amount is solely for the payment of CWP participants which did not disburse of at 31 March 2016. The amount will be cleared in the subsequent months.

## 11 Prepayments and advances

	Note	2015/16	2014/15
		R'000	R'000
Staff advances		42	-
Travel and subsistence		34	76
Advances paid	11.1	3 501	150
SOCPEN advances		-	-
<b>Total</b>		<b>3 577</b>	<b>226</b>

Included in prepayments and advances is an advance made to the department of Government Communications for marketing the local government elections.

### 11.1 Advances paid

	Note	2015/16	2014/15
		R'000	R'000
National departments	11	3 501	150
Provincial departments		-	-
Public entities		-	-
Other entities		-	-
<b>Total</b>		<b>3 501</b>	<b>150</b>

## 12 Receivables

	Note	2015/16			2014/15		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	12.1	13 527	-	13 527	89 148	-	89 148
Staff debt	12.2	2 559	87	2 646	2 969	64	3 033
Other debtors	12.3	2 460	-	2 460	2 405	-	2 405
<b>Total</b>		<b>18 546</b>	<b>87</b>	<b>18 633</b>	<b>94 522</b>	<b>64</b>	<b>94 586</b>

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**12.1 Claims recoverable**

	Note	2015/16	2014/15
	12 and Annex 4	R'000	R'000
National departments		9 703	13 811
Provincial departments		213	198
Public entities		3 469	2 652
Local governments		142	72 487
<b>Total</b>		<b>13 527</b>	<b>89 148</b>

**12.2 Staff debt**

	Note	2015/16	2014/15
	12	R'000	R'000
Tax Debt		6	6
Car Accidents		1 717	1 717
Telephone Debt		95	448
Debt Account		825	850
Salary Reversal Account		3	-
Salary ACB Recalls		-	12
<b>Total</b>		<b>2 646</b>	<b>3 033</b>

Included in the staff debts are amounts not cleared on the suspense accounts which still need to be investigated or are under investigation to determine liability. Car accidents' invoices are paid directly from the suspense account pending the outcome of their investigations.

**12.3 Other debtors**

	Note	2015/16	2014/15
	12	R'000	R'000
VAT Input Account		2 399	2 399
Sal: Medical Aid		6	6
Sal: Pension Fund		38	-
Sal: Income Tax		17	-
<b>Total</b>		<b>2 460</b>	<b>2 405</b>

**12.4 Impairment of receivables**

	Note	2015/16	2014/15
		R'000	R'000
Estimate of impairment of receivables		3 350	2 877
<b>Total</b>		<b>3 350</b>	<b>2 877</b>

All receivables with balances outstanding for three years and longer are considered for impairment.

Notes to the Annual Financial Statements for the Year Ended 31 March 2016

## 13 Voted funds to be surrendered to the Revenue Fund

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		4 067 337	2 056 685
Prior period error	13.1		
As restated		4 067 337	2 056 685
Transfer from statement of financial performance (as restated)		2 717 940	4 067 337
Add: Unauthorised expenditure for current year	9	-	-
Voted funds not requested/not received	1.1	-	-
Paid during the year		(3 976 101)	(2 056 685)
<b>Closing balance</b>		<b>2 809 176</b>	<b>4 067 337</b>

### 13.1 Prior period error

	Note	2014/15
		R'000
Prior period adjustment of expenditure Relating to 2014/15 [affecting the opening balance]		-
Relating to 2014/15 Transfer from statement of financial performance impacting on closing balance		91 236
<b>Total prior period errors</b>		<b>91 236</b>

The amount relates to CWP wages that was previously included as expenditure but not yet paid to the participants.

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

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		52	906
Prior period error			
As restated		52	906
Transfer from Statement of Financial Performance (as restated)		1 116	1 916
Own revenue included in appropriation		-	-
Transfer from aid assistance		-	-
Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)		-	-
Paid during the year		(928)	(2 770)
<b>Closing balance</b>		<b>240</b>	<b>52</b>

## 15 Payables – current

	Note	2015/16	2014/15
		R'000	R'000
Advances received		-	-
Clearing accounts	15.1	9 068	43
Other payables	15.2	149	841
<b>Total</b>		<b>9 217</b>	<b>884</b>

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15.1 Clearing accounts

	Note	2015/16	2014/15
	15	R'000	R'000
Sal: Deduction Disallowance		22	22
Sal: Reversal Control: CA		-	21
Disallowance Miscellaneous		9 046	-
<b>Total</b>		<b>9 068</b>	<b>43</b>

15.2 Other payables

	Note	2015/16	2014/15
	15	R'000	R'000
Debt Receivable Interest		2	-
Debt Receivable Income		120	4
Pension Recoverable Account		27	36
Sal: Income Tax		-	769
Sal: Pension Fund		-	32
<b>Total</b>		<b>149</b>	<b>841</b>

16 Net cash flow available from operating activities

	Note	2015/16	2014/15
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		2 719 056	3 978 017
Add back non cash/cash movements not deemed operating activities		(3 850 015)	(1 937 615)
(Increase)/decrease in receivables – current		75 953	44 037
(Increase)/decrease in prepayments and advances		(3 351)	52
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		8 333	91 563
Proceeds from sale of capital assets		-	(53)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		46 079	21 059
Surrenders to Revenue Fund		(3 977 029)	(2 059 455)
Surrenders to RDP Fund/Donor		-	(34 818)
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
<b>Net cash flow generated by operating activities</b>		<b>(1 130 959)</b>	<b>2 040 402</b>

The expenditure on capital assets was adjusted with CWP assets amount that was not disclosed previously in the financial statements of the Department.

17 Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2015/16	2014/15
		R'000	R'000
Consolidated Paymaster General account		2 795 276	3 972 322
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		-	-
Cash on hand		24	16
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
<b>Total</b>		<b>2 795 300</b>	<b>3 972 338</b>

## 18 Contingent liabilities and contingent assets

### 18.1 Contingent liabilities

	Note	2015/16	2014/15
		R'000	R'000
<b>Liable to Nature</b>			
Motor vehicle guarantees Employees	Annex 3A	-	-
Housing loan guarantees Employees	Annex 3A	11	11
Other guarantees	Annex 3A	-	-
Claims against the department	Annex 3B	877	877
Intergovernmental payables (unconfirmed balances)	Annex 5	22	556
Environmental rehabilitation liability	Annex 3B	-	-
Other	Annex 3B	-	-
<b>Total</b>		<b>910</b>	<b>1 444</b>

DML facilitators and consulting instituted action against the department claiming relief of R169,855.00 for additional services rendered. LIMA Rural Development Foundation issued summons against the minister for breach of contract in the amount of R706, 942.18.

The Department issued a housing loan guarantee of R11, 000.00 to Standard Bank for one of the officials.

## 19 Commitments

	Note	2015/16	2014/15
		R'000	R'000
<b>Current expenditure</b>			
Approved and contracted		245 798	319 850
Approved but not yet contracted		-	23 085
		<b>245 798</b>	<b>342 935</b>
<b>Capital expenditure</b>			
Approved and contracted		-	40
Approved but not yet contracted		-	-
<b>Total Commitments</b>		<b>245 798</b>	<b>342 975</b>

The commitments relating to contracts that are more than 12 months' amounts to R15 683 million. There are 6 contracts that are running for more than 12 months.

## 20 Accruals and payables not recognised

### 20.1 Accruals

			2015/16	2014/15
			R'000	R'000
<b>Listed by economic classification</b>				
	30 Days	30+ Days	Total	Total
Goods and services	360	469	<b>829</b>	432 209
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	24
Capital assets	-	-	-	1 071
Other	-	-	-	-
<b>Total</b>	<b>360</b>	<b>469</b>	<b>829</b>	<b>433 304</b>

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	Note	2015/16	2014/15
		R'000	R'000
Programme 1: Administration		380	<b>21 531</b>
Programme 2: Policy, Research and Knowledge Management		92	<b>91</b>
Programme 3: Governance and International Relations		64	<b>829</b>
Programme 4: Disaster Response Management		58	<b>5 553</b>
Programme 5: Provincial and Municipal Government Systems		55	<b>1 283</b>
Programme 6: Infra and Economic Development		180	<b>403 017</b>
<b>Total</b>		<b>829</b>	<b>433 304</b>

**20.2 Payables not recognised**

		2015/16	2014/15	
		R'000	R'000	
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	26 703	8 787	35 490	-
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	85	85	-
Capital assets	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>26 703</b>	<b>8 872</b>	<b>35 575</b>	<b>-</b>
Programme 1: Administration		7 407	-	-
Programme 2: Policy, Research and Knowledge Management		223	-	-
Programme 3: Governance and International Relations		669	-	-
Programme 4: Disaster Response Management		476	-	-
Programme 5: Provincial and Municipal Government Systems		1 280	-	-
Programme 6: Infra and Economic Development		25 520	-	-
<b>Total</b>		<b>35 575</b>	<b>-</b>	<b>-</b>

Included in payables not recognised for 2015/16 is an amount of R4 273 million relating to CWP participants not yet paid at year end for work performed. The 2014/15 amount of R92 107 million for participants not yet paid at year end is included under accruals which has been restated as a result of a prior period error.

**21 Employee benefits**

	Note	2015/16	2014/15
		R'000	R'000
Leave entitlement		7 503	7 741
Service bonus (Thirteenth cheque)		6 248	5 641
Performance awards		4 808	4 077
Capped leave commitments		6 092	5 867
Other		-	-
<b>Total</b>		<b>24 651</b>	<b>23 326</b>

Included in the leave entitlement balance is a negative leave amount of R555 301.

## 22 Lease commitments

### 22.1 Operating leases expenditure

2015/16	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	33 007	-	33 007
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>33 007</b>	<b>-</b>	<b>33 007</b>

2014/15	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	31 297	-	31 297
Later than 1 year and not later than 5 years	-	-	32 797	-	32 797
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>64 094</b>	<b>-</b>	<b>64 094</b>

The Department is currently leasing four buildings for office space and one parkade. The Department does not intend to renew the contract as there is a plan of moving to a new building.

### 22.2 Finance leases expenditure\*\*

2015/16	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	693	693
Later than 1 year and not later than 5 years	-	-	-	167	167
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>860</b>	<b>860</b>

2014/15	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	1 167	1 167
Later than 1 year and not later than 5 years	-	-	-	743	743
Later than five years	-	-	-	-	-
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 910</b>	<b>1 910</b>

The above note includes the leasing of photocopier machines and cell phone contracts that are in the Department's name. The lease agreement makes no provision for purchase or renewal of photocopier machines and cell phones.

## 23 Irregular expenditure

### 23.1 Reconciliation of irregular expenditure

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		550 055	417 073
Prior period error		-	-
As restated		550 055	417 073
Add: Irregular expenditure – relating to prior year		39 825	-
Add: Irregular expenditure – relating to current year		442 458	155 375
Less: Prior year amounts condoned		-	-
Less: Current year amounts condoned		-	-
Less: Amounts not condoned and recoverable		-	-
Less: Amounts not condoned and not recoverable		-	(22 393)
<b>Closing balance</b>		<b>1 032 338</b>	<b>550 055</b>
<b>Analysis of awaiting condonation per age classification</b>			
Current year		442 458	132 982
Prior years		589 880	417 073
<b>Total</b>		<b>1 032 338</b>	<b>550 055</b>

### 23.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2015/16
		R'000
CWP non-compliance with SCM	Under investigation	429 555
Lease Expired	Under investigation	5 341
No approval for deviation	Under investigation	1 811
Minimum of Quotes not obtained	Under investigation	490
other	Under investigation	5 261
<b>Total</b>		<b>442 458</b>

Included in the irregular expenditure amount is an amount of R429 555 million relating to non-compliance with SCM processes. All irregular expenditure incurred is under investigation.

## 24 Fruitless and wasteful expenditure

### 24.1 Reconciliation of fruitless and wasteful expenditure

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		8	8
Prior period error		-	-
As restated		8	8
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		-	-
Less: Amounts resolved		-	-
Less: Amounts transferred to receivables for recovery		-	-
<b>Closing balance</b>		<b>8</b>	<b>8</b>

Fruitless and Wasteful expenditure relates to prior year interest on Telkom account



## 25 Related party transactions

Entity	Mandate	Relationship
<b>CRL Rights Commission</b>	The Commission is a Chapter 9 Constitutional Institution that promotes and protects cultural, religious and linguistic rights. The Commission focuses on conflict resolution, research, advocacy and community engagement on conflicts pertaining cultural, religious and linguist rights within communities.	The CRL Rights commission receives transfer payments from the Department of Traditional Affairs. The Department of Traditional Affairs and Department of Cooperative Governance report to the same minister and DTA shares a vote with DCOG
<b>Department of Traditional Affairs</b>	The Department of Traditional Affairs is mandated to oversee traditional and Khoisan leadership and communities; provide for the establishment and recognition of traditional councils by establishing a statutory framework for leadership positions within the institution of traditional leadership; and provide for dispute resolution and the establishment of the commission on traditional leadership disputes and claims.	<p>The Department of Traditional Affairs and Department of Cooperative Governance report to one Minister and share a Vote.</p> <p>Due to inadequate funding and limited human capacity, DCoG performs some of the corporate functions on behalf of DTA through a signed MOU by the two Accounting Officers.</p> <p>The DCoG incurred cost on behalf of the DTA for shared services in terms of the Memorandum of Understanding. The nature of the transactions resulted in difficulties in reliably determining the value of the costs paid by DCoG on behalf of the DTA due to the operational structure and functions between the two departments. The shared services include the following areas:</p> <ul style="list-style-type: none"> <li>• Human Resources Management</li> <li>• Risk Management</li> <li>• Communication and Marketing Services</li> <li>• ICT services</li> <li>• Legal services</li> <li>• Security management</li> <li>• Facilities Management</li> <li>• Labour relations</li> </ul> <p>Travel expenditure incurred on behalf of DTA is claimed on a monthly basis. DCOG also makes transfer payments to DTA.</p>
<b>Municipal Infrastructure Support Agency</b>	Provides immediate support to the Municipalities that are struggling with infrastructure delivery by facilitating the deployment of engineers, scientists and technicians to Municipalities and oversees them.	<p>MISA falls under the same ministerial portfolio as DCOG. DCOG makes transfer payments to MISA. Expenditure incurred on their behalf is claimed on a monthly basis.</p> <p>Expenditure claimed relates to compensation of employees due to MISA employees who are being paid from DCOG payroll system. MISA and DCOG share the same Travel Agency and DCOG incurs travelling expenses on behalf of MISA and claim it in return.</p>
<b>Municipal Demarcation Board</b>	<p>Is an independent authority responsible for determining municipal boundaries, declare district management areas, delimit wards for local elections and assess the capacity of municipalities to perform their functions.</p> <p>The board is mandated to determine municipal boundaries in accordance with the act and other appropriate legislation enacted in terms of chapter 7 of the Constitution.</p>	MDB falls under the same ministerial portfolio as DCOG. DCOG makes transfer payments to MDB.
<b>SALGA (South African Local Government Agency)</b>	Is an association of municipalities recognised by the organised local government Act (1997) as a representative of organised local government.	SALGA falls under the same ministerial portfolio as DCOG. DCOG makes transfer payments to SALGA

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Entity	Mandate	Relationship
<b>SACN(South African Cities Network)</b>	The South African Cities Network is an established network of South African cities and partners that encourages the exchange of information, experience and best practices on urban development and city management.	DCOG makes transfer payments to SACN .An amount of R300 000.00 was paid towards an event held by SACN for the benefit of both SACN and the Department.
<b>United Cities and Local Government of Africa. (UCLG)</b>	The UCLG AFRICA is the umbrella organization and the united voice and representative of local government in Africa. It is an institution that gathers 40 national associations of local governments from all regions of Africa as well as the 2000 cities that have more than 100.000 inhabitants.	DCOG makes transfer payments to UCLGA.

**26 Key management personnel**

	No. of Individuals	2015/16	2014/15
		R'000	R'000
<b>Political office bearers (provide detail below)</b>			
Officials:	3	4 193	5 696
Level 15 to 16	7	8 398	10 688
Level 14 (incl. CFO if at a lower level)	39	38 383	40 664
Family members of key management personnel	-	-	-
<b>Total</b>	<b>49</b>	<b>50 974</b>	<b>57 048</b>

**27 Provisions**

	Note	2015/16	2014/15
		R'000	R'000
CWP implementing Agents retention Fee		16 988	8 012
<b>Total</b>		<b>16 988</b>	<b>8 012</b>

The Department agreed with the implementing Agents to retain 5% of their project management fees as security until the end of their contracts. The retention fee will be paid at the end of the contract provided all the deliverables of the contracts are met.

**27.1 Reconciliation of movement in provisions – 2015/16**

	CWP Retention	Total provisions
	R'000	R'000
Opening balance	8 012	8 012
Increase in provision	8 976	8 976
Settlement of provision	-	-
Unused amount reversed	-	-
Reimbursement expected from third party	-	-
Change in provision due to change in estimation of inputs	-	-
<b>Closing balance</b>	<b>16 988</b>	<b>16 988</b>

## 27.2 Reconciliation of movement in provisions – 2014/15

	CWP Retention	Total provisions
	R'000	R'000
Opening balance		
Increase in provision	8 012	8 012
Settlement of provision	-	-
Unused amount reversed	-	-
Reimbursement expected from third party	-	-
Change in provision due to change in estimation of inputs	-	-
<b>Closing balance</b>	<b>8 012</b>	<b>8 012</b>

## 28 Movable Tangible Capital Assets

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	191	-	-	-	191
Heritage assets	191	-	-	-	191
<b>MACHINERY AND EQUIPMENT</b>	102 543	(159)	46 547	5 383	143 527
Transport assets	10 492	-	77	-	10 569
Computer equipment	49 785	-	11 338	4 222	56 901
Furniture and office equipment	11 658	(9)	5 328	865	16 112
Other machinery and equipment	30 608	(150)	29 783	296	59 945
<b>SPECIALISED MILITARY ASSETS</b>	-	-	-	-	-
Specialised military assets	-	-	-	-	-
<b>BIOLOGICAL ASSETS</b>	-	-	-	-	-
Biological assets	-	-	-	-	-
Capital Work-in-progress (Effective 1 April 2016)	-	-	-	-	-
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>102 734</b>	<b>(159)</b>	<b>46 526</b>	<b>5 383</b>	<b>143 718</b>

Included in the assets above are the assets relating to CWP amounting to R57 461 million.

### MOVABLE TANGIBLE CAPITAL ASSETS UNDER INVESTIGATION

	Number	Value
		R'000

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

Heritage assets	-	-
Machinery and equipment	2 033	21 801
Specialised military assets	-	-
Biological assets	-	-

Included in total assets above are assets are under investigation and relates to assets that could not be verified at year end.

**28.1 Additions**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016**

	Cash*	Non-cash**	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>					
Heritage assets	-	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>	46 079	37	865	(455)	46 526
Transport assets	77	-	-	-	77
Computer equipment	10 907	9	871	(449)	11 338
Furniture and office equipment	5 328	-	-	-	5 328
Other machinery and equipment	29 767	28	(6)	(6)	29 783
<b>SPECIALISED MILITARY ASSETS</b>	-	-	-	-	-
Specialised military assets	-	-	-	-	-
<b>BIOLOGICAL ASSETS</b>	-	-	-	-	-
Biological assets	-	-	-	-	-
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>46 079</b>	<b>37</b>	<b>865</b>	<b>(455)</b>	<b>46 526</b>

**28.2 Disposals**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016**

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>				
Heritage assets	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>		5 383	5 383	
Transport assets	-	-	-	-
Computer equipment	-	4 222	4 222	-
Furniture and office equipment	-	865	865	-
Other machinery and equipment	-	296	296	-
<b>SPECIALISED MILITARY ASSETS</b>		-	-	
Specialised military assets	-	-	-	-
<b>BIOLOGICAL ASSETS</b>		-	-	
Biological assets	-	-	-	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>		<b>5 383</b>	<b>5 383</b>	<b>-</b>

The above note includes assets that were transferred to DTA.

## 28.3 Movement for 2014/15

### MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	<b>80</b>	<b>-</b>	<b>111</b>	<b>-</b>	<b>191</b>
Heritage assets	80	-	111	-	191
<b>MACHINERY AND EQUIPMENT</b>	<b>69 561</b>	<b>18 477</b>	<b>19 318</b>	<b>4 813</b>	<b>102 543</b>
Transport assets	10 606	-	-	114	10 492
Computer equipment	43 613	1 123	8 488	3 439	49 785
Furniture and office equipment	8 421	571	2 730	64	11 658
Other machinery and equipment	6 921	16 783	8 100	1 196	30 608
<b>SPECIALISED MILITARY ASSETS</b>					
Specialised military assets	-	-	-	-	-
<b>BIOLOGICAL ASSETS</b>					
Biological assets	-	-	-	-	-
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>69 641</b>	<b>18 477</b>	<b>19 429</b>	<b>4 813</b>	<b>102 734</b>

The above note was restated to include CWP Assets not previously disclosed by the Department.

#### 28.3.1 Prior period error

	Note	2014/15
		R'000
<b>Nature of prior period error</b>		
Relating to 2013/14		18 477
Capital assets that were previously recorded as consumables.		18 477
Relating to 2014/15		
Capital assets that were previously recorded as consumables.		3 185
<b>Total prior period errors</b>		<b>21 662</b>

Prior year error relates to CWP assets that were previously not disclosed by the Department.

### 28.4 Minor assets

#### MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	1 398	1 188	24 319	-	26 905
Value adjustments	-	-	-	(102)	-	(102)
Additions	-	86	-	8 244	-	8 330
Disposals	-	-	-	(1 594)	-	(1 594)
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>1 484</b>	<b>1 188</b>	<b>30 867</b>	<b>-</b>	<b>33 539</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	3	-	3
Number of minor assets at cost	-	17	20	13 301	-	13 338
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>17</b>	<b>20</b>	<b>13 304</b>	<b>-</b>	<b>13 341</b>

The machinery and equipment closing balances were adjusted with the asset amount that was not disclosed previously in the Financial Statements of the Department.

#### Minor Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Specialised military assets	-	-
Intangible assets	-	-
Heritage assets	-	-
Machinery and equipment	7 046	8 003
Biological assets	-	-

Included in total assets above are assets are under investigation and relates to assets that could not be verified at year end.

#### Movement in minor assets per the asset register for the year ended as at 31 March 2015

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	62	1 147	17 360	-	18 569
Prior period error	-	-	-	-	-	-
Additions	-	1 292	-	2 623	-	3 915
Disposals	-	72	41	4 823	-	4 936
Disposals	-	(28)	-	(487)	-	(515)
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>1 398</b>	<b>1 188</b>	<b>24 319</b>	<b>-</b>	<b>26 905</b>
Number of R1 minor assets	-	-	-	3	-	3
Number of minor assets at cost	-	17	20	13 188	-	13 225
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>17</b>	<b>20</b>	<b>13 191</b>	<b>-</b>	<b>13 228</b>

## 28.4.1 Prior period error

	Note	2014/15 R'000
<b>Nature of prior period error</b>		
Relating to 2013/14		
Minor assets previously recorded as consumables		3 915
Relating to 2014/15		
Minor assets previously recorded as consumables		2 845
<b>Total prior period errors</b>		<b>6 760</b>

The machinery and equipment closing balance was adjusted with the asset amount that relates to CWP that was not disclosed previously in the Financial Statements of the Department.

## 28.5 S42 Movable capital assets

### MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 31 MARCH 2016

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No. of Assets	-	-	-	53	-	53
Value of the assets (R'000)	-	-	-	704	-	704

### MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 31 MARCH 2015

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
No. of Assets	-	-	-	581	-	581
Value of the assets (R'000)	-	-	-	815	-	815

The assets disclosed above relate to DTA assets that are still to be transferred to DTA during the 2016/17 financial year.

## 29 Intangible Capital Assets

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	2 866	-	-	-	2 866
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>2 866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>866</b>

#### 29.1 Movement for 2014/15

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	3 625	-	-	759	2 866
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>3 625</b>	<b>-</b>	<b>-</b>	<b>759</b>	<b>866</b>

## 30 Prior period errors

### 30.1 Correction of prior period errors

	Note	2014/15
		R'000
<b>Expenditure:</b>		
Goods and Services(Consumables)		(6 030)
Goods and Services (Minor Assets)		2 845
Expenditure for Capital Asset(Tangible Assets)		3 185
Goods and Services (Contractors: Casual Labourers)		(91 236)
<b>Net effect</b>		<b>(91 236)</b>

The CWP capital and minor assets were previously captured as consumables. CWP wages of R 91 236 million was erroneously recorded as an expenditure, however this amount had not yet been paid to the participants for the time worked. The expenditure has been reversed and recorded as payables not recognised.

	Note	2014/15
		R'000
<b>Assets:</b>		
Receivables (Non-Current)		(4 674)
Receivables (Current)		4 674
<b>Net effect</b>		<b>-</b>

The Current Receivables was erroneously recorded as Non-Current Receivables.

	Note	2014/15
		R'000
<b>Liabilities:</b>		
CWP Payables		(91 236)
Voted Funds to be surrendered		91 236
<b>Net effect</b>		<b>-</b>

CWP wages was erroneously recorded as an expenditure. The expenditure has been reversed and recorded as payables not recognised.



### 31 Statement of Conditional Grants paid to the Provinces

NAME OF PROVINCE/GRANT	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Avail- able R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by department R'000	Amount spent by department R'000	
<b>Disaster Relief Grant</b>										
Eastern Cape										-
Free State										15 791
Gauteng	35 588	-	-	35 588	35 588	-	-	-	-	-
KwaZulu-Natal										10 200
Limpopo										9 510
Mpumalanga										50 450
Northern Cape										
North West										
Western Cape										
	<b>35 588</b>	<b>-</b>	<b>-</b>	<b>35 588</b>	<b>35 588</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85 951</b>

The Department can confirm that as per the DORA requirements, all the transfers were made into the primary bank accounts of the provinces.

32 Statement of Conditional Grants paid to the Municipalities

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Equitable Share Grant</b>								
<b>EASTERN CAPE</b>								
BUF BUFFALO CITY	655 141	-	-	655 141	655 141	-	-	
NMA NELSON MANDELA BAY	774 616	-	-	774 616	712 016	62 600	-	
EC101 CAMDEBOO	43 279	-	-	43 279	43 279	-	-	
EC102 BLUE CRANE ROUTE	44 654	-	-	44 654	44 654	-	-	
EC103 IKWEZI	20 720	-	-	20 720	14 250	6 470	-	
EC104 MAKANA	75 767	-	-	75 767	75 454	313	-	
EC105 NDLAMBE	73 102	-	-	73 102	73 102	-	-	
EC106 SUNDAY'S RIVER VALLEY	55 182	-	-	55 182	54 769	413	-	
EC107 BAVIAANS	23 452	-	-	23 452	21 283	2 169	-	
EC108 KOUGA	82 099	-	-	82 099	82 099	-	-	
EC109 KOU-KAMMA	37 662	-	-	37 662	37 662	-	-	
DC10: CACADU DISTRICT MUNICIPALITY	80 759	-	-	80 759	80 759	-	-	
EC121 MBHASHE	209 735	-	-	209 735	193 756	15 979	-	
EC122 MNQUA	234 405	-	-	234 405	228 787	5 618	-	
EC123 GREAT KEI	42 202	-	-	42 202	42 202	-	-	
EC124 AMAHLATI	124 034	-	-	124 034	114 540	9 494	-	
EC126 NGQUSHWA	82 854	-	-	82 854	82 854	-	-	
EC127 NKONKOBÉ	130 357	-	-	130 357	128 034	2 323	-	
EC128 NXUBA	32 954	-	-	32 954	31 479	1 475	-	
DC12 AMATOLE DIST MUNICIPALITY	699 595	-	-	699 595	699 595	-	-	
EC131 INXUBA YETHEMBA	40 912	-	-	40 912	34 668	6 244	-	
EC132 TSOLWANA	38 820	-	-	38 820	35 230	3 590	-	
EC133 INKWANCA	24 998	-	-	24 998	21 766	3 232	-	
EC134 LUKHANJI	117 676	-	-	117 676	117 600	76	-	
EC135 INTSIKA YETHU	145 974	-	-	145 974	145 974	-	-	
EC136 EMALAHLENI	116 537	-	-	116 537	116 537	-	-	
EC137 ENGCOBO	134 844	-	-	134 844	134 844	-	-	
EC138 SAKHISIZWE	59 581	-	-	59 581	58 068	1 513	-	
DC13 CHRIS HANI DIST MUNICIPALITY	446 759	-	-	446 759	446 759	-	-	
EC141 ELUNDINI	132 110	-	-	132 110	132 110	-	-	
EC142 SENQU	135 985	-	-	135 985	135 985	-	-	
EC143 MALETSWAI	34 364	-	-	34 364	26 627	7 737	-	
EC144 GARIEP	27 626	-	-	27 626	27 380	246	-	
DC14 JOE GQABI DISTR MUNICIPALITY	209 607	-	-	209 607	209 558	49	-	

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	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
EC153 NGQUZA HILL	200 197	-	-	200 197	199 441	756	-	
EC154 PORT ST JOHNS	120 534	-	-	120 534	120 534	-	-	
EC155 NYANDENI	216 750	-	-	216 750	216 750	-	-	
EC156 MHLONTLO	159 404	-	-	159 404	159 404	-	-	
EC157 KING SABATA DALINDYEBO	251 210	-	-	251 210	251 210	-	-	
DC15 OR TAMBO DIST MUNICIPALITY	622 201	-	-	622 201	622 201	-	-	
EC442 UMZIMVUBU	169 767	-	-	169 767	169 767	-	-	
EC441 MATATIELE	176 181	-	-	176 181	176 181	-	-	
EC443 MBIZANA	181 314	-	-	181 314	181 314	-	-	
EC152 NTABANKULU	98 871	-	-	98 871	98 512	359	-	
DC44 ALFRED NZO DIST MUNICIPALITY	365 517	-	-	365 517	364 950	567	-	
FREE STATE PROVINCE	-	-	-	-	-	-	-	
MAN MANGAUNG	596 652	-	-	596 652	590 463	6 189	-	
FS161 LETSEMENG	49 784	-	-	49 784	49 784	-	-	
FS162 KOPANONG	78 370	-	-	78 370	78 370	-	-	
FS163 MOHOKARE	54 870	-	-	54 870	47 686	7 184	-	
DC16 XHARIEP DISTRICT MUNICIPALITY	30 091	-	-	30 091	29 525	566	-	
FS171 NALEDI	40 967	-	-	40 967	38 226	2 741	-	
FS181 MASILONYANA	111 301	-	-	111 301	110 583	718	-	
FS182 TOKOLOGO	44 637	-	-	44 637	44 637	-	-	
FS183 TSWELOPELE	62 570	-	-	62 570	59 018	3 552	-	
FS184 MATJHABENG	556 081	-	-	556 081	552 381	3 700	-	
FS185 NALA	154 602	-	-	154 602	152 454	2 148	-	
DC18 LEJWELEPUTSWA DIST MUNICIPALITY	110 390	-	-	110 390	110 390	-	-	
FS191 SETSOTO	166 309	-	-	166 309	166 309	-	-	
FS192 DIHLABENG	160 795	-	-	160 795	160 795	-	-	
FS193 NKETOANA	101 925	-	-	101 925	101 439	486	-	
FS194 MALUTI-A-PHOFUNG	557 648	-	-	557 648	557 648	-	-	
FS195 PHUMELELA	60 462	-	-	60 462	60 462	-	-	
FS196 MANTSOPA	87 570	-	-	87 570	87 570	-	-	
DC19 THABO MOFUTSANYANE DIST MUNICIPALITY	96 978	-	-	96 978	96 763	215	-	
FS201 MOQHAKA	161 083	-	-	161 083	161 083	-	-	
FS203 NGWATHE	186 904	-	-	186 904	186 904	-	-	
FS204 METSIMAHOLO	144 549	-	-	144 549	144 549	-	-	
FS205 MAFUBE	88 555	-	-	88 555	88 555	-	-	
DC20 FEZILE DABI DIST MUNICIPALITY	140 135	-	-	140 135	140 135	-	-	

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>GAUTENG PROVINCE</b>	-	-	-	-	-	-	-	
EKU EKURHULENI METRO	2 181 182	-	-	2 181 182	2 181 182	-	-	
JHB CITY OF JOHANNESBURG	2 864 065	-	-	2 864 065	2 534 104	329 961	-	
TSH CITY OF TSHWANE	1 654 390	-	-	1 654 390	1 650 242	4 148	-	
GT421 EMFULENI	600 889	-	-	600 889	596 457	4 432	-	
GT422 MIDVAAL	68 291	-	-	68 291	68 291	-	-	
GT423 LESEDI	82 794	-	-	82 794	82 794	-	-	
DC42 SEDIBENG DISTRICT MUNICIPALITY	245 760	-	-	245 760	241 119	4 641	-	
GT481 MOGALE CITY	259 185	-	-	259 185	259 185	-	-	
GT482 RANDFONTEIN	122 804	-	-	122 804	120 233	2 571	-	
GT483 WESTONARIA	159 236	-	-	159 236	159 236	-	-	
GT484 MERAFOG CITY	168 320	-	-	168 320	168 320	-	-	
DC48 WEST RAND DIST MUNICIPALITY	184 842	-	-	184 842	184 842	-	-	
<b>KWAZULU NATAL</b>	-	-	-	-	-	-	-	
ETH ETHEKWINI	2 115 453	-	-	2 115 453	1 586 953	528 500	-	
KZN211 VULAMEHLO	62 870	-	-	62 870	57 458	5 412	-	
KZN212 UMDONI	60 678	-	-	60 678	60 678	-	-	
KZN213 UMZUMBE	127 112	-	-	127 112	127 112	-	-	
KZN214 UMUZIWABANTU	76 322	-	-	76 322	69 832	6 490	-	
KZN215 EZINGOLENI	43 543	-	-	43 543	43 543	-	-	
KZN216 HIBISCUS COAST	125 965	-	-	125 965	118 198	7 767	-	
DC21 UGU DISTRICT MUNICIPALITY	362 776	-	-	362 776	353 845	8 931	-	
KZN221 UMSHWATHI	84 824	-	-	84 824	84 824	-	-	
KZN222 UMGENI	44 316	-	-	44 316	44 316	-	-	
KZN223 MPOFANA	27 603	-	-	27 603	27 603	-	-	
KZN224 IMPENDLE	32 943	-	-	32 943	32 943	-	-	
KZN225 MSUNDUZI	395 786	-	-	395 786	332 537	63 249	-	
KZN226 MKHAMBATHINI	51 341	-	-	51 341	51 341	-	-	
KZN227 RICHMOND	54 162	-	-	54 162	54 162	-	-	
DC22 UMGUNGUNDLOVU DIST MUNICIPALITY	398 469	-	-	398 469	393 825	4 644	-	
KZN232 EMNAMBITHI-LADYSMITH	120 062	-	-	120 062	120 062	-	-	
KZN233 INDAKA	75 580	-	-	75 580	72 915	2 665	-	
KZN234 UMTSHEZI	50 138	-	-	50 138	50 138	-	-	
KZN235 OKHAHLAMBA	98 494	-	-	98 494	98 494	-	-	
KZN236 IMBABAZANE	84 471	-	-	84 471	84 471	-	-	
DC23 UTHUKELA DIST MUNICIPALITY	310 472	-	-	310 472	309 730	742	-	
KZN241 ENDUMENI	41 242	-	-	41 242	41 242	-	-	
KZN242 NQUTHU	115 965	-	-	115 965	114 604	1 361	-	

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	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
KZN244 MSINGA	134 627	-	-	134 627	130 751	3 876	-
KZN245 UMOVOTI	85 271	-	-	85 271	81 166	4 105	-
DC24 UMZINYATHI DIST MUNICIPAL	240 374	-	-	240 374	240 374	-	-
KZN252 NEWCASTLE	298 215	-	-	298 215	277 149	21 066	-
KZN253 EMADLANGENI	21 017	-	-	21 017	21 017	-	-
KZN54 DANNHAUSER	74 181	-	-	74 181	74 181	-	-
DC25 AMAJUBA DIST MUNICIPALITY	120 927	-	-	120 927	120 526	401	-
KZN261 EDUMBE	57 632	-	-	57 632	54 074	3 558	-
KZN262 UPHONGOLO	96 890	-	-	96 890	96 890	-	-
KZN268 ABAQULUSI	106 693	-	-	106 693	106 246	447	-
KZN265 NONGOMA	123 997	-	-	123 997	119 656	4 341	-
KZN266 ULUNDI	128 213	-	-	128 213	128 213	-	-
DC26 ZULULAND DIST MUNICIPALITY	322 706	-	-	322 706	322 706	-	-
KZN271 UMHLABUYALINGANA	121 138	-	-	121 138	121 138	-	-
KZN272 JOZINI	136 441	-	-	136 441	135 882	559	-
KZN273 THE BIG FIVE FALSE BAY	31 134	-	-	31 134	30 989	145	-
KZN274 HLABISA	49 368	-	-	49 368	49 231	137	-
KZN275 MTUBATUBA	116 487	-	-	116 487	116 487	-	-
DC27 UMKHANYAKUDE DIST MUNICIPALITY	265 376	-	-	265 376	264 261	1 115	-
KZN281 MFOLOZI	93 949	-	-	93 949	93 949	-	-
KZN282 UMHLATHUZE	229 925	-	-	229 925	222 194	7 731	-
KZN283 NTAMBANANA	42 362	-	-	42 362	42 362	-	-
KZN284 UMLALAZI	145 537	-	-	145 537	143 312	2 225	-
KZN285 MTHONJANENI	38 963	-	-	38 963	38 963	-	-
KZN286 NKANDLA	82 242	-	-	82 242	82 038	204	-
DC28 UTHUNGULU DIST MUNICIPALITY	410 276	-	-	410 276	388 654	21 622	-
KZN291 MANDENI	119 361	-	-	119 361	112 815	6 546	-
KZN292 KWADUKUZA	105 352	-	-	105 352	105 352	-	-
KZN93 NDWEDWE	110 311	-	-	110 311	93 755	16 556	-
KZN294 MAPHUMULO	74 233	-	-	74 233	69 963	4 270	-
DC29 ILEMBE DISTRICT MUNICIPAL	338 090	-	-	338 090	334 824	3 266	-
KZN431 INGWE	83 132	-	-	83 132	70 601	12 531	-
KZN432 KWA SANI	15 076	-	-	15 076	15 076	-	-
KZN433 GREATER KOKSTAD	47 497	-	-	47 497	46 173	1 324	-
KZN434 UBUHLEBEZWE	85 227	-	-	85 227	85 227	-	-
KZN435 UMZIMKHULU	151 222	-	-	151 222	151 222	-	-
DC43 SISONKE DISTRICT MUNICIPALITY	241 033	-	-	241 033	238 399	2 634	-

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>LIMPOPO PROVINCE</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	
LIM471 EMPRAIM MOGALE	118 546	-	-	118 546	106 323	12 223	-	
LIM473 MAKHUDUTHAMAGA	228 571	-	-	228 571	225 855	2 716	-	
LIM474 FETAKGOMO	83 169	-	-	83 169	74 244	8 925	-	
LIM472 ELIAS MOTSOALEDI	212 959	-	-	212 959	212 959	-	-	
LIM475 GREATER TUBATSE	234 852	-	-	234 852	229 503	5 349	-	
DC47 GREATER SEKHUKHUNE DIST MUN	546 538	-	-	546 538	438 251	108 287	-	
LIM331 GREATER GIYANI	221 971	-	-	221 971	221 398	573	-	
LIM332 GREATER LETABA	208 866	-	-	208 866	194 334	14 532	-	
LIM333 GREATER TZANEEN	288 642	-	-	288 642	286 643	1 999	-	
LIM334 BA-PHALABORWA	130 354	-	-	130 354	130 354	-	-	
LIM335 MARULENG	92 441	-	-	92 441	92 441	-	-	
DC33 MOPANI DIST MUNICIPALITY	631 553	-	-	631 553	631 507	46	-	
LIM341 MUSINA	47 735	-	-	47 735	46 494	1 241	-	
LIM342 MUTALE	88 938	-	-	88 938	88 938	-	-	
LIM343 THULAMELA	433 020	-	-	433 020	433 020	-	-	
LIM344 MAKHADO	354 731	-	-	354 731	350 743	3 988	-	
DC34 VHEMBE DIST MUNICIPALITY	681 432	-	-	681 432	580 743	100 689	-	
LIM351 BLOUBERG	147 635	-	-	147 635	143 794	3 841	-	
LIM352 AGANANG	122 831	-	-	122 831	122 161	670	-	
LIM353 MOLEMOLE	106 287	-	-	106 287	105 545	742	-	
LIM354 POLOKWANE-	522 595	-	-	522 595	366 661	155 934	-	
LIM355 LEPELLE-NKUMPI	204 754	-	-	204 754	173 161	31 593	-	
DC35 CAPRICORN DIST MUNICIPALITY	502 417	-	-	502 417	437 710	64 707	-	
LIM361 THABAZIMBI	72 313	-	-	72 313	59 386	12 927	-	
LIM362 LEPHALALE	87 409	-	-	87 409	87 409	-	-	
LIM364 MOOKGOPONG	41 540	-	-	41 540	24 032	17 508	-	
LIM365 MODIMOLLE	59 775	-	-	59 775	58 259	1 516	-	
LIM366 BELA BELA	63 428	-	-	63 428	63 428	-	-	
LIM367 MOGALAKWENA	341 563	-	-	341 563	338 089	3 474	-	
DC36 WATERBERG DIST MUNICIPALITY	111 232	-	-	111 232	111 232	-	-	
MPUMALANGA PROVINCE	-	-	-	-	-	-	-	
MP301 ALBERT LUTHULI	219 137	-	-	219 137	218 564	573	-	
MP302 MSUKALIGWA	145 765	-	-	145 765	145 253	512	-	
MP303 MKHONDO	187 671	-	-	187 671	187 671	-	-	
MP304 PIXLEY KA SEME	91 201	-	-	91 201	91 201	-	-	
MP305 LEKWA	106 058	-	-	106 058	105 920	138	-	
MP306 DIPALESENG	52 509	-	-	52 509	44 114	8 395	-	

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
MP307 GOVAN MBEKI	247 415	-	-	247 415	247 415	-	-	
DC30 GERT SIBANDE DIST MUNICIPALITY	270 971	-	-	270 971	270 971	-	-	
MP311 VICTOR KHANYE	67 348	-	-	67 348	65 262	2 086	-	
MP312 EMALAHLENI	285 343	-	-	285 343	285 343	-	-	
MP313 STEVE TSHWETE	119 935	-	-	119 935	119 935	-	-	
MP314 EMAKHAZENI	59 937	-	-	59 937	58 474	1 463	-	
MP315 THEMBSILE	288 644	-	-	288 644	288 644	-	-	
MP316 DR JS MOROKA	314 082	-	-	314 082	314 039	43	-	
DC31 NKANGALA DIST MUNICIPALITY	326 223	-	-	326 223	326 223	-	-	
MP321 THABA CHWEU	104 771	-	-	104 771	101 768	3 003	-	
MP322 MBOMBELA	462 073	-	-	462 073	449 884	12 189	-	
MP323 UMJINDI	83 164	-	-	83 164	79 839	3 325	-	
MP324 NKOMAZI	511 360	-	-	511 360	511 360	-	-	
MP325 BUSHBUCKRIDGE	783 562	-	-	783 562	783 562	-	-	
DC32 EHLANZENI DIST MUNICIPALITY	217 441	-	-	217 441	217 226	215	-	
<b>NORTHERN CAPE</b>	-	-	-	-	-	-	-	
NC451 JOE MOROLONG	115 253	-	-	115 253	115 253	-	-	
NC452 GA-SEGONYANA	109 444	-	-	109 444	103 080	6 364	-	
NC453 GAMAGARA	22 923	-	-	22 923	21 391	1 532	-	
DC45 JOHN TAOLO GAETSWEWWE MUN	64 383	-	-	64 383	64 383	-	-	
NC061 RICHTERSVELD	13 401	-	-	13 401	13 203	198	-	
NC062 NAMA KHOI	46 378	-	-	46 378	31 978	14 400	-	
NC064 KAMIESBERG	19 924	-	-	19 924	12 488	7 436	-	
NC065 HANTAM	20 662	-	-	20 662	20 652	10	-	
NC066 KAROO HOOGLAND	15 812	-	-	15 812	15 812	-	-	
NC067 KHAI-MA	17 571	-	-	17 571	13 832	3 739	-	
DC6 NAMAKWA DISTRICT MUNICIPALITY	35 005	-	-	35 005	34 697	308	-	
NC071 UBUNTU	28 291	-	-	28 291	20 736	7 555	-	
NC072 UMSOBOMVU	34 931	-	-	34 931	34 931	-	-	
NC073 EMTHANJENI	35 929	-	-	35 929	34 130	1 799	-	
NC074 KAREEBERG	18 021	-	-	18 021	18 021	-	-	
NC075 RENOSTERBERG	20 168	-	-	20 168	12 277	7 891	-	
NC076 THEMBELIHLE	23 209	-	-	23 209	23 209	-	-	
NC077 SIYATHEMBA	30 299	-	-	30 299	30 299	-	-	
NC078 SIYANCUMA	49 773	-	-	49 773	49 592	181	-	
DC7 PIXLEY KA SEME DISTRICT MUNICIPALITY	35 320	-	-	35 320	35 320	-	-	
NC081 MIER	14 577	-	-	14 577	14 577	-	-	
NC082 IKAI! GARIB	52 338	-	-	52 338	47 648	4 690	-	

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
NC083 //KHARA HAIS	57 629	-	-	57 629	49 032	8 597	-
NC084 IKHEIS	19 697	-	-	19 697	19 697	-	-
NC085 TSANTSABANE	28 192	-	-	28 192	28 192	-	-
NC086 KGATELOPELE	17 104	-	-	17 104	17 104	-	-
DC8 SIYANDA DISTRICT MUNICIPALITY	50 237	-	-	50 237	50 187	50	-
NC091 SOL PLAATJIE	143 335	-	-	143 335	143 335	-	-
NC092 DIKGATLONG	72 148	-	-	72 148	63 661	8 487	-
NC093 MAGARENG	38 761	-	-	38 761	30 039	8 722	-
NC094 PHOKWANE	95 354	-	-	95 354	93 539	1 815	-
DC9 FRANCES BAARD DIST MUNICIPALITY	98 936	-	-	98 936	98 936	-	-
<b>NORTH WEST</b>	-	-	-	-	-	-	-
NW371 MORETELE	260 987	-	-	260 987	260 987	-	-
NW372 MADIBENG	574 322	-	-	574 322	556 777	17 545	-
NW373 RUSTENBURG	399 145	-	-	399 145	166 311	232 834	-
NW374 KGETLENGRIVIER	71 018	-	-	71 018	71 018	-	-
NW375 MOSES KOTANE	322 570	-	-	322 570	322 570	-	-
DC37 BOJANALA PLATINUM DIST MUNICIPALITY	294 712	-	-	294 712	292 263	2 449	-
NW381 RATLOU	99 822	-	-	99 822	99 667	155	-
NW382 TSWAING	106 406	-	-	106 406	103 058	3 348	-
NW383 MAFIKENG	208 777	-	-	208 777	208 645	132	-
NW384 DITSOBOTLA	98 135	-	-	98 135	96 478	1 657	-
NW385 RAMOTSHERE MOILOA	127 415	-	-	127 415	125 248	2 167	-
DC38 NGAKA MODIRI MOLEMA DIST MU	510 260	-	-	510 260	460 579	49 681	-
NW392 NALEDI	39 618	-	-	39 618	30 606	9 012	-
NW393 MAMUSA	53 135	-	-	53 135	49 543	3 592	-
NW394 GREATER TAUNG	171 557	-	-	171 557	143 408	28 149	-
NW396 LEKWA-TEEMANE	46 339	-	-	46 339	39 577	6 762	-
NW397 MOLOPO-KAGISANO	102 421	-	-	102 421	102 421	-	-
DC39 DR RUTH SEGOMTSI MOMPTI MUNICIPALITY	321 025	-	-	321 025	301 959	19 066	-
NW401 VENTERSDORP	78 209	-	-	78 209	65 009	13 200	-
NW402 TLOKWE	119 625	-	-	119 625	119 625	-	-
NW403 CITY OF MATLOSANA	417 617	-	-	417 617	395 739	21 878	-
NW404 MAGUASSI HILLS	115 114	-	-	115 114	113 513	1 601	-
DC40 DR KENNETH KAUNDA MUNICIPALITY	165 682	-	-	165 682	165 682	-	-
<b>WESTERN CAPE</b>	-	-	-	-	-	-	-
CPT CITY OF CAPE TOWN	1 809 797	-	-	1 809 797	1 809 797	-	-
WC011 MATZIKAMA	41 409	-	-	41 409	41 409	-	-
WC012 CEDERBERG	34 235	-	-	34 235	34 223	12	-



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	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000
WC013 BERGRIVIER	30 454	-	-	30 454	29 106	1 348	-
WC014 SALDANHA BAY	55 497	-	-	55 497	55 497	-	-
WC015 SWARTLAND	51 772	-	-	51 772	51 772	-	-
DC1 WEST COAST DIST MUNICIPALITY	80 458	-	-	80 458	80 458	-	-
WC022 WITZENBERG	54 850	-	-	54 850	54 850	-	-
WC023 DRAKENSTEIN	96 845	-	-	96 845	96 845	-	-
WC024 STELLENBOSCH	84 962	-	-	84 962	84 962	-	-
WC025 BREEDE VALLEY	81 661	-	-	81 661	81 661	-	-
WC026 LANGEBERG	57 378	-	-	57 378	57 378	-	-
DC2 CAPE WINELANDS DIST MUNICIPALITY	217 006	-	-	217 006	217 006	-	-
WC031 THEEWATERSKLOOF	63 908	-	-	63 908	63 908	-	-
WC032 OVERSTRAND	64 598	-	-	64 598	64 598	-	-
WC033 CAPE AGULHAS	20 679	-	-	20 679	20 679	-	-
WC034 SWELLENDAM	21 922	-	-	21 922	21 922	-	-
DC3 OVERBERG DISTRICT MUNICIPALITY	51 338	-	-	51 338	51 338	-	-
WC041 KANNALAND	22 391	-	-	22 391	21 747	644	-
WC042 HESSEQUA	31 529	-	-	31 529	31 450	79	-
WC043 MOSSEL BAY	63 673	-	-	63 673	63 673	-	-
WC044 GEORGE	100 693	-	-	100 693	100 693	-	-
WC045 OUDTSHOORN	54 373	-	-	54 373	53 117	1 256	-
WC047 BITOU	57 298	-	-	57 298	56 999	299	-
WC048 KNYSNA	56 163	-	-	56 163	56 109	54	-
DC4 EDEN DISTRICT MUNICIPALITY	138 902	-	-	138 902	138 902	-	-
WC051 LAINGSBURG	12 015	-	-	12 015	11 017	998	-
WC052 PRINCE ALBERT	15 247	-	-	15 247	15 247	-	-
WC053 BEAUFORT WEST	44 160	-	-	44 160	44 160	-	-
CENTRAL KAROO DIST MUNICIPALITY	19 324	-	-	19 324	19 324	-	-
<b>TOTAL EQUITABLE SHARE GRANT</b>	<b>51 706 516</b>	<b>-</b>	<b>-</b>	<b>51 706 516</b>	<b>49 366 507</b>	<b>2 340 009</b>	<b>-</b>
MIG	-	-	-	-	-	-	-
EASTERN CAPE	-	-	-	-	-	-	-
Buffalo City	-	-	-	-	-	-	-
Nelson Mandela	-	-	-	-	-	-	-
Camdeboo	13 341	-	-	13 341	13 341	-	-
Blue Crane Route	13 982	-	7 000	20 982	20 982	-	-
Ikwezi	7 832	-	(3 332)	4 500	4 500	-	-
Makana	23 695	-	(23 695)	-	-	-	-
Ndlambe	26 487	-	-	26 487	26 487	-	-

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	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Sundays River Valley	24 863	-	-	24 863	24 863	-	-	
Baviaans	8 870	-	-	8 870	8 870	-	-	
Kouga	30 800	-	-	30 800	30 800	-	-	
Kou-kamma	15 019	-	-	15 019	15 019	-	-	
Sarah Baartman / Cacadu District Municipality								
Mbhashe	56 333	-	-	56 333	56 333	-	-	
Mnquma	62 167	-	-	62 167	62 167	-	-	
Great Kei	13 065	-	-	13 065	13 065	-	-	
Amahlathi	32 317	-	-	32 317	32 317	-	-	
Ngqushwa	23 484	-	-	23 484	23 484	-	-	
Nkonkobe	33 426	-	-	33 426	33 426	-	-	
Nxuba	9 560	-	-	9 560	9 560	-	-	
Amatole District Municipality	438 589	-	-	438 589	438 589	-	-	
Inxuba Yethemba	15 700	-	-	15 700	15 700	-	-	
Tsolwana	12 693	-	-	12 693	12 693	-	-	
Inkwanca	9 316	-	(5 000)	4 316	4 316	-	-	
Lukhanji	38 971	-	(7 000)	31 971	31 971	-	-	
Intsika Yethu	40 362	-	3 000	43 362	43 362	-	-	
Emalahleni	32 226	-	-	32 226	32 226	-	-	
Engcobo	37 304	-	-	37 304	37 304	-	-	
Sakhisizwe	17 989	-	-	17 989	17 989	-	-	
Chris Hani District Municipality	273 544	-	-	273 544	273 544	-	-	
Elundini	37 992	-	(5 000)	32 992	32 992	-	-	
Senqu	37 262	-	(4 000)	33 262	33 262	-	-	
Maletswai	12 180	-	(1 000)	11 180	11 180	-	-	
Gariep	11 189	-	4 000	15 189	15 189	-	-	
Joe Gqabi District Municipality	154 270	-	-	154 270	154 270	-	-	
Ngquza Hill	52 704	-	-	52 704	52 704	-	-	
Port St Johns	33 278	-	(9 000)	24 278	24 278	-	-	
Nyandeni	58 809	-	-	58 809	58 809	-	-	
Mhlonito	42 193	-	-	42 193	42 193	-	-	
King Sabata Dalindyebo	83 665	-	-	83 665	83 665	-	-	
O.R. Tambo District Municipality	617 195	-	-	617 195	617 195	-	-	
Matatiele	47 644	-	-	47 644	47 644	-	-	
Umtzimvubu	44 864	-	-	44 864	44 864	-	-	
Mbizana	46 783	-	-	46 783	46 783	-	-	
Ntabankulu	26 395	-	-	26 395	26 395	-	-	
Alfred Nzo District Municipality	366 609	-	18 135	384 744	384 744	-	-	

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>FREE STATE</b>								
Mangaung	-	-	-	-	-	-	-	
Letsemeng	16 978	-	-	16 978	16 978	-	-	
Kopanong	20 352	-	-	20 352	20 352	-	-	
Mohokare	17 780	-	(2 000)	15 780	15 780	-	-	
Naledi	13 236	-	-	13 236	13 236	-	-	
<b>Xhariep District Municipality</b>								
Masilonyana	23 730	-	-	23 730	23 730	-	-	
Tokologo	16 133	-	2 000	18 133	18 133	-	-	
Tswelopele	16 071	-	-	16 071	16 071	-	-	
Matjhabeng	114 651	-	-	114 651	114 651	-	-	
Nala	28 753	-	-	28 753	28 753	-	-	
<b>Lejweleputswa District Municipality</b>								
Setso	45 953	-	-	45 953	45 953	-	-	
Dihlabeng	37 428	-	-	37 428	37 428	-	-	
Nketoana	24 633	-	-	24 633	24 633	-	-	
Maluti-a-Phofung	157 047	-	-	157 047	157 047	-	-	
Phumelela	20 467	-	-	20 467	20 467	-	-	
Mantsopa	19 428	-	-	19 428	19 428	-	-	
<b>Thabo Mofutsanyana District Municipality</b>								
Moqhaka	38 899	-	-	38 899	38 899	-	-	
Ngwathe	40 637	-	-	40 637	40 637	-	-	
Metsimaholo	43 213	-	-	43 213	43 213	-	-	
Matube	21 811	-	(9 351)	12 460	12 460	-	-	
<b>Fezile Dabi District Municipality</b>								
<b>GAUTENG</b>								
Ekurhuleni	-	-	-	-	-	-	-	
City of Johannesburg	-	-	-	-	-	-	-	
City of Tshwane	-	-	-	-	-	-	-	
Ermfuleni	163 009	-	-	163 009	163 009	-	-	
Midvaal	30 813	-	-	30 813	30 813	-	-	
Lesedi	25 629	-	(3 000)	22 629	22 629	-	-	
<b>Sedibeng District Municipality</b>								
Mogale City	98 850	-	-	98 850	98 850	-	-	
Randfontein	36 590	-	-	36 590	36 590	-	-	
Westonaria	46 371	-	-	46 371	46 371	-	-	
Merafong City	56 008	-	-	56 008	56 008	-	-	
<b>West Rand District Municipality</b>								
	-	-	-	-	-	-	-	

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>KWAZULU NATAL</b>								
eThekweni	-	-	-	-	-	-	-	
Vulamehlo	18 560	-	(3 560)	15 000	15 000	-	-	
uMdoni	20 060	-	-	20 060	20 060	-	-	
Umzumbi	34 522	-	4 000	38 522	38 522	-	-	
uMuziwabantu	22 672	-	-	22 672	22 672	-	-	
Ezingolweni	14 367	-	-	14 367	14 367	-	-	
Hibiscus Coast	50 122	-	-	50 122	50 122	-	-	
Ugu District Municipality	249 316	-	-	249 316	249 316	-	-	
uMshwathi	26 764	-	-	26 764	26 764	-	-	
uMngeni	22 249	-	(9 000)	13 249	13 249	-	-	
Mpofana	12 295	-	4 000	16 295	16 295	-	-	
Impendle	12 063	-	5 000	17 063	17 063	-	-	
Misunduzi	192 456	-	-	192 456	192 456	-	-	
Mkhambathini	16 851	-	-	16 851	16 851	-	-	
Richmond	18 017	-	7 000	25 017	25 017	-	-	
uMgungundlovu District Municipality	106 052	-	-	106 052	106 052	-	-	
Emnambethi-Ladysmith	42 647	-	-	42 647	42 647	-	-	
Indaka	22 051	-	-	22 051	22 051	-	-	
Umtshezi	17 955	-	-	17 955	17 955	-	-	
Okhahlamba	27 456	-	-	27 456	27 456	-	-	
Imbabazane	23 517	-	-	23 517	23 517	-	-	
Uthukela District Municipality	181 247	-	-	181 247	181 247	-	-	
Endumeni	14 841	-	-	14 841	14 841	-	-	
Nquthu	30 246	-	5 000	35 246	35 246	-	-	
Msinga	38 048	-	-	38 048	38 048	-	-	
Umvoti	26 570	-	(2 000)	24 570	24 570	-	-	
Umzinyathi District Municipality	182 835	-	21 000	203 835	203 835	-	-	
Newcastle	110 705	-	-	110 705	110 705	-	-	
Emadlangeni	9 183	-	2 000	11 183	11 183	-	-	
Dannhauser	21 074	-	-	21 074	21 074	-	-	
Amajuba District Municipality	40 119	-	-	40 119	40 119	-	-	
eDumbe	17 570	-	-	17 570	17 570	-	-	
uPhongolo	27 852	-	-	27 852	27 852	-	-	
Abaqulusi	35 566	-	4 000	39 566	39 566	-	-	
Nongoma	30 891	-	(6 200)	24 691	24 691	-	-	
Ulundi	29 957	-	4 000	33 957	33 957	-	-	
Zululand District Municipality	221 359	-	-	221 359	221 359	-	-	

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	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Umhlabuyalingana	33 827	-	-	33 827	33 827	-	-	
Jozini	36 213	-	-	36 213	36 213	-	-	
The Big 5 False Bay	11 419	-	5 000	16 419	16 419	-	-	
Hlabisa	14 345	-	-	14 345	14 345	-	-	
Mtubatuba	30 776	-	-	30 776	30 776	-	-	
Umkhanyakude District Municipality	210 419	-	-	210 419	210 419	-	-	
Mfolozi	24 382	-	6 155	30 537	30 537	-	-	
uMhlatuze	93 154	-	-	93 154	93 154	-	-	
Ntambanana	15 073	-	-	15 073	15 073	-	-	
uMlalazi	39 090	-	-	39 090	39 090	-	-	
Mthonjaneni	12 904	-	-	12 904	12 904	-	-	
Nkandla	22 188	-	-	22 188	22 188	-	-	
uThungulu District Municipality	175 330	-	-	175 330	175 330	-	-	
Mandeni	34 263	-	-	34 263	34 263	-	-	
KwaDukuza	49 984	-	7 000	56 984	56 984	-	-	
Ndwedwe	28 907	-	-	28 907	28 907	-	-	
Maphumulo	21 689	-	-	21 689	21 689	-	-	
iLembe District Municipality	189 590	-	-	189 590	189 590	-	-	
Ingwe	24 319	-	-	24 319	24 319	-	-	
Kwa Sani	7 530	-	3 000	10 530	10 530	-	-	
Greater Kokstad	16 867	-	-	16 867	16 867	-	-	
Ubuhlebezwe	24 335	-	-	24 335	24 335	-	-	
Umzimkhulu	41 978	-	6 000	47 978	47 978	-	-	
Harry Gwala District Municipality	192 784	-	7 000	199 784	199 784	-	-	
<b>LIMPOPO</b>								
Greater Giyani	58 660	-	20 000	78 660	78 660	-	-	
Greater Letaba	55 692	-	23 710	79 402	79 402	-	-	
Greater Tzaneen	91 191	-	-	91 191	91 191	-	-	
Ba-Phalaborwa	31 044	-	20 000	51 044	51 044	-	-	
Maruleng	25 830	-	20 000	45 830	45 830	-	-	
Mopani District Municipality	445 152	-	(195 152)	250 000	250 000	-	-	
Musina	19 656	-	(5 338)	14 318	14 318	-	-	
Mutale	25 060	-	-	25 060	25 060	-	-	
Thulamela	132 820	-	-	132 820	132 820	-	-	
Makhado	112 264	-	60 000	172 264	172 264	-	-	
Vhembe District Municipality	504 351	-	(204 351)	300 000	300 000	-	-	
Blouberg	39 903	-	24 828	64 731	64 731	-	-	
Aganang	33 371	-	-	33 371	33 371	-	-	

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	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Molemole	30 017	-	-	30 017	30 017	-	-	
Polokwane	275 800	-	-	275 800	275 800	-	-	
Lepelle-Nkumpi	52 128	-	-	52 128	52 128	-	-	
Capricorn District Municipality	259 966	-	-	259 966	259 966	-	-	
Thabazimbi	29 172	-	(29 172)	-	-	-	-	
Lephatale	36 750	-	35 000	71 750	71 750	-	-	
Mookgopong	16 156	-	-	16 156	16 156	-	-	
Modimolle	22 875	-	30 000	52 875	52 875	-	-	
Bela Bela	22 971	-	39 018	61 989	61 989	-	-	
Mogalakwena	143 238	-	-	143 238	143 238	-	-	
Waterberg District Municipality	-	-	74 172	74 172	74 172	-	-	
Ephraim Mogale	32 405	-	20 000	52 405	52 405	-	-	
Elias Motsoaledi	53 102	-	-	53 102	53 102	-	-	
Makhuduthamaga	59 950	-	15 000	74 950	74 950	-	-	
Fetakgomo	22 109	-	15 000	37 109	37 109	-	-	
Greater Tubatse	64 459	-	(13 481)	50 978	50 978	-	-	
Sekhukhune District Municipality	464 506	-	(37 492)	427 014	427 014	-	-	
<b>MPUMALANGA</b>								
Albert Luthuli	84 091	-	10 000	94 091	94 091	-	-	
Msukaligwa	50 977	-	(11 000)	39 977	39 977	-	-	
Mkhondo	75 668	-	6 000	81 668	81 668	-	-	
Pixley Ka Seme	25 645	-	-	25 645	25 645	-	-	
Lekwa	27 978	-	-	27 978	27 978	-	-	
Dipaleseng	18 315	-	-	18 315	18 315	-	-	
Govan Mbeki	55 888	-	-	55 888	55 888	-	-	
Gert Sibande District Municipality	-	-	-	-	-	-	-	
Victor Khanye	24 189	-	-	24 189	24 189	-	-	
Emalahleni	115 796	-	-	115 796	115 796	-	-	
Steve Tshwete	48 094	-	-	48 094	48 094	-	-	
Ermakhazeni	17 755	-	3 000	20 755	20 755	-	-	
Thembisile Hani	119 139	-	(30 000)	89 139	89 139	-	-	
Dr JS Moroka	120 751	-	4 000	124 751	124 751	-	-	
Nkangala District Municipality	-	-	-	-	-	-	-	
Thaba Chweu	46 647	-	18 000	64 647	64 647	-	-	
Mbombela	298 264	-	-	298 264	298 264	-	-	
Umjindi	30 650	-	10 000	40 650	40 650	-	-	
Nkomazi	219 380	-	-	219 380	219 380	-	-	
Bushbuckridge	366 158	-	-	366 158	366 158	-	-	
Ehlanzeni District Municipality	-	-	-	-	-	-	-	

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>NORTHERN CAPE</b>								
Richtersveld	7 253	-	(2 235)	5 018	5 018	-	-	
Nama Khoi	14 245	-	-	14 245	14 245	-	-	
Kamiesberg	7 460	-	-	7 460	7 460	-	-	
Hantam	9 542	-	-	9 542	9 542	-	-	
Karoo Hoogland	8 005	-	(3 003)	5 002	5 002	-	-	
Khai-Ma	7 688	-	-	7 688	7 688	-	-	
<b>Namakwa District Municipality</b>								
Ubuntu	-	-	-	-	-	-	-	
Umsobomvu	9 790	-	-	9 790	9 790	-	-	
Emthanjeni	11 254	-	(3 164)	8 090	8 090	-	-	
Kareeberg	11 898	-	-	11 898	11 898	-	-	
Renosterberg	7 928	-	(2 100)	5 828	5 828	-	-	
Thembelihle	7 390	-	-	7 390	7 390	-	-	
Siyathemba	9 289	-	4 000	13 289	13 289	-	-	
Siyancuma	9 654	-	6 000	15 654	15 654	-	-	
Pixley Ka Seme District Municipality	16 187	-	10 000	26 187	26 187	-	-	
<b>Mier</b>								
!Kai! Garib	6 780	-	6 128	12 908	12 908	-	-	
//Khara Hais	21 784	-	(7 995)	13 789	13 789	-	-	
!Kheis	22 581	-	(11 144)	11 437	11 437	-	-	
Tsantsabane	10 485	-	-	10 485	10 485	-	-	
Kgatelopele	15 159	-	-	15 159	15 159	-	-	
Z.F. Mgcawu District Municipality	7 931	-	8 000	15 931	15 931	-	-	
<b>Sol Plaatje</b>								
Dikgatlong	48 329	-	-	48 329	48 329	-	-	
Magareng	18 836	-	-	18 836	18 836	-	-	
Phokwane	10 939	-	(5 469)	5 470	5 470	-	-	
Frances Baard District Municipality	25 487	-	-	25 487	25 487	-	-	
<b>Joe Morolong</b>								
Ga-Segoyana	58 599	-	5 000	63 599	63 599	-	-	
Gamagara	52 195	-	-	52 195	52 195	-	-	
John Taolo Gaetsewe District Municipality	11 864	-	(2 000)	9 864	9 864	-	-	
<b>NORTH WEST</b>								
Moretele	102 404	-	-	102 404	102 404	-	-	
Madibeng	254 461	-	(20 000)	234 461	234 461	-	-	
Rustenburg	202 743	-	-	202 743	202 743	-	-	
Kgetlengrivier	23 318	-	(3 000)	20 318	20 318	-	-	

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	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Moses Kotane	135 375	-	-	135 375	135 375	-	-
Bojanala Platinum District Municipality	-	-	-	-	-	-	-
Ratlou	28 511	-	-	28 511	28 511	-	-
Tswaing	28 390	-	(5 000)	23 390	23 390	-	-
Mafikeng	59 184	-	-	59 184	59 184	-	-
Ditsobotla	35 392	-	-	35 392	35 392	-	-
Ramotshere Moiloa	35 982	-	(7 800)	28 182	28 182	-	-
Ngaka Modiri Molema District Municipality	294 295	-	(113 135)	181 160	181 160	-	-
Naledi	16 544	-	29 300	45 844	45 844	-	-
Mamusa	15 306	-	-	15 306	15 306	-	-
Greater Taung	46 052	-	(15 000)	31 052	31 052	-	-
Lekwa-Teemane	14 437	-	-	14 437	14 437	-	-
Kagisano Molopo	29 154	-	-	29 154	29 154	-	-
Dr. Ruth Segomotsi Mompati District Municipality	136 575	-	-	136 575	136 575	-	-
Ventersdorp	22 420	-	(8 500)	13 920	13 920	-	-
Tlokwe	47 028	-	30 000	77 028	77 028	-	-
City of Matlosana	84 493	-	-	84 493	84 493	-	-
Maquassi Hills	27 367	-	30 000	57 367	57 367	-	-
Dr Kenneth Kaunda District Municipality	-	-	-	-	-	-	-
<b>WESTERN CAPE</b>							
City of Cape Town	-	-	-	-	-	-	-
Matzikama	20 716	-	-	20 716	20 716	-	-
Cederberg	15 280	-	-	15 280	15 280	-	-
Bergivier	14 201	-	-	14 201	14 201	-	-
Saldanha Bay	18 893	-	-	18 893	18 893	-	-
Swartland	20 709	-	2 000	22 709	22 709	-	-
West Coast District Municipality	-	-	-	-	-	-	-
Witzenberg	21 778	-	3 500	25 278	25 278	-	-
Drakenstein	34 046	-	-	34 046	34 046	-	-
Stellenbosch	34 657	-	-	34 657	34 657	-	-
Breede Valley	33 383	-	-	33 383	33 383	-	-
Langeberg	21 368	-	-	21 368	21 368	-	-
Cape Winelands District Municipality	-	-	-	-	-	-	-
Theewaterskloof	25 627	-	-	25 627	25 627	-	-
Overstrand	21 417	-	-	21 417	21 417	-	-
Cape Agulhas	10 787	-	-	10 787	10 787	-	-
Swellendam	11 684	-	-	11 684	11 684	-	-
Overberg District Municipality	-	-	-	-	-	-	-



NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	
Kannaland	10 082	-	4 000	14 082	14 082	-	-	
Hessequa	13 332	-	-	13 332	13 332	-	-	
Mossel Bay	23 407	-	-	23 407	23 407	-	-	
George	38 832	-	-	38 832	38 832	-	-	
Oudtshoorn	21 138	-	3 000	24 138	24 138	-	-	
Bitou	19 622	-	2 500	22 122	22 122	-	-	
Knysna	24 304	-	3 000	27 304	27 304	-	-	
Eden District Municipality	-	-	-	-	-	-	-	
Laingsburg	6 562	-	2 000	8 562	8 562	-	-	
Prince Albert	7 466	-	2 000	9 466	9 466	-	-	
Beaufort West	13 647	-	2 000	15 647	15 647	-	-	
Central Karoo District Municipality	-	-	-	-	-	-	-	
<b>Total MIG</b>	<b>14 955 762</b>	<b>-</b>	<b>-67 845</b>	<b>14 887 917</b>	<b>14 955 762</b>	<b>-</b>	<b>-</b>	
The credit amount of R67 845 million is an unallocated amount in the 2015/16 financial year to provide for the recovery of the overpayment to the Thembisile Hani in the 2013/14 financial year that was recorded as a receivable.								
<b>MSIG</b>								
Camdeboo	930	-	-	930	930	-	-	
Blue Crane Route	930	-	-	930	930	-	-	
Ikwezi	930	-	-	930	930	-	-	
Makana	930	-	-	930	930	-	-	
Ndlambe	930	-	-	930	930	-	-	
Sundays River Valley	930	-	-	930	930	-	-	
Baviaans	930	-	-	930	930	-	-	
Kouga	930	-	-	930	930	-	-	
Kou-kamma	930	-	-	930	930	-	-	
Cacadu District Municipality	940	-	-	940	940	-	-	
Mbashe	930	-	-	930	930	-	-	
Minquma	930	-	-	930	930	-	-	
Great Kei	930	-	-	930	930	-	-	
Amahlathi	930	-	-	930	930	-	-	
Ngqushwa	930	-	-	930	930	-	-	
Nkonkobe	930	-	-	930	930	-	-	
Nxuba	930	-	-	930	930	-	-	
Amatole District Municipality	940	-	-	940	940	-	-	
Inxuba Yethemba	930	-	-	930	930	-	-	
Tsolwana	930	-	-	930	930	-	-	

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	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Inkwanca	930	-	-	930	930	-	-	
Lukhanji	930	-	-	930	930	-	-	
Intsika Yethu	930	-	-	930	930	-	-	
Emalahleni	930	-	-	930	930	-	-	
Engcobo	930	-	-	930	930	-	-	
Sakhisizwe	930	-	-	930	930	-	-	
Chris Hani District Municipality	940	-	-	940	940	-	-	
Elundini	930	-	-	930	930	-	-	
Senqu	930	-	-	930	930	-	-	
Maletswai	930	-	-	930	930	-	-	
Gariep	930	-	-	930	930	-	-	
Joe Gqabi District Municipality	940	-	-	940	940	-	-	
Ngquza Hill	930	-	-	930	930	-	-	
Port St Johns	930	-	-	930	930	-	-	
Nyandeni	930	-	-	930	930	-	-	
Mhlonito	930	-	-	930	930	-	-	
King Sabata Dalindyebo	930	-	-	930	930	-	-	
O.R. Tambo District Municipality	940	-	-	940	940	-	-	
Matatiele	930	-	-	930	930	-	-	
Umzimvubu	930	-	-	930	930	-	-	
Mbizana	930	-	-	930	930	-	-	
Ntbankulu	930	-	-	930	930	-	-	
Alfred Nzo District Municipality	930	-	-	930	930	-	-	
Letsemeng	930	-	-	930	930	-	-	
Kopanong	930	-	-	930	930	-	-	
Mohokare	930	-	-	930	930	-	-	
Naledi	930	-	-	930	930	-	-	
Xhariep District Municipality	930	-	-	930	930	-	-	
Masilonyana	930	-	-	930	930	-	-	
Tokologo	930	-	-	930	930	-	-	
Tswelopele	930	-	-	930	930	-	-	
Matjhlabeng	930	-	-	930	930	-	-	
Nala	930	-	-	930	930	-	-	
Lejweleputswa District Municipality	930	-	-	930	930	-	-	
Setsotho	930	-	-	930	930	-	-	
Dihlabeng	930	-	-	930	930	-	-	
Nketoana	930	-	-	930	930	-	-	
Matuti-a-Phofung	930	-	-	930	930	-	-	

Notes to the Annual Financial Statements for the Year Ended 31 March 2016

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Phumelela	930	-	-	930	930	-	-
Mantsopa	930	-	-	930	930	-	-
Thabo Mofutsanyana District Municipality	930	-	-	930	930	-	-
Moqhaka	930	-	-	930	930	-	-
Ngwathe	930	-	-	930	930	-	-
Metsimaholo	930	-	-	930	930	-	-
Mafube	930	-	-	930	930	-	-
Fezile Dabi District Municipality	930	-	-	930	930	-	-
Ermfuleni	930	-	-	930	930	-	-
Midvaal	930	-	-	930	930	-	-
Lesedi	930	-	-	930	930	-	-
Sedibeng District Municipality	930	-	-	930	930	-	-
Mogale City	930	-	-	930	930	-	-
Randfontein	930	-	-	930	930	-	-
Westonaria	930	-	-	930	930	-	-
Merafong City	930	-	-	930	930	-	-
West Rand District Municipality	930	-	-	930	930	-	-
Vulamehlo	930	-	-	930	930	-	-
uMdoni	930	-	-	930	930	-	-
Umzumbi	930	-	-	930	930	-	-
uMuziwabantu	930	-	-	930	930	-	-
Ezingolweni	930	-	-	930	930	-	-
Hibiscus Coast	930	-	-	930	930	-	-
Ugu District Municipality	940	-	-	940	940	-	-
uMshwathi	930	-	-	930	930	-	-
uMngeni	930	-	-	930	930	-	-
Mpofana	930	-	-	930	930	-	-
Impendle	930	-	-	930	930	-	-
Msunduzi	930	-	-	930	930	-	-
Mkhambathini	930	-	-	930	930	-	-
Richmond	930	-	-	930	930	-	-
uMgungundlovu District Municipality	940	-	-	940	940	-	-
Emnambethi-Ladysmith	930	-	-	930	930	-	-
Indaka	930	-	-	930	930	-	-
Umtshezi	930	-	-	930	930	-	-
Okhahlamba	930	-	-	930	930	-	-
Imbabazane	930	-	-	930	930	-	-
Uthukela District Municipality	940	-	-	940	940	-	-

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Endumeni	930	-	-	930	930	-	-	
Nquthu	930	-	-	930	930	-	-	
Msinga	930	-	-	930	930	-	-	
Umvoti	930	-	-	930	930	-	-	
Umzinyathi District Municipality	940	-	-	940	940	-	-	
Newcastle	930	-	-	930	930	-	-	
Emadlangeni	930	-	-	930	930	-	-	
Dannhauser	930	-	-	930	930	-	-	
Amajuba District Municipality	940	-	-	940	940	-	-	
eDumbe	930	-	-	930	930	-	-	
uPhongolo	930	-	-	930	930	-	-	
Abaqulusi	930	-	-	930	930	-	-	
Nongoma	930	-	-	930	930	-	-	
Ulundi	930	-	-	930	930	-	-	
Zululand District Municipality	940	-	-	940	940	-	-	
Umhlabuyalingana	930	-	-	930	930	-	-	
Jozini	930	-	-	930	930	-	-	
The Big 5 False Bay	930	-	-	930	930	-	-	
Hlabisa	930	-	-	930	930	-	-	
Mtubatuba	930	-	-	930	930	-	-	
Umkhanyakude District Municipality	940	-	-	940	940	-	-	
Mfolozi	930	-	-	930	930	-	-	
uMhlatuze	930	-	-	930	930	-	-	
Ntambanana	930	-	-	930	930	-	-	
uMlalazi	930	-	-	930	930	-	-	
Mthonjaneni	930	-	-	930	930	-	-	
Nkandla	930	-	-	930	930	-	-	
uThungulu District Municipality	940	-	-	940	940	-	-	
Mandeni	940	-	-	940	940	-	-	
KwaDukuza	930	-	-	930	930	-	-	
Ndwedwe	930	-	-	930	930	-	-	
Maphumulo	930	-	-	930	930	-	-	
iLembe District Municipality	940	-	-	940	940	-	-	
Ingwe	930	-	-	930	930	-	-	
Kwa Sani	930	-	-	930	930	-	-	
Greater Kokstad	930	-	-	930	930	-	-	
Ubuhlebezwe	930	-	-	930	930	-	-	
Umzimkhulu	930	-	-	930	930	-	-	

Notes to the Annual Financial Statements for the Year Ended 31 March 2016

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Harry Gwala District Municipality	940	-	-	940	940	-	-	
Greater Giyani	930	-	-	930	930	-	-	
Greater Letaba	930	-	-	930	930	-	-	
Greater Tzaneen	930	-	-	930	930	-	-	
Ba-Phalaborwa	940	-	-	940	940	-	-	
Maruleng	930	-	-	930	930	-	-	
Mopani District Municipality	940	-	-	940	940	-	-	
Musina	940	-	-	940	940	-	-	
Mutale	930	-	-	930	930	-	-	
Thulamela	930	-	-	930	930	-	-	
Makhado	930	-	-	930	930	-	-	
Vhembe District Municipality	940	-	-	940	940	-	-	
Blouberg	930	-	-	930	930	-	-	
Aganang	930	-	-	930	930	-	-	
Molemole	930	-	-	930	930	-	-	
Polokwane	930	-	-	930	930	-	-	
Lepelle-Nkumpi	930	-	-	930	930	-	-	
Capricorn District Municipality	940	-	-	940	940	-	-	
Thabazimbi	930	-	-	930	930	-	-	
Lephalale	930	-	-	930	930	-	-	
Mookgopong	930	-	-	930	930	-	-	
Modimolle	930	-	-	930	930	-	-	
Bela Bela	930	-	-	930	930	-	-	
Mogalakwena	930	-	-	930	930	-	-	
Waterberg District Municipality	940	-	-	940	940	-	-	
Ephraim Mogale	930	-	-	930	930	-	-	
Elias Motsoaledi	930	-	-	930	930	-	-	
Makhuduthamaga	930	-	-	930	930	-	-	
Fetakgomo	930	-	-	930	930	-	-	
Greater Tubatse	930	-	-	930	930	-	-	
Sekhukhune District Municipality	940	-	-	940	940	-	-	
Albert Luthuli	930	-	-	930	930	-	-	
Msukaligwa	930	-	-	930	930	-	-	
Mkhondo	930	-	-	930	930	-	-	
Pixley Ka Seme	930	-	-	930	930	-	-	
Lekwa	930	-	-	930	930	-	-	
Dipaleseng	930	-	-	930	930	-	-	
Govan Mbeki	930	-	-	930	930	-	-	

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NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Gert Sibande District Municipality	940	-	-	940	940	-	-
Victor Khanye	930	-	-	930	930	-	-
Emalahleni	930	-	-	930	930	-	-
Steve Tshwete	940	-	-	940	940	-	-
Emakhazeni	930	-	-	930	930	-	-
Thembisile Hani	930	-	-	930	930	-	-
Dr JS Moroka	930	-	-	930	930	-	-
Nkangala District Municipality	930	-	-	930	930	-	-
Thaba Chweu	930	-	-	930	930	-	-
Mbombela	930	-	-	930	930	-	-
Umjindi	930	-	-	930	930	-	-
Nkomazi	930	-	-	930	930	-	-
Bushbuckridge	930	-	-	930	930	-	-
Ehlanzeni District Municipality	940	-	-	940	940	-	-
Richtersveld	930	-	-	930	930	-	-
Nama Khoi	930	-	-	930	930	-	-
Kamiesberg	930	-	-	930	930	-	-
Hantam	930	-	-	930	930	-	-
Karoo Hoogland	930	-	-	930	930	-	-
Khai-Ma	930	-	-	930	930	-	-
Namakwa District Municipality	930	-	-	930	930	-	-
Ubuntu	930	-	-	930	930	-	-
Umsobomvu	940	-	-	940	940	-	-
Emthanjeni	930	-	-	930	930	-	-
Kareeberg	930	-	-	930	930	-	-
Renosterberg	930	-	-	930	930	-	-
Thembelihle	930	-	-	930	930	-	-
Siyathemba	930	-	-	930	930	-	-
Siyancuma	930	-	-	930	930	-	-
Pixley Ka Seme District Municipality	930	-	-	930	930	-	-
Mier	930	-	-	930	930	-	-
IKai! Garib	930	-	-	930	930	-	-
//Khara Hais	930	-	-	930	930	-	-
IKheis	930	-	-	930	930	-	-
Tsantsabane	930	-	-	930	930	-	-
Kgatelopele	930	-	-	930	930	-	-
Siyanda District Municipality	930	-	-	930	930	-	-
Sol Plaatje	930	-	-	930	930	-	-

Notes to the Annual Financial Statements for the Year Ended 31 March 2016

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Dikgatlong	930	-	-	930	930	-	-	
Magareng	930	-	-	930	930	-	-	
Phokwane	930	-	-	930	930	-	-	
Frances Baard District Municipality	940	-	-	940	940	-	-	
Joe Morolong	930	-	-	930	930	-	-	
Ga-Segoyana	940	-	-	940	940	-	-	
Gamagara	930	-	-	930	930	-	-	
John Taolo Gaetsewe District Municipality	930	-	-	930	930	-	-	
Moretele	930	-	-	930	930	-	-	
Madibeng	930	-	-	930	930	-	-	
Rustenburg	930	-	-	930	930	-	-	
Kgetlengrivier	930	-	-	930	930	-	-	
Moses Kotane	930	-	-	930	930	-	-	
Bojanala Platinum District Municipality	930	-	-	930	930	-	-	
Ratlou	930	-	-	930	930	-	-	
Tswaing	930	-	-	930	930	-	-	
Mafikeng	940	-	-	940	940	-	-	
Ditsobotla	930	-	-	930	930	-	-	
Ramotshere Moiloa	930	-	-	930	930	-	-	
Ngaka Modiri Molema District Municipality	930	-	-	930	930	-	-	
Naledi	930	-	-	930	930	-	-	
Mamusa	930	-	-	930	930	-	-	
Greater Taung	930	-	-	930	930	-	-	
Lekwa-Teemane	930	-	-	930	930	-	-	
NW397	930	-	-	930	930	-	-	
Dr. Ruth Segomotsi Mompati District Municipality	930	-	-	930	930	-	-	
Ventersdorp	930	-	-	930	930	-	-	
Tlokwe	930	-	-	930	930	-	-	
City of Matlosana	930	-	-	930	930	-	-	
Maquassi Hills	930	-	-	930	930	-	-	
Dr Kenneth Kaunda District Municipality	930	-	-	930	930	-	-	
Matzikama	930	-	-	930	930	-	-	
Cederberg	930	-	-	930	930	-	-	
Bergvliet	940	-	-	940	940	-	-	
Saldanha Bay	930	-	-	930	930	-	-	
Swartland	930	-	-	930	930	-	-	
West Coast District Municipality	930	-	-	930	930	-	-	
Witzenberg	930	-	-	930	930	-	-	

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Notes to the Annual Financial Statements for the Year Ended 31 March 2016

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Drakenstein	930	-	-	930	930	-	-	
Stellenbosch	930	-	-	930	930	-	-	
Breede Valley	930	-	-	930	930	-	-	
Langeberg	940	-	-	940	940	-	-	
Cape Winelands District Municipality	930	-	-	930	930	-	-	
Theewaterskloof	930	-	-	930	930	-	-	
Overstrand	930	-	-	930	930	-	-	
Cape Agulhas	930	-	-	930	930	-	-	
Swellendam	940	-	-	940	940	-	-	
Overberg District Municipality	930	-	-	930	930	-	-	
Kannaland	930	-	-	930	930	-	-	
Hessequa	930	-	-	930	930	-	-	
Mossel Bay	930	-	-	930	930	-	-	
George	930	-	-	930	930	-	-	
Oudtshoorn	930	-	-	930	930	-	-	
Bitou	930	-	-	930	930	-	-	
Knysna	930	-	-	930	930	-	-	
Eden District Municipality	930	-	-	930	930	-	-	
Laingsburg	930	-	-	930	930	-	-	
Prince Albert	942	-	-	942	942	-	-	
Beaufort West	930	-	-	930	930	-	-	
Central Karoo District Municipality	930	-	-	930	930	-	-	
<b>Total MSIG</b>	<b>251 442</b>	<b>-</b>	<b>-</b>	<b>251 442</b>	<b>251 442</b>	<b>-</b>	<b>-</b>	
<b>Disaster Recovery Grant</b>								



Notes to the Annual Financial Statements for the Year Ended 31 March 2016

NAME OF MUNICIPALITY	GRANT ALLOCATION					TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>KWAZULU-NATAL</b>								
Vulamehlo	20 000	-	-	20 000	20 000	-	-	
Umdoni	6 000	-	-	6 000	6 000	-	-	
Umzumbhe	11 095	-	-	11 095	11 095	-	-	
Ernambithni - Ladysmith	50 000	-	-	50 000	50 000	-	-	
Umvoti	120	-	-	120	120	-	-	
<b>LIMPOPO</b>								
Greater Giyani	20 000	-	-	20 000	20 000	-	-	
Maruleng	836	-	-	836	836	-	-	
<b>MPUMALANGA</b>								
Umjindi	4 586	-	-	4 586	4 586	-	-	
Nkomazi	20 000	-	-	20 000	20 000	-	-	
Bushbuckridge	2 635	-	-	2 635	2 635	-	-	
<b>WESTERN CAPE</b>								
Hessequa	30 000	-	-	30 000	30 000	-	-	
Eden District Municipality	20 849	-	-	20 849	20 849	-	-	
<b>Total Disaster Recovery Grant</b>	<b>186 121</b>	<b>-</b>	<b>-</b>	<b>186 121</b>	<b>186 121</b>	<b>-</b>	<b>-</b>	
<b>Municipal Demarcation Transitional Grant</b>								
<b>GAUTENG</b>								
Randfontein	1 857	-	-	1 857	1 857	-	-	
Westonaria	1 857	-	-	1 857	1 857	-	-	
Total Municipal Demarcation Transitional Grant	3 714	-	-	3 714	3 714	-	-	
<b>Vehicle Licences</b>								
<b>GAUTENG</b>								
Tshwane Metro	27	-	-	27	27	-	-	
<b>Total Vehicle Licences</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>27</b>	<b>-</b>	<b>-</b>	

The Department can confirm that as per the DORA requirements, all the transfers were made into the primary bank accounts of the municipalities

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		%
<b>MIG</b>											
<b>EASTERN CAPE</b>											
Buffalo City	-	-	-	-	-	-	-	-	-	-	-
Nelson Mandela	-	-	-	-	-	-	-	-	-	-	-
Camdeboo	13 341	-	-	13 341	13 341	-	-	13 341	11 166	84%	18 125
Blue Crane Route	13 982	-	7 000	20 982	20 982	-	-	20 982	13 982	67%	15 891
Ikwezi	7 832	-	-3 332	4 500	4 500	-	-	4 500	1 857	41%	11 002
Makana	23 695	-	-23 695	-	-	-	-	-	5 302		4 290
Ndlambe	26 487	-	-	26 487	26 487	-	-	26 487	22 959	87%	30 799
Sundays River Valley	24 863	-	-	24 863	24 863	-	-	24 863	14 943	60%	34 147
Baviaans	8 870	-	-	8 870	8 870	-	-	8 870	6 706	76%	9 898
Kouga	30 800	-	-	30 800	30 800	-	-	30 800	21 913	71%	29 832
Kou-kamma	15 019	-	-	15 019	15 019	-	-	15 019	8 265	55%	14 765
Sarah Baartman / Cacadu District Municipality	-	-	27 027	27 027	27 027	-	-	27 027	-	0%	19 008
Mbhashe	56 333	-	-	56 333	56 333	-	-	56 333	56 817	101%	46 565
Mnquma	62 167	-	-	62 167	62 167	-	-	62 167	33 914	55%	70 013
Great Kei	13 065	-	-	13 065	13 065	-	-	13 065	9 099	70%	32 815
Amahlathi	32 317	-	-	32 317	32 317	-	-	32 317	21 825	68%	36 235
Ngqushwa	23 484	-	-	23 484	23 484	-	-	23 484	15 360	65%	22 755
Nkonkobe	33 426	-	-	33 426	33 426	-	-	33 426	20 397	61%	32 207
Nxuba	9 560	-	-	9 560	9 560	-	-	9 560	6 633	69%	9 451
Amatole District Municipality	438 589	-	-	438 589	438 589	-	-	438 589	315 407	72%	425 764
Inxuba Yethemba	15 700	-	-	15 700	15 700	-	-	15 700	15 532	99%	15 214
Tsolwana	12 693	-	-	12 693	12 693	-	-	12 693	6 893	54%	11 359
Inkwanca	9 316	-	-5 000	4 316	4 316	-	-	4 316	355	8%	3 000
Lukhanji	38 971	-	-7 000	31 971	31 971	-	-	31 971	11 250	35%	42 591
Intsika Yethu	40 362	-	3 000	43 362	43 362	-	-	43 362	30 221	70%	38 856
Emalahleni	32 226	-	-	32 226	32 226	-	-	32 226	11 004	34%	30 970
Engcobo	37 304	-	-	37 304	37 304	-	-	37 304	20 984	56%	35 804
Sakhisizwe	17 989	-	-	17 989	17 989	-	-	17 989	9 812	55%	17 464
Chris Hani District Municipality	273 544	-	-	273 544	273 544	-	-	273 544	127 791	47%	317 654

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Elundini	37 992	-	-5 000	32 992	32 992	-	-	32 992	22 802	69%	36 485
Senqu	37 262	-	-4 000	33 262	33 262	-	-	33 262	29 501	89%	35 838
Maletswai	12 180	-	-1 000	11 180	11 180	-	-	11 180	5 933	53%	12 029
Gariep	11 189	-	4 000	15 189	15 189	-	-	15 189	10 918	72%	10 976
Joe Gqabi District Municipality	154 270	-	-	154 270	154 270	-	-	154 270	132 896	86%	171 469
Ngquza Hill	52 704	-	-	52 704	52 704	-	-	52 704	28 343	54%	65 594
Port St Johns	33 278	-	-9 000	24 278	24 278	-	-	24 278	15 236	63%	36 998
Nyandeni	58 809	-	-	58 809	58 809	-	-	58 809	48 137	82%	61 324
Mhlonlto	42 193	-	-	42 193	42 193	-	-	42 193	30 833	73%	64 675
King Sabata Dalindyebo Municipality	83 665	-	-	83 665	83 665	-	-	83 665	60 490	72%	80 071
O.R. Tambo District Municipality	617 195	-	-	617 195	617 195	-	-	617 195	374 010	61%	604 371
Matatiele	47 644	-	-	47 644	47 644	-	-	47 644	37 942	80%	45 759
Umzimvubu	44 864	-	-	44 864	44 864	-	-	44 864	21 536	48%	43 294
Mbizana	46 783	-	-	46 783	46 783	-	-	46 783	35 427	76%	44 992
Ntabankulu	26 395	-	-	26 395	26 395	-	-	26 395	22 103	84%	21 577
Alfred Nzo District Municipality	366 609	-	18 135	384 744	384 744	-	-	384 744	302 279	79%	367 363
<b>FREE STATE</b>											
Mangaung	-	-	-	-	-	-	-	-	-	-	-
Letsemeng	16 978	-	-	16 978	16 978	-	-	16 978	9 947	59%	16 009
Kopanong	20 352	-	-	20 352	20 352	-	-	20 352	10 396	51%	23 580
Mohokare	17 780	-	-2 000	15 780	15 780	-	-	15 780	8 178	52%	25 462
Naledi	13 236	-	-	13 236	13 236	-	-	13 236	10 330	78%	13 406
Xhariep District Municipality	-	-	-	-	-	-	-	-	-	-	-
Masilonyana	23 730	-	-	23 730	23 730	-	-	23 730	12 913	54%	32 616
Tokologo	16 133	-	2 000	18 133	18 133	-	-	18 133	11 693	64%	16 918
Tswelopele	16 071	-	-	16 071	16 071	-	-	16 071	10 204	63%	33 703
Matjhabeng	114 651	-	-	114 651	114 651	-	-	114 651	76 414	67%	156 246
Nala	28 753	-	-	28 753	28 753	-	-	28 753	21 184	74%	43 248
Lejweleputswa District Municipality	-	-	-	-	-	-	-	-	-	-	-

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000	
Setseto	45 953	-	-	45 953	45 953	-	-	45 953	33 356	73%
Dihlabeng	37 428	-	-	37 428	37 428	-	-	37 428	27 352	73%
Nketoana	24 633	-	-	24 633	24 633	-	-	24 633	16 530	67%
Maluti-a-Phofung	157 047	-	-	157 047	157 047	-	-	157 047	80 124	51%
Phumelela	20 467	-	-	20 467	20 467	-	-	20 467	16 059	78%
Mantsopa	19 428	-	-	19 428	19 428	-	-	19 428	9 892	51%
Thabo Mofutsanyana District Municipality	-	-	-	-	-	-	-	-	-	-
Moqhaka	38 899	-	-	38 899	38 899	-	-	38 899	26 127	67%
Ngwathe	40 637	-	-	40 637	40 637	-	-	40 637	20 867	51%
Metsimaholo	43 213	-	-	43 213	43 213	-	-	43 213	23 357	54%
Mafube	21 811	-	-9 351	12 460	12 460	-	-	12 460	3 105	25%
Fezile Dabi District Municipality	-	-	9 351	9 351	9 351	-	-	9 351	-	0%
<b>GAUTENG</b>										
Ekurhuleni	-	-	-	-	-	-	-	-	-	-
City of Johannesburg	-	-	-	-	-	-	-	-	-	-
City of Tshwane	-	-	-	-	-	-	-	-	-	-
Ermfuleni	163 009	-	-	163 009	163 009	-	-	163 009	76 833	47%
Midvaal	30 813	-	-	30 813	30 813	-	-	30 813	17 330	56%
Lesedi	25 629	-	-3 000	22 629	22 629	-	-	22 629	5 546	25%
Sedibeng District Municipality	-	-	-	-	-	-	-	-	-	-
Mogale City	98 850	-	-	98 850	98 850	-	-	98 850	65 479	66%
Randfontein	36 590	-	-	36 590	36 590	-	-	36 590	19 700	54%
Westonaria	46 371	-	-	46 371	46 371	-	-	46 371	26 741	58%
Merafong City	56 008	-	-	56 008	56 008	-	-	56 008	28 386	51%
West Rand District Municipality	-	-	-	-	-	-	-	-	-	-
<b>KWAZULU NATAL</b>										
eThekweni	-	-	-	-	-	-	-	-	-	-
Vulamehlo	18 560	-	-3 560	15 000	15 000	-	-	15 000	3 552	24%
uMdoni	20 060	-	-	20 060	20 060	-	-	20 060	9 573	48%
Umkhumbi	34 522	-	4 000	38 522	38 522	-	-	38 522	31 580	82%

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
uMuziwabantu	22 672	-	-	22 672	22 672	-	-	22 672	12 115	53%	21 896
Ezinqolweni	14 367	-	-	14 367	14 367	-	-	14 367	11 676	81%	11 627
Hibiscus Coast	50 122	-	-	50 122	50 122	-	-	50 122	23 649	47%	47 892
Ugu District Municipality	249 316	-	-	249 316	249 316	-	-	249 316	158 389	64%	265 189
uMshwathi	26 764	-	-	26 764	26 764	-	-	26 764	19 984	75%	31 129
uMngeni	22 249	-	-9 000	13 249	13 249	-	-	13 249	1 380	10%	21 415
Mpofana	12 295	-	4 000	16 295	16 295	-	-	16 295	13 499	83%	9 830
Impendle	12 063	-	5 000	17 063	17 063	-	-	17 063	12 097	71%	11 736
Msunduzi	192 456	-	-	192 456	192 456	-	-	192 456	135 231	70%	163 158
Mkhambathini	16 851	-	-	16 851	16 851	-	-	16 851	9 040	54%	16 251
Richmond	18 017	-	7 000	25 017	25 017	-	-	25 017	15 882	63%	17 493
uMgungundlovu District Municipality	106 052	-	-	106 052	106 052	-	-	106 052	106 052	100%	97 264
Emnambethi-Ladysmith	42 647	-	-	42 647	42 647	-	-	42 647	37 083	87%	40 950
Indaka	22 051	-	-	22 051	22 051	-	-	22 051	19 461	88%	31 401
Umtshezi	17 955	-	-	17 955	17 955	-	-	17 955	9 884	55%	17 289
Okhahlamba	27 456	-	-	27 456	27 456	-	-	27 456	21 622	79%	26 537
Imbabazane	23 517	-	-	23 517	23 517	-	-	23 517	17 583	75%	22 787
Uthukela District Municipality	181 247	-	-	181 247	181 247	-	-	181 247	102 654	57%	177 319
Endumeni	14 841	-	-	14 841	14 841	-	-	14 841	6 235	42%	14 383
Nquthu	30 246	-	5 000	35 246	35 246	-	-	35 246	30 967	88%	22 220
Msinga	38 048	-	-	38 048	38 048	-	-	38 048	23 577	62%	36 513
Umvoti	26 570	-	-2 000	24 570	24 570	-	-	24 570	19 618	80%	25 497
Umzinyathi District Municipality	182 835	-	21 000	203 835	203 835	-	-	203 835	151 807	74%	179 014
Newcastle	110 705	-	-	110 705	110 705	-	-	110 705	75 211	68%	107 320
Emadlangeni	9 183	-	2 000	11 183	11 183	-	-	11 183	6 915	62%	9 050
Dannhauser	21 074	-	-	21 074	21 074	-	-	21 074	15 899	75%	20 422
Amajuba District Municipality	40 119	-	-	40 119	40 119	-	-	40 119	20 981	52%	41 650
eDumbe	17 570	-	-	17 570	17 570	-	-	17 570	10 166	58%	18 541
uPhongolo	27 852	-	-	27 852	27 852	-	-	27 852	16 901	61%	34 789
Abaqulusi	35 566	-	4 000	39 566	39 566	-	-	39 566	35 120	89%	41 358
Nongoma	30 891	-	-6 200	24 691	24 691	-	-	24 691	14 385	58%	39 812

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Ulundi	29 957	-	4 000	33 957	33 957	-	-	33 957	26 425	78%	44 000
Zululand District Municipality	221 359	-	-	221 359	221 359	-	-	221 359	160 006	72%	241 622
Umhlabuyalingana	33 827	-	-	33 827	33 827	-	-	33 827	24 614	73%	32 490
Jozini	36 213	-	-	36 213	36 213	-	-	36 213	23 277	64%	24 916
The Big 5 False Bay	11 419	-	5 000	16 419	16 419	-	-	16 419	9 668	59%	11 156
Hlabisa	14 345	-	-	14 345	14 345	-	-	14 345	9 611	67%	9 902
Mtubatuba	30 776	-	-	30 776	30 776	-	-	30 776	11 731	38%	29 524
Umkhanyakude District Municipality	210 419	-	-	210 419	210 419	-	-	210 419	70 073	33%	166 020
Mfolozi	24 382	-	6 155	30 537	30 537	-	-	30 537	24 178	79%	38 452
uMhlatuze	93 154	-	-	93 154	93 154	-	-	93 154	80 568	86%	120 831
Ntambanana	15 073	-	-	15 073	15 073	-	-	15 073	12 529	83%	12 668
uMlalazi	39 090	-	-	39 090	39 090	-	-	39 090	21 325	55%	37 496
Mthonjaneni	12 904	-	-	12 904	12 904	-	-	12 904	8 594	67%	12 610
Nkandla	22 188	-	-	22 188	22 188	-	-	22 188	16 323	74%	31 582
uThungulu District Municipality	175 330	-	-	175 330	175 330	-	-	175 330	108 309	62%	144 063
Mandeni	34 263	-	-	34 263	34 263	-	-	34 263	17 734	52%	32 957
KwaDukuza	49 984	-	7 000	56 984	56 984	-	-	56 984	42 121	74%	47 941
Ndwedwe	28 907	-	-	28 907	28 907	-	-	28 907	17 205	60%	24 936
Maphumulo	21 689	-	-	21 689	21 689	-	-	21 689	10 919	50%	21 070
iLembe District Municipality	189 590	-	-	189 590	189 590	-	-	189 590	100 938	53%	184 985
Ingwe	24 319	-	-	24 319	24 319	-	-	24 319	10 667	44%	23 497
Kwa Sani	7 530	-	3 000	10 530	10 530	-	-	10 530	7 934	75%	7 478
Greater Kokstad	16 867	-	-	16 867	16 867	-	-	16 867	14 072	83%	16 545
Ubuhlebezwe	24 335	-	-	24 335	24 335	-	-	24 335	13 374	55%	23 553
Umzimkhulu	41 978	-	6 000	47 978	47 978	-	-	47 978	41 692	87%	41 033
Harry Gwala District Municipality	192 784	-	7 000	199 784	199 784	-	-	199 784	176 831	89%	187 028
LIMPOPO											
Greater Giyani	58 660	-	20 000	78 660	78 660	-	-	78 660	39 776	51%	66 046
Greater Letaba	55 692	-	23 710	79 402	79 402	-	-	79 402	50 856	64%	53 440
Greater Tzaneen	91 191	-	-	91 191	91 191	-	-	91 191	65 455	72%	111 083

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Ba-Phalaborwa	31 044	-	20 000	51 044	51 044			51 044	30 765	60%	29 769
Maruleng	25 830	-	20 000	45 830	45 830			45 830	24 802	54%	30 309
Mopani District Municipality	445 152	-	-195 152	250 000	250 000			250 000	80 735	32%	139 490
Musina	19 656	-	-5 338	14 318	14 318			14 318	9 893	69%	18 943
Mutale	25 060	-	-	25 060	25 060			25 060	12 226	49%	24 058
Thulamela	132 820	-	-	132 820	132 820			132 820	71 130	54%	126 460
Makhado	112 264	-	60 000	172 264	172 264			172 264	92 012	53%	107 087
Vhembe District Municipality	504 351	-	-204 351	300 000	300 000			300 000	98 808	33%	506 510
Bloubaerg	39 903	-	24 828	64 731	64 731			64 731	32 029	49%	43 408
Aganang	33 371	-	-	33 371	33 371			33 371	13 797	41%	27 157
Molemole	30 017	-	-	30 017	30 017			30 017	22 097	74%	28 943
Potokwane	275 800	-	-	275 800	275 800			275 800	159 103	58%	304 914
Lepelle-Nkumpi	52 128	-	-	52 128	52 128			52 128	23 956	46%	69 920
Capricorn District Municipality	259 966	-	-	259 966	259 966			259 966	164 813	63%	259 059
Thabazimbi	29 172	-	-29 172	-	-			-	-	-	13 170
Lephalale	36 750	-	35 000	71 750	71 750			71 750	36 355	51%	28 992
Mookgopong	16 156	-	-	16 156	16 156			16 156	7 235	45%	42 766
Modimolle	22 875	-	30 000	52 875	52 875			52 875	22 875	43%	19 350
Bela Bela	22 971	-	39 018	61 989	61 989			61 989	17 954	29%	22 193
Mogalakwena	143 238	-	-	143 238	143 238			143 238	78 807	55%	113 849
Waterberg District Municipality	-	-	74 172	74 172	74 172			74 172	-	0%	18 014
Ephraim Mogale	32 405	-	20 000	52 405	52 405			52 405	27 369	52%	31 070
Elias Motsoaledi	53 102	-	-	53 102	53 102			53 102	34 461	65%	65 840
Makhuduthamaga	59 950	-	15 000	74 950	74 950			74 950	39 197	52%	57 452
Fetakgomo	22 109	-	15 000	37 109	37 109			37 109	16 071	43%	11 249
Greater Tubatse	64 459	-	-13 481	50 978	50 978			50 978	32 874	64%	96 745
Sekhukhune District Municipality	464 506	-	-37 492	427 014	427 014			427 014	216 997	51%	281 120
<b>MPUMALANGA</b>											
Albert Luthuli	84 091	-	10 000	94 091	94 091			94 091	74 676	79%	105 407
Musukaligwa	50 977	-	-11 000	39 977	39 977			39 977	18 708	47%	43 761
Mkhondo	75 668	-	6 000	81 668	81 668			81 668	72 873	89%	82 765

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT		2014/15
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Pixley Ka Seme	25 645	-	-	25 645	25 645	-	-	25 645	14 155	55%	18 224
Lekwa	27 978	-	-	27 978	27 978	-	-	27 978	20 698	74%	33 994
Dipaleseng	18 315	-	-	18 315	18 315	-	-	18 315	6 248	34%	28 985
Govan Mbeki	55 888	-	-	55 888	55 888	-	-	55 888	37 463	67%	83 781
Gert Sibande District Municipality	-	-	-	-	-	-	-	-	-	-	-
Victor Khanye	24 189	-	-	24 189	24 189	-	-	24 189	11 803	49%	23 570
Emalahleni	115 796	-	-	115 796	115 796	-	-	115 796	68 817	59%	111 477
Steve Tshwete	48 094	-	-	48 094	48 094	-	-	48 094	29 866	62%	52 283
Emakhazeni	17 755	-	3 000	20 755	20 755	-	-	20 755	8 135	39%	17 232
Thembisile Hani	119 139	-	-30 000	89 139	89 139	-	-	89 139	56 786	64%	47 440
Dr JS Moroka	120 751	-	4 000	124 751	124 751	-	-	124 751	69 886	56%	146 875
Nkangala District Municipality	-	-	-	-	-	-	-	-	-	-	-
Thaba Chweu	46 647	-	18 000	64 647	64 647	-	-	64 647	32 756	51%	57 004
Mbombela	298 264	-	-	298 264	298 264	-	-	298 264	166 957	56%	286 043
Umgindi	30 650	-	10 000	40 650	40 650	-	-	40 650	17 415	43%	29 824
Nkomazi	219 380	-	-	219 380	219 380	-	-	219 380	169 926	77%	245 291
Bushbuckridge	366 158	-	-	366 158	366 158	-	-	366 158	275 270	75%	303 559
Ehlanzeni District Municipality	-	-	-	-	-	-	-	-	-	-	-
<b>NORTHERN CAPE</b>											
Richtersveld	7 253	-	-2 235	5 018	5 018	-	-	5 018	2 572	51%	10 182
Nama Khoi	14 245	-	-	14 245	14 245	-	-	14 245	8 376	59%	13 979
Kamiesberg	7 460	-	-	7 460	7 460	-	-	7 460	2 369	32%	9 129
Hantam	9 542	-	-	9 542	9 542	-	-	9 542	4 819	51%	9 953
Karoo Hoogland	8 005	-	-3 003	5 002	5 002	-	-	5 002	4 530	91%	8 890
Khai-Ma	7 688	-	-	7 688	7 688	-	-	7 688	1 937	25%	8 376
Namakwa District Municipality	-	-	-	-	-	-	-	-	-	-	-
Ubuntu	9 790	-	-	9 790	9 790	-	-	9 790	5 441	56%	9 655
Umsobomvu	11 254	-	-3 164	8 090	8 090	-	-	8 090	1 711	21%	11 148
Emthanjani	11 898	-	-	11 898	11 898	-	-	11 898	5 545	47%	16 108
Kareeberg	7 928	-	-2 100	5 828	5 828	-	-	5 828	3 244	56%	7 848
Renosterberg	7 390	-	-	7 390	7 390	-	-	7 390	4 146	56%	7 741
Thembelihle	9 289	-	4 000	13 289	13 289	-	-	13 289	6 973	52%	14 098



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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT		2014/15
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Siyathemba	9 654	-	6 000	15 654	15 654	-	-	15 654	8 372	53%	9 708
Siyancuma	16 187	-	10 000	26 187	26 187	-	-	26 187	14 590	56%	16 023
Pixley Ka Seme District Municipality	-	-	-	-	-	-	-	-	-	-	-
Mier	6 780	-	6 128	12 908	12 908	-	-	12 908	5 803	45%	8 892
iKai! Garib	21 784	-	-7 995	13 789	13 789	-	-	13 789	13 338	97%	21 178
//Khara Hais	22 581	-	-11 144	11 437	11 437	-	-	11 437	2 849	25%	22 032
iKheis	10 485	-	-	10 485	10 485	-	-	10 485	7 308	70%	10 834
Tsantsabane	15 159	-	-	15 159	15 159	-	-	15 159	11 960	79%	14 760
Kgatelopele	7 931	-	8 000	15 931	15 931	-	-	15 931	7 816	49%	7 843
Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	-
Sol Plaatje	48 329	-	-	48 329	48 329	-	-	48 329	26 485	55%	47 211
Dikgatlong	18 836	-	-	18 836	18 836	-	-	18 836	10 842	58%	17 010
Magareng	10 939	-	-5 469	5 470	5 470	-	-	5 470	544	10%	15 787
Phokwane	25 487	-	-	25 487	25 487	-	-	25 487	15 811	62%	24 836
Frances Baard District Municipality	-	-	-	-	-	-	-	-	-	-	-
Joe Morolong	58 599	-	5 000	63 599	63 599	-	-	63 599	50 714	80%	57 058
Ga-Segoyana	52 195	-	-	52 195	52 195	-	-	52 195	49 803	95%	51 027
Gamagara	11 864	-	-2 000	9 864	9 864	-	-	9 864	4 488	45%	11 638
John Taolo Gaetsewe District Municipality	-	-	-	-	-	-	-	-	-	-	-
<b>NORTH WEST</b>											
Moretele	102 404	-	-	102 404	102 404	-	-	102 404	102 404	100%	144 541
Madibeng	254 461	-	-20 000	234 461	234 461	-	-	234 461	132 733	57%	233 615
Rustenburg	202 743	-	-	202 743	202 743	-	-	202 743	143 080	71%	196 593
Kgetlengrivier	23 318	-	-3 000	20 318	20 318	-	-	20 318	6 491	32%	22 715
Moses Kotane	135 375	-	-	135 375	135 375	-	-	135 375	70 135	52%	110 837
Bojanala Platinum District Municipality	-	-	-	-	-	-	-	-	-	-	-
Ratlou	28 511	-	-	28 511	28 511	-	-	28 511	28 687	101%	23 332
Tswaing	28 390	-	-5 000	23 390	23 390	-	-	23 390	9 052	39%	47 493

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Mafikeng	59 184	-	-	59 184	59 184	-	-	59 184	53 770	91%	46 801
Ditsobotla	35 392	-	-	35 392	35 392	-	-	35 392	23 199	66%	24 214
Ramoishere Moiloa	35 982	-	-7 800	28 182	28 182	-	-	28 182	20 971	74%	64 624
Ngaka Modiri Molema District Municipality	294 295	-	-113 135	181 160	181 160	-	-	181 160	75 835	42%	247 888
Naledi	16 544	-	29 300	45 844	45 844	-	-	45 844	17 389	38%	30 051
Mamusa	15 306	-	-	15 306	15 306	-	-	15 306	12 739	83%	25 309
Greater Taung	46 052	-	-15 000	31 052	31 052	-	-	31 052	20 085	65%	59 192
Lekwa-Teemane	14 437	-	-	14 437	14 437	-	-	14 437	9 246	64%	14 152
Kagisano Molopo	29 154	-	-	29 154	29 154	-	-	29 154	29 154	100%	28 383
Dr. Ruth Segomotsi Mompati District Municipality	136 575	-	-	136 575	136 575	-	-	136 575	100 242	73%	203 655
Ventersdorp	22 420	-	-8 500	13 920	13 920	-	-	13 920	11 777	85%	19 604
Tlokwe	47 028	-	30 000	77 028	77 028	-	-	77 028	40 622	53%	70 453
City of Matlosana	84 493	-	-	84 493	84 493	-	-	84 493	44 152	52%	85 331
Maquassi Hills	27 367	-	30 000	57 367	57 367	-	-	57 367	24 885	43%	26 925
Dr Kenneth Kaunda District Municipality	-	-	-	-	-	-	-	-	-	-	-
<b>WESTERN CAPE</b>											
City of Cape Town	-	-	-	-	-	-	-	-	-	-	-
Matzikama	20 716	-	-	20 716	20 716	-	-	20 716	13 187	64%	20 089
Cederberg	15 280	-	-	15 280	15 280	-	-	15 280	7 947	52%	14 917
Bergrivier	14 201	-	-	14 201	14 201	-	-	14 201	6 444	45%	13 764
Saldanha Bay	18 893	-	-	18 893	18 893	-	-	18 893	12 782	68%	18 389
Swartland	20 709	-	2 000	22 709	22 709	-	-	22 709	16 264	72%	19 918
West Coast District Municipality	-	-	-	-	-	-	-	-	-	-	-
Witzenberg	21 778	-	3 500	25 278	25 278	-	-	25 278	10 532	42%	21 218
Drakenstein	34 046	-	-	34 046	34 046	-	-	34 046	22 446	66%	33 138
Stellenbosch	34 657	-	-	34 657	34 657	-	-	34 657	19 972	58%	33 313
Breede Valley	33 383	-	-	33 383	33 383	-	-	33 383	25 319	76%	32 353
Langeberg	21 368	-	-	21 368	21 368	-	-	21 368	15 000	70%	20 686
Cape Winelands District Municipality	-	-	-	-	-	-	-	-	-	-	-

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Theewaterskloof	25 627	-	-	25 627	25 627	-	-	25 627	11 077	43%	-
Overstrand	21 417	-	-	21 417	21 417	-	-	21 417	9 068	42%	24 958
Cape Agulhas	10 787	-	-	10 787	10 787	-	-	10 787	5 088	47%	20 674
Swellendam	11 684	-	-	11 684	11 684	-	-	11 684	4 696	40%	10 532
Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	11 399
Kannaland	10 082	-	4 000	14 082	14 082	-	-	14 082	9 383	67%	-
Hessequa	13 332	-	-	13 332	13 332	-	-	13 332	4 722	35%	9 927
Mossel Bay	23 407	-	-	23 407	23 407	-	-	23 407	13 214	56%	16 459
George	38 832	-	-	38 832	38 832	-	-	38 832	23 807	61%	22 531
Oudtshoorn	21 138	-	3 000	24 138	24 138	-	-	24 138	12 701	53%	46 667
Bitou	19 622	-	2 500	22 122	22 122	-	-	22 122	12 485	56%	20 437
Knysna	24 304	-	3 000	27 304	27 304	-	-	27 304	14 304	52%	18 914
Eden District Municipality	-	-	-	-	-	-	-	-	-	-	23 648
Laingsburg	6 562	-	2 000	8 562	8 562	-	-	8 562	3 707	43%	-
Prince Albert	7 466	-	2 000	9 466	9 466	-	-	9 466	1 844	19%	6 523
Beaufort West	13 647	-	2 000	15 647	15 647	-	-	15 647	10 544	67%	7 377
Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-	16 745
<b>Total MIG</b>	<b>14 955 762</b>	<b>-</b>	<b>-67 845</b>	<b>14 887 917</b>	<b>14 887 917</b>			<b>14 887 917</b>	<b>9 147 755</b>	<b>149</b>	<b>14 764 049</b>

The credit amount of R67 845 million is an unallocated amount in the 2015/16 financial year to provide for the recovery of the overpayment to the Thembisile Hani in the 2013/14 financial year that was recorded as a receivable.

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Equitable Share Grant										
<b>EASTERN CAPE</b>										
BUF BUFFALO CITY	655141	-	-	655141	655141	-	-	655141	-	654 723
NMA NELSON MANDELA BAY	774616	-	-	774616	712016	62600	-	712016	-	751
EC101 CAMDEBOO	43279	-	-	43279	43279	-	-	43279	-	40 950
EC102 BLUE CRANE ROUTE	44654	-	-	44654	44654	-	-	44654	-	42 429
EC103 IKWEZI	20720	-	-	20720	14250	6470	-	14250	-	17 211
EC104 MAKANA	75767	-	-	75767	75454	313	-	75454	-	72 184
EC105 NDLAMBE	73102	-	-	73102	73102	-	-	73102	-	60 710
EC106 SUNDAYS RIVER VALLEY	55182	-	-	55182	54769	413	-	54769	-	46 351
EC107 BAVIAANS	23452	-	-	23452	21283	2169	-	21283	-	18 261
EC108 KOUGA	82099	-	-	82099	82099	-	-	82099	-	66 129
EC109 KOU-KAMMA	37662	-	-	37662	37662	-	-	37662	-	33 884
DC10:CACADU DISTRICT MUNICIPALITY	80759	-	-	80759	80759	-	-	80759	-	88
EC121 MBHASHE	209735	-	-	209735	193756	15979	-	193756	-	162 715
EC122 MNQUMA	234405	-	-	234405	228787	5618	-	228787	-	190 327
EC123 GREAT KEI	42202	-	-	42202	42202	-	-	42202	-	36 762
EC124 AMAHLATI	124034	-	-	124034	114540	9494	-	114540	-	105 384
EC126 NGQUSHWA	82854	-	-	82854	82854	-	-	82854	-	70 933
EC127 NKONKUBE	130357	-	-	130357	128034	2323	-	128034	-	102 414
EC128 NXUBA	32954	-	-	32954	31479	1475	-	31479	-	14 245
DC12 AMATOLE DIST MUNICIPALITY	699595	-	-	699595	699595	-	-	699595	-	663 551
EC131 INXUBA YETHEMBA	40912	-	-	40912	34668	6244	-	34668	-	40 564
EC132 TSOLWANA	38820	-	-	38820	35230	3590	-	35230	-	31 320
EC133 INKWANCA	24998	-	-	24998	21766	3232	-	21766	-	20 609
EC134 LUKHANJI	117676	-	-	117676	117600	76	-	117600	-	115 533
EC135 INTSIKA YETHU	145974	-	-	145974	145974	-	-	145974	-	115 520
EC136 EMALAHLENI	116537	-	-	116537	116537	-	-	116537	-	92 038
EC137 ENGCOBO	134844	-	-	134844	134844	-	-	134844	-	103 995
EC138 SAKHISIZWE	59581	-	-	59581	58068	1513	-	58068	-	48 625

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount spent by municipality R'000	% of available funds spent by municipality %	
DC13 CHRIS HANI DIST MUNICIPALITY	446759	-	-	446759	446759	-	-	446759	-	413 744
EC141 ELUNDINI	132110	-	-	132110	132110	-	-	132110	-	101 878
EC142 SENQU	135985	-	-	135985	135985	-	-	135985	-	110 942
EC143 MALETSWAI	34364	-	-	34364	26627	7737	-	26627	-	18 515
EC144 GARIEP	27626	-	-	27626	27380	246	-	27380	-	20 496
DC14 JOE GQABI DISTR MUNICIPALITY	209607	-	-	209607	209558	49	-	209558	-	194 848
EC153 NGQUZA HILL	200197	-	-	200197	199441	756	-	199441	-	152 692
EC154 PORT ST JOHNS	120534	-	-	120534	120534	-	-	120534	-	84 610
EC155 NYANDENI	216750	-	-	216750	216750	-	-	216750	-	169 496
EC156 MHLONTLO	159404	-	-	159404	159404	-	-	159404	-	127 895
EC157 KING SABATA DALINDYEBE	251210	-	-	251210	251210	-	-	251210	-	206 246
DC15 OR TAMBO DIST MUNICIPALITY	622201	-	-	622201	622201	-	-	622201	-	547 280
EC442 UMZIMVUBU	169767	-	-	169767	169767	-	-	169767	-	136 168
EC441 MATATIELE	176181	-	-	176181	176181	-	-	176181	-	138 979
EC443 MBIZANA	181314	-	-	181314	181314	-	-	181314	-	144 544
EC152 NTABANKULU	98871	-	-	98871	98512	359	-	98512	-	79 930
DC44 ALFRED NZO DIST MUNICIPALITY	365517	-	-	365517	364950	567	-	364950	-	342 149
FREE STATE PROVINCE										
MAN MANGAUNG	596652	-	-	596652	590463	6189	-	590463	-	602 846
FS161 LETSEMENG	49784	-	-	49784	49784	-	-	49784	-	49 449
FS162 KOPANONG	78370	-	-	78370	78370	-	-	78370	-	82 502
FS163 MOHOKARE	54870	-	-	54870	47686	7184	-	47686	-	46 340
DC16 XHARIEP DISTRICT MUNICIPALITY	30091	-	-	30091	29525	566	-	29525	-	38 272
FS171 NALEDI	40967	-	-	40967	38226	2741	-	38226	-	27 876
FS181 MASILONYANA	111301	-	-	111301	110583	718	-	110583	-	61 870
FS182 TOKOLOGO	44637	-	-	44637	44637	-	-	44637	-	43 895
FS183 TSWELOPELE	62570	-	-	62570	59018	3552	-	59018	-	62 071

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
FS184 MATJHABENG	556081	-	-	556081	552381	3700	-	552381	-	-	262 846
FS185 NALA	154602	-	-	154602	152454	2148	-	152454	-	-	87 849
DC18 LEJWELEPUTSWA DIST MUNICIPALITY	110390	-	-	110390	110390	-	-	110390	-	-	104 747
FS191 SETSOTO	166309	-	-	166309	166309	-	-	166309	-	-	165 381
FS192 DIHLABENG	160795	-	-	160795	160795	-	-	160795	-	-	89 874
FS193 NKETOANA	101925	-	-	101925	101439	486	-	101439	-	-	56 189
FS194 MALUTI-A-PHOFUNG	557648	-	-	557648	557648	-	-	557648	-	-	280 057
FS195 PHUMELELA	60462	-	-	60462	60462	-	-	60462	-	-	57 492
FS196 MANTSOPA	87570	-	-	87570	87570	-	-	87570	-	-	49 525
DC19 THABO	96978	-	-	96978	96763	215	-	96763	-	-	86 946
MOFUTSANYANE DIST MUNICIPALITY	161083	-	-	161083	161083	-	-	161083	-	-	163 750
FS201 MOQHAKA	186904	-	-	186904	186904	-	-	186904	-	-	116 834
FS203 NGWATHE	144549	-	-	144549	144549	-	-	144549	-	-	77 782
FS204 METSIMAHOLO	88555	-	-	88555	88555	-	-	88555	-	-	45 110
DC20 FEZILE DABI DIST MUNICIPALITY	140135	-	-	140135	140135	-	-	140135	-	-	137 551
GAUTENG PROVINCE	2181182	-	-	2181182	2181182	-	-	2181182	-	-	2 042 951
EKU EKURHULENI METRO	2864065	-	-	2864065	2534104	329961	-	2534104	-	-	2 482 130
JHB CITY OF JOHANNESBURG	1654390	-	-	1654390	1650242	4148	-	1650242	-	-	1 373 159
TSH CITY OF TSHWANE	600889	-	-	600889	596457	4432	-	596457	-	-	602 144
GT421 EMFULENI	68291	-	-	68291	68291	-	-	68291	-	-	60 716
GT422 MIDVAAL	82794	-	-	82794	82794	-	-	82794	-	-	71 665
GT423 LESEDI	245760	-	-	245760	241119	4641	-	241119	-	-	239 539
DC42 SEDIBENG DISTRICT MUNICIPALITY	259185	-	-	259185	259185	-	-	259185	-	-	238 641
GT481 MOGALE CITY	122804	-	-	122804	120233	2571	-	120233	-	-	69 901
GT482 RANDFONTEIN	159236	-	-	159236	159236	-	-	159236	-	-	75 948
GT483 WESTONARIA	168320	-	-	168320	168320	-	-	168320	-	-	173 224
GT484 MERAFONG CITY		-	-			-	-		-	-	

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
DC48 WEST RAND DIST MUNICIPALITY	184842	-	-	184842	184842	-	-	184842	-	-	178 344
KWAZULU NATAL											
ETH ETHEKWINI	2115453	-	-	2115453	1586953	528500	-	1586953	-	-	1 675 710
KZN211 VULAMEHLO	62870	-	-	62870	57458	5412	-	57458	-	-	48 657
KZN212 UMDONI	60678	-	-	60678	60678	-	-	60678	-	-	43 638
KZN213 UMZUMBE	127112	-	-	127112	127112	-	-	127112	-	-	105 320
KZN214 UMUZIWABANTU	76322	-	-	76322	69832	6490	-	69832	-	-	59 072
KZN215 EZINGOLENI	43543	-	-	43543	43543	-	-	43543	-	-	33 669
KZN216 HIBISCUS COAST	125965	-	-	125965	118198	7767	-	118198	-	-	99 543
DC21 UGU DISTRICT MUNICIPALITY	362776	-	-	362776	353845	8931	-	353845	-	-	316 768
KZN221 UMSHWATHI	84824	-	-	84824	84824	-	-	84824	-	-	69 377
KZN222 UMNENI	44316	-	-	44316	44316	-	-	44316	-	-	39 233
KZN223 MPOFANA	27603	-	-	27603	27603	-	-	27603	-	-	23 074
KZN224 IMPENDLE	32943	-	-	32943	32943	-	-	32943	-	-	25 657
KZN225 MSUNDUZI	395786	-	-	395786	332537	63249	-	332537	-	-	296 768
KZN226 MKHAMBATHINI	51341	-	-	51341	51341	-	-	51341	-	-	39 424
KZN227 RICHMOND	54162	-	-	54162	54162	-	-	54162	-	-	41 243
DC22 UMGUNGUNDLOVU DIST MUNICIPALITY	398469	-	-	398469	393825	4644	-	393825	-	-	366 806
KZN232 EMINAMBITHI-LADYSMITH	120062	-	-	120062	120062	-	-	120062	-	-	118 419
KZN233 INDAKA	75580	-	-	75580	72915	2665	-	72915	-	-	67 255
KZN234 UMTSHEZI	50138	-	-	50138	50138	-	-	50138	-	-	34 607
KZN235 OKHAHLAMBA	98494	-	-	98494	98494	-	-	98494	-	-	79 269
KZN236 IMBABAZANE	84471	-	-	84471	84471	-	-	84471	-	-	70 637
DC23 UTHUKELA DIST MUNICIPALITY	310472	-	-	310472	309730	742	-	309730	-	-	286 962
KZN241 ENDUMENI	41242	-	-	41 242	41242	-	-	41242	-	-	37 042
KZN242 NQUTHU	115965	-	-	115 965	114604	1361	-	114604	-	-	92 161
KZN244 MSINGA	134627	-	-	134 627	130751	3876	-	130751	-	-	98 564
KZN245 UMVOTI	85271	-	-	8 5271	81166	4105	-	81166	-	-	61 925

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
DC24 UMZINYATHI DIST MUNICIPAL	240374	-	-	24 0374	240374	-	-	240374	-	206 968
KZN252 NEWCASTLE	298215	-	-	29 8215	277149	21066	-	277149	-	284 747
KZN253 EMADLANGENI	21017	-	-	21 017	21017	-	-	21017	-	16 771
KZN54 DANNHAUSER	74181	-	-	7 4181	74181	-	-	74181	-	59 972
DC25 AMAJUBA DIST MUNICIPALITY	120927	-	-	12 0927	120526	401	-	120526	-	100 154
KZN261 EDUMBE	57632	-	-	57 632	54074	3558	-	54074	-	44 872
KZN262 UPHONGOLO	96890	-	-	96890	96890	-	-	96890	-	76 982
KZN263 ABAQULUSI	106693	-	-	106693	106246	447	-	106246	-	95 434
KZN285 NONGOMA	123997	-	-	123997	119656	4341	-	119656	-	88 019
KZN266 ULUNDI	128213	-	-	128213	128213	-	-	128213	-	117
DC26 ZULULAND DIST MUNICIPALITY	322706	-	-	322706	322706	-	-	322706	-	297 420
KZN271	121138	-	-	121138	121138	-	-	121138	-	87 707
UMHLABUYALINGANA	136441	-	-	136441	135882	559	-	135882	-	103 118
KZN272 JOZINI	31134	-	-	31134	30989	145	-	30989	-	21 078
KZN273 THE BIG FIVE FALSE BAY	49368	-	-	49368	49231	137	-	49231	-	36 879
KZN274 HLABISA	116487	-	-	116487	116487	-	-	116487	-	81 379
KZN275 MTUBATUBA	265376	-	-	265376	264261	1115	-	264261	-	224 689
DC27 UMKHANYAKUDE DIST MUNICIPALITY	93949	-	-	93949	93949	-	-	93949	-	61 126
KZN281 MFOLOZI	229925	-	-	229925	222194	7731	-	222194	-	204 800
KZN282 UMHATHUZE	42362	-	-	42362	42362	-	-	42362	-	30 881
KZN283 NTAMBANANA	145537	-	-	145537	143312	2225	-	143312	-	110 939
KZN284 UMLAZI	38963	-	-	38963	38963	-	-	38963	-	31 674
KZN285 MTHONJANENI	82242	-	-	82242	82038	204	-	82038	-	65 879
KZN286 NKANDLA	410276	-	-	410276	388654	21622	-	388654	-	382 002
DC28 UTHUNGULU DIST MUNICIPALITY	119361	-	-	119361	112815	6546	-	112815	-	90 414
KZN291 MANDENI	105352	-	-	105352	105352	-	-	105352	-	79 677
KZN292 KWADUKUZA										



Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
KZN93 NDWEDWE	110311	-	-	110311	93755	16556	-	93755	-	-	82 752
KZN294 MAPHUMULO	74233	-	-	74233	69963	4270	-	69963	-	-	61 091
DC29 ILEMBE DISTRICT MUNICIPAL	338090	-	-	338090	334824	3266	-	334824	-	-	290 468
KZN431 INGWE	83132	-	-	83132	70601	12531	-	70601	-	-	66 031
KZN432 KWA SANI	15076	-	-	15076	15076	-	-	15076	-	-	13 627
KZN433 GREATER KOKSTAD	47497	-	-	47497	46173	1324	-	46173	-	-	47 616
KZN434 UBUHLEBEZWE	85227	-	-	85227	85227	-	-	85227	-	-	66 977
KZN435 UMZIMKHULU	151222	-	-	151222	151222	-	-	151222	-	-	116 142
DC43 SISONKE DISTRICT MUNICIPALITY	241033	-	-	241033	238399	2634	-	238399	-	-	228 123
LIMPOPO PROVINCE											
LIM471 EMPRAIM MOGALE	118546	-	-	118546	106323	12223	-	106323	-	-	91 435
LIM473 MAKHUDUTHAMAGA	228571	-	-	228571	225855	2716	-	225855	-	-	171 043
LIM474 FETAKGOMO	83169	-	-	83169	74244	8925	-	74244	-	-	63 620
LIM472 ELIAS MOTSOALEDI	212959	-	-	212959	212959	-	-	212959	-	-	166 920
LIM475 GREATER TUBATSE	234852	-	-	234852	229503	5349	-	229503	-	-	181 634
DC47 GREATER SEKHUKHUNE DIST MUN	546538	-	-	546538	438251	108287	-	438251	-	-	385 364
LIM331 GREATER GIYANI	221971	-	-	221971	221398	573	-	221398	-	-	171 547
LIM332 GREATER LETABA	208866	-	-	208866	194334	14532	-	194334	-	-	167 571
LIM333 GREATER TZANEEN	288642	-	-	288642	286643	1999	-	286643	-	-	219 266
LIM334 BA-PHALABORWA	130354	-	-	130354	130354	-	-	130354	-	-	53 566
LIM335 MARULENG	92441	-	-	92441	92441	-	-	92441	-	-	71 904
DC33 MOPANI DIST MUNICIPALITY	631553	-	-	631553	631507	46	-	631507	-	-	380 753
LIM341 MUSINA	47735	-	-	47735	46494	1241	-	46494	-	-	38 966
LIM342 MUTALE	88938	-	-	88938	88938	-	-	88938	-	-	64 971
LIM343 THULAMELA	433020	-	-	433020	433020	-	-	433020	-	-	338 467
LIM344 MAKHADO	354731	-	-	354731	350743	3988	-	350743	-	-	287 643
DC34 VHEMBE DIST MUNICIPALITY	681432	-	-	681432	580743	100689	-	580743	-	-	552 345
LIM351 BLOUBERG	147635	-	-	147635	143794	3841	-	143794	-	-	116 214

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality		Division of Revenue Act	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
LIM352 AGANANG	122831	-	-	122831	122161	670	-	122161	-	122161	-	98 119
LIM353 MOLEMOLE	106287	-	-	106287	105545	742	-	105545	-	105545	-	88 334
LIM354 POLOKWANE-	522595	-	-	522595	366661	155934	-	366661	-	366661	-	455 799
LIM355 LEPELLE-NKUMPI	204754	-	-	204754	173161	31593	-	173161	-	173161	-	157 945
DC35 CAPRICORN DIST	502417	-	-	502417	437710	64707	-	437710	-	437710	-	465 510
MUNICIPALITY												
LIM361 THABAZIMBI	72313	-	-	72313	59386	12927	-	59386	-	59386	-	40 084
LIM362 LEPHALALE	87409	-	-	87409	87409	-	-	87409	-	87409	-	86 700
LIM364 MOOKGOPONG	41540	-	-	41540	24032	17508	-	24032	-	24032	-	30 072
LIM365 MODIMOLLE	59775	-	-	59775	58259	1516	-	58259	-	58259	-	58 473
LIM366 BELA BELA	63428	-	-	63428	63428	-	-	63428	-	63428	-	54 332
LIM367 MOGALAKWENA	341563	-	-	341563	338089	3474	-	338089	-	338089	-	264 404
DC36 WATERBERG DIST	111232	-	-	111232	111232	-	-	111232	-	111232	-	99 036
MUNICIPALITY												
MPUMALANGA PROVINCE												
MP301 ALBERT LUTHULI	219137	-	-	219137	218564	573	-	218564	-	218564	-	166 999
MP302 MSUKALIGWA	145765	-	-	145765	145253	512	-	145253	-	145253	-	65 977
MP303 MKHONDO	187671	-	-	187671	187671	-	-	187671	-	187671	-	92 832
MP304 PIXLEY KA SEME	91201	-	-	91201	91201	-	-	91201	-	91201	-	81 762
MP305 LEKWA	106058	-	-	106058	105920	138	-	105920	-	105920	-	62 003
MP306 DIPALESENG	52509	-	-	52509	44114	8395	-	44114	-	44114	-	47 977
MP307 GOVAN MBEKI	247415	-	-	247415	247415	-	-	247415	-	247415	-	140 354
DC30 GERT SIBANDE DIST	270971	-	-	270971	270971	-	-	270971	-	270971	-	265 947
MUNICIPALITY												
MP311 VICTOR KHANYE	67348	-	-	67348	65262	2086	-	65262	-	65262	-	59 142
MP312 EMALAHLENI	285343	-	-	285343	285343	-	-	285343	-	285343	-	123 181
MP313 STEVE TSHWETE	119935	-	-	119935	119935	-	-	119935	-	119935	-	103 556
MP314 EMAKHAZENI	59937	-	-	59937	58474	1463	-	58474	-	58474	-	30 829
MP315 THEMBISILE	288644	-	-	288644	288644	-	-	288644	-	288644	-	259 164
MP316 DR JS MOROKA	314082	-	-	314082	314039	43	-	314039	-	314039	-	254 575
DC31 NKANGALA DIST	326223	-	-	326223	326223	-	-	326223	-	326223	-	318 017
MUNICIPALITY												
MP321 THABA CHWEU	104771	-	-	104771	101768	3003	-	101768	-	101768	-	90 485

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**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
MP322 MBOMBELA	462073	-	-	462073	449884	12189	-	449884	-	-	386 477
MP323 UMJINDI	83164	-	-	83164	79839	3325	-	79839	-	-	42 523
MP324 NKOMAZI	511360	-	-	511360	511360	-	-	511360	-	-	244 100
MP325 BUSHBUCKRIDGE	783562	-	-	783562	783562	-	-	783562	-	-	397 463
DC32 EHLANZENI DIST MUNICIPALITY	217441	-	-	217441	217226	215	-	217226	-	-	199 316
NORTHERN CAPE											
NC451 JOE MOROLONG	115253	-	-	115253	115253	-	-	115253	-	-	93 255
NC452 GA-SEGONYANA	109444	-	-	109444	103080	6364	-	103080	-	-	84 833
NC453 GAMAGARA	22923	-	-	22923	21391	1532	-	21391	-	-	22 045
DC45 JOHN TAOLO GAETSWWE MUN	64383	-	-	64383	64383	-	-	64383	-	-	61 201
NC061 RICHTERSVELD	13401	-	-	13401	13203	198	-	13203	-	-	12 817
NC062 NAMA KHOI	46378	-	-	46378	31978	14400	-	31978	-	-	25 735
NC064 KAMIESBERG	19924	-	-	19924	12488	7436	-	12488	-	-	11 050
NC065 HANTAM	20662	-	-	20662	20652	10	-	20652	-	-	20 566
NC066 KAROO HOOGLAND	15812	-	-	15812	15812	-	-	15812	-	-	14 669
NC067 KHAI-MA MUNICIPALITY	17571	-	-	17571	13832	3739	-	13832	-	-	10 492
DC6 NAMAKWA DISTRICT MUNICIPALITY	35005	-	-	35005	34697	308	-	34697	-	-	34 464
NC071 UBUNTU	28291	-	-	28291	20736	7555	-	20736	-	-	14 118
NC072 UMSOBOMVU	34931	-	-	34931	34931	-	-	34931	-	-	31 655
NC073 EMTHANJENI	35929	-	-	35929	34130	1799	-	34130	-	-	35 342
NC074 KAREEBERG	18021	-	-	18021	18021	-	-	18021	-	-	15 096
NC075 RENOSTERBERG	20168	-	-	20168	12277	7891	-	12277	-	-	12 046
NC076 THEMBELIHLE	23209	-	-	23209	23209	-	-	23209	-	-	9 234
NC077 SIYATHEMBA	30299	-	-	30299	30299	-	-	30299	-	-	15 952
NC078 SIYANCUMA	49773	-	-	49773	49592	181	-	49592	-	-	21 460
DC7 PIXLEY KA SEME DISTRICT MUNICIPALITY	35320	-	-	35320	35320	-	-	35320	-	-	32 052
NC081 MIER	14577	-	-	14577	14577	-	-	14577	-	-	12 321
NC082 IKAI! GARIB	52338	-	-	52338	47648	4690	-	47648	-	-	50 293
NC083 //KHARA HAIS	57629	-	-	57629	49032	8597	-	49032	-	-	41 063

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
NC084 IKHEIS	19697	-	-	19697	19697	-	-	19697	-	-	15 957
NC085 TSANTSABANE	28192	-	-	28192	28192	-	-	28192	-	-	24 906
NC086 KGATELOPELE	17104	-	-	17104	17104	-	-	17104	-	-	16 094
DC8 SIYANDA DISTRICT MUNICIPALITY	50237	-	-	50237	50187	50	-	50187	-	-	47 645
NC091 SOL PLAATJIE	143335	-	-	143335	143335	-	-	143335	-	-	145 440
NC092 DIKGATLONG	72148	-	-	72148	63661	8487	-	63661	-	-	36 421
NC093 MAGARENG	38761	-	-	38761	30039	8722	-	30039	-	-	18 780
NC094 PHOKWANE	95354	-	-	95354	93539	1815	-	93539	-	-	53 298
DC9 FRANCES BAARD DIST MUNICIPALITY	98936	-	-	98936	98936	-	-	98936	-	-	97 249
NORTH WEST											
NW371 MORETELE	260987	-	-	260987	260987	-	-	260987	-	-	209 553
NW372 MADIBENG	574322	-	-	574322	556777	17545	-	556777	-	-	250 357
NW373 RUSTENBURG	399145	-	-	399145	166311	232834	-	166311	-	-	302 849
NW374 KGETLENGRIVIER	71018	-	-	71018	71018	-	-	71018	-	-	34 653
NW375 MOSES KOTANE	322570	-	-	322570	322570	-	-	322570	-	-	275 714
DC37 BOJANALA PLATINUM DIST MUNICIPALITY	294712	-	-	294712	292263	2449	-	292263	-	-	265 044
NW381 RATLOU	99822	-	-	99822	99667	155	-	99667	-	-	82 376
NW382 TSWAING	106406	-	-	106406	103058	3348	-	103058	-	-	53 018
NW383 MAFIKENG	208777	-	-	208777	208645	132	-	208645	-	-	97 778
NW384 DITSOBOTLA	98135	-	-	98135	96478	1657	-	96478	-	-	64 528
NW385 RAMOTSHERE MOILOA	127415	-	-	127415	125248	2167	-	125248	-	-	98 912
DC38 NGAKA MODIRI MOLEMA DIST MU	510260	-	-	510260	460579	49681	-	460579	-	-	444 828
NW392 NALEDI	39618	-	-	39618	30606	9012	-	30606	-	-	36 699
NW393 MAMUSA	53135	-	-	53135	49543	3592	-	49543	-	-	21 599
NW394 GREATER TAUNG	171557	-	-	171557	143408	28149	-	143408	-	-	134 575
NW396 LEKWA-TEEMANE	46339	-	-	46339	39577	6762	-	39577	-	-	21 981
NW397 MOLOPO-KAGISANO	102421	-	-	102421	102421	-	-	102421	-	-	74 555

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
DC39 DR RUTH SEGOMTSI MOMPOTI MUNICIPALITY	321025	-	-	321025	301959	19066	-	301959	-	162 950
NW401 VENTERSDORP	78209	-	-	78209	65009	13200	-	65009	-	40 082
NW402 TLOKWE	119625	-	-	119625	119625	-	-	119625	-	82 956
NW403 CITY OF MATLOSANA	417617	-	-	417617	395739	21878	-	395739	-	184 375
NW404 MAQUASSI HILLS	115114	-	-	115114	113513	1601	-	113513	-	62 554
DC40 DR KENNETH KAUNDA MUNICIPALITY	165682	-	-	165682	165682	-	-	165682	-	160 237
WESTERN CAPE										
CPT CITY OF CAPE TOWN	1809797	-	-	1809797	1809797	-	-	1809797	-	1 497 082
WC011 MATZIKAMA	41409	-	-	41409	41409	-	-	41409	-	37 296
WC012 CEDERBERG	34235	-	-	34235	34235	12	-	34235	-	30 797
WC013 BERGRIVIER	30454	-	-	30454	29106	1348	-	29106	-	27 489
WC014 SALDANHA BAY	55497	-	-	55497	55497	-	-	55497	-	46 415
WC015 SWARTLAND	51772	-	-	51772	51772	-	-	51772	-	43 093
DC1 WEST COAST DIST MUNICIPALITY	80458	-	-	80458	80458	-	-	80458	-	75 984
WC022 WITZENBERG	54850	-	-	54850	54850	-	-	54850	-	54 124
WC023 DRAKENSTEIN	96845	-	-	96845	96845	-	-	96845	-	62 213
WC024 STELLENBOSCH	84962	-	-	84962	84962	-	-	84962	-	65 606
WC025 BREEDE VALLEY	81661	-	-	81661	81661	-	-	81661	-	74 231
WC026 LANGEBERG	57378	-	-	57378	57378	-	-	57378	-	55 756
DC2 CAPE WINELANDS DIST MUNICIPALITY	217006	-	-	217006	217006	-	-	217006	-	213 606
WC031 THEEWATERSKLOOF	63908	-	-	63908	63908	-	-	63908	-	62 481
WC032 OVERSTRAND	64598	-	-	64598	64598	-	-	64598	-	52 021
WC033 CAPE AGULHAS	20679	-	-	20679	20679	-	-	20679	-	19 386
WC034 SWELLENDAM	21922	-	-	21922	21922	-	-	21922	-	20 938
DC3 OVERBERG DISTRICT MUNICIPALITY	51338	-	-	51338	51338	-	-	51338	-	50 397
WC041 KANNALAND	22391	-	-	22391	21747	644	-	21747	-	21 140
WC042 HESSEQUA	31529	-	-	31529	31450	79	-	31450	-	29 993
WC043 MOSSEL BAY	63673	-	-	63673	63673	-	-	63673	-	54 705

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NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
WC044 GEORGE	100693	-	-	100693	100693	-	-	100693	-	-	92 397
WC045 OUDTSHOORN	54373	-	-	54373	53117	1256	-	53117	-	-	46 541
WC047 BITOU	57298	-	-	57298	56999	299	-	56999	-	-	40 946
WC048 KNYSNA	56163	-	-	56163	56109	54	-	56109	-	-	44 754
DC4 EDEN DISTRICT MUNICIPALITY	138902	-	-	138902	138902	-	-	138902	-	-	134 038
WC051 LAINGSBURG	12015	-	-	12015	11017	998	-	11017	-	-	10 908
WC052 PRINCE ALBERT	15247	-	-	15247	15247	-	-	15247	-	-	13 047
WC053 BEAUFORT WEST	44160	-	-	44160	44160	-	-	44160	-	-	38 990
CENTRAL KAROO DIST MUNICIPALITY	19324	-	-	19324	19324	-	-	19324	-	-	16 722
<b>TOTAL EQUITABLE SHARE GRANT</b>	<b>51706516</b>	<b>-</b>	<b>-</b>	<b>51706516</b>	<b>49366507</b>	<b>2340009</b>	<b>-</b>	<b>49366507</b>	<b>-</b>	<b>-</b>	<b>41592070</b>

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality		% of available funds spent by municipality
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>MSIG</b>											
<b>EASTERN CAPE</b>											
Camdeboo	930	-	-	930	930	-	-	930	355	38%	934
Blue Crane Route	930	-	-	930	930	-	-	930	221	24%	934
Ikwezi	930	-	-	930	930	-	-	930	47	5%	934
Makana	930	-	-	930	930	-	-	930	-	0%	934
Ndlambe	930	-	-	930	930	-	-	930	536	58%	934
Sundays River Valley	930	-	-	930	930	-	-	930	180	19%	934
Baviaans	930	-	-	930	930	-	-	930	126	14%	934
Kouga	930	-	-	930	930	-	-	930	-	0%	934
Kou-kamma	930	-	-	930	930	-	-	930	437	47%	934
Cacadu District Municipality	940	-	-	940	940	-	-	940	470	50%	934
Mbashe	930	-	-	930	930	-	-	930	-	0%	934
Minquma	930	-	-	930	930	-	-	930	300	32%	934
Great Kei	930	-	-	930	930	-	-	930	265	28%	934
Amathlathi	930	-	-	930	930	-	-	930	605	65%	934
Ngqushwa	930	-	-	930	930	-	-	930	430	46%	934
Nkonkobe	930	-	-	930	930	-	-	930	577	62%	934
Nxuba	930	-	-	930	930	-	-	930	94	10%	934
Amatole District Municipality	940	-	-	940	940	-	-	940	208	22%	934
Inxuba Yethemba	930	-	-	930	930	-	-	930	-	0%	934
Tsolwana	930	-	-	930	930	-	-	930	189	20%	934
Inkwanca	930	-	-	930	930	-	-	930	71	8%	934
Lukhanji	930	-	-	930	930	-	-	930	-	0%	934
Intsika Yethu	930	-	-	930	930	-	-	930	-	0%	934
Emalahleni	930	-	-	930	930	-	-	930	654	70%	934
Engcobo	930	-	-	930	930	-	-	930	500	54%	930
Sakhisizwe	930	-	-	930	930	-	-	930	-	0%	934
Chris Hani District Municipality	940	-	-	940	940	-	-	940	109	12%	934
Elundini	930	-	-	930	930	-	-	930	-	0%	934
Senqu	930	-	-	930	930	-	-	930	802	86%	934
Maletswai	930	-	-	930	930	-	-	930	62	7%	934

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Gariep	930	-	-	930	930	-	-	930	32	3%	934
Joe Gqabi District Municipality	940	-	-	940	940	-	-	940	196	21%	934
Ngquza Hill	930	-	-	930	930	-	-	930	742	80%	934
Port St Johns	930	-	-	930	930	-	-	930	322	35%	934
Nyandeni	930	-	-	930	930	-	-	930	325	35%	934
Mhlonlo	930	-	-	930	930	-	-	930	194	21%	934
King Sabata Dalindyebo	930	-	-	930	930	-	-	930	5	1%	934
O.R. Tambo District Municipality	940	-	-	940	940	-	-	940	-	0%	934
Matatiele	930	-	-	930	930	-	-	930	-	0%	934
Urmzimvubu	930	-	-	930	930	-	-	930	209	22%	934
Mbizana	930	-	-	930	930	-	-	930	152	16%	934
Ntabankulu	930	-	-	930	930	-	-	930	-	0%	934
Alfred Nzo District Municipality	930	-	-	930	930	-	-	930	422	45%	934
FREE STATE	930	-	-	930	930	-	-	930	68	7%	934
Letsemeng	930	-	-	930	930	-	-	930	-	0%	934
Kopanong	930	-	-	930	930	-	-	930	23	2%	934
Mohokare	930	-	-	930	930	-	-	930	-	0%	934
Naledi	930	-	-	930	930	-	-	930	195	21%	934
Xhariep District Municipality	930	-	-	930	930	-	-	930	143	15%	934
Masilonyana	930	-	-	930	930	-	-	930	-	0%	930
Tokologo	930	-	-	930	930	-	-	930	17	2%	934
Tswelopele	930	-	-	930	930	-	-	930	930	100%	934
Majhabeng	930	-	-	930	930	-	-	930	347	37%	934
Nala	930	-	-	930	930	-	-	930	182	20%	934
Lejweleputswa District Municipality	930	-	-	930	930	-	-	930	636	68%	934
Setsotho	930	-	-	930	930	-	-	930	807	87%	934
Dihlabeng	930	-	-	930	930	-	-	930	-	0%	934
Nketoana	930	-	-	930	930	-	-	930	19	2%	934
Maluti-a-Phofung	930	-	-	930	930	-	-	930	-	-	934



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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT		2014/15 Division of Revenue Act R'000
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000	% of available funds spent by municipality %	
Phumelela	930	-	-	930	930	-	-	930	-	0%	934
Mantsopa	930	-	-	930	930	-	-	930	-	0%	934
Thabo Mofutsanyana District Municipality	930	-	-	930	930	-	-	930	-	0%	934
Moqhaka	930	-	-	930	930	-	-	930	455	49%	934
Ngwathe	930	-	-	930	930	-	-	930	-	0%	934
Metsimaholo	930	-	-	930	930	-	-	930	286	31%	934
Mafube	930	-	-	930	930	-	-	930	930	100%	934
Fezile Dabi District Municipality	930	-	-	930	930	-	-	930	356	38%	934
<b>GAUTENG</b>											
Ermfuleni	930	-	-	930	930	-	-	930	762	82%	934
Midvaal	930	-	-	930	930	-	-	930	244	26%	934
Lesedi	930	-	-	930	930	-	-	930	383	41%	934
Sedibeng District Municipality	930	-	-	930	930	-	-	930	654	70%	934
Mogale City	930	-	-	930	930	-	-	930	930	100%	934
Randfontein	930	-	-	930	930	-	-	930	930	100%	934
Westonaria	930	-	-	930	930	-	-	930	67	7%	934
Merafong City	930	-	-	930	930	-	-	930	2	0%	934
West Rand District Municipality	930	-	-	930	930	-	-	930	-	0%	934
<b>KWAZULU NATAL</b>											
Vulamehlo	930	-	-	930	930	-	-	930	-	0%	934
uMdoni	930	-	-	930	930	-	-	930	707	76%	934
Umzumbe	930	-	-	930	930	-	-	930	408	44%	934
uMuziwabantu	930	-	-	930	930	-	-	930	177	19%	934
Ezinqolweni	930	-	-	930	930	-	-	930	-	0%	934
Hibiscus Coast	930	-	-	930	930	-	-	930	-	0%	934
Ugu District Municipality	940	-	-	940	940	-	-	940	-	0%	934
uMshwathi	930	-	-	930	930	-	-	930	235	25%	934
uMngeni	930	-	-	930	930	-	-	930	-	0%	934
Mpofana	930	-	-	930	930	-	-	930	-	0%	934
Impendle	930	-	-	930	930	-	-	930	910	98%	934

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Msunduzi	930	-	-	930	930	-	-	930	752	81%	934
Mkhambathini	930	-	-	930	930	-	-	930	-	0%	934
Richmond	930	-	-	930	930	-	-	930	-	0%	934
uMgungundlovu District Municipality	940	-	-	940	940	-	-	940	34	4%	934
Ernambethi-Ladysmith	930	-	-	930	930	-	-	930	-	0%	934
Indaka	930	-	-	930	930	-	-	930	-	0%	934
Umtshezi	930	-	-	930	930	-	-	930	-	0%	934
Okhahlamba	930	-	-	930	930	-	-	930	-	0%	934
Imbabazane	930	-	-	930	930	-	-	930	-	0%	934
Uthukela District Municipality	940	-	-	940	940	-	-	940	-	0%	934
Endumeni	930	-	-	930	930	-	-	930	275	30%	934
Nquthu	930	-	-	930	930	-	-	930	9	1%	930
Msinga	930	-	-	930	930	-	-	930	-	0%	934
Umvoti	930	-	-	930	930	-	-	930	-	0%	934
Umzinyathi District Municipality	940	-	-	940	940	-	-	940	940	100%	934
Newcastle	930	-	-	930	930	-	-	930	-	0%	934
Emadlangeni	930	-	-	930	930	-	-	930	-	0%	934
Dannhauser	930	-	-	930	930	-	-	930	-	0%	934
Amajuba District Municipality	940	-	-	940	940	-	-	940	-	0%	934
eDumbe	930	-	-	930	930	-	-	930	-	0%	934
uPhongolo	930	-	-	930	930	-	-	930	-	0%	934
Abaqulusi	930	-	-	930	930	-	-	930	-	0%	934
Nongoma	930	-	-	930	930	-	-	930	83	9%	934
Ulundi	930	-	-	930	930	-	-	930	-	0%	934
Zululand District Municipality	940	-	-	940	940	-	-	940	14	1%	934
Umhlabuyalingana	930	-	-	930	930	-	-	930	-	0%	934
Jozini	930	-	-	930	930	-	-	930	-	0%	934
The Big 5 False Bay	930	-	-	930	930	-	-	930	355	38%	934
Hlabisa	930	-	-	930	930	-	-	930	-	0%	934
Mtubatuba	930	-	-	930	930	-	-	930	580	62%	934

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-alloca- tions by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Umkhanyakude District Municipality	940	-	-	940	940	-	-	940	362	39%	934
Mfolozi	930	-	-	930	930	-	-	930	853	92%	934
uMhlatuze	930	-	-	930	930	-	-	930	369	40%	930
Ntambanana	930	-	-	930	930	-	-	930	-	0%	934
uMlalazi	930	-	-	930	930	-	-	930	-	0%	934
Mthonjaneni	930	-	-	930	930	-	-	930	195	21%	934
Nkandla	930	-	-	930	930	-	-	930	-	0%	934
uThungulu District Municipality	940	-	-	940	940	-	-	940	302	32%	934
Mandeni	940	-	-	940	940	-	-	940	-	0%	934
KwaDukuza	930	-	-	930	930	-	-	930	798	86%	934
Ndwedwe	930	-	-	930	930	-	-	930	-	0%	934
Maphumulo	930	-	-	930	930	-	-	930	391	42%	934
iLembe District Municipality	940	-	-	940	940	-	-	940	-	0%	934
Ingwe	930	-	-	930	930	-	-	930	515	55%	934
Kwa Sani	930	-	-	930	930	-	-	930	566	61%	934
Greater Kokstad	930	-	-	930	930	-	-	930	55	6%	934
Ubuhlebezwe	930	-	-	930	930	-	-	930	84	9%	934
Umzimkhulu	930	-	-	930	930	-	-	930	930	100%	934
Harry Gwala District Municipality	940	-	-	940	940	-	-	940	-	0%	934
LIMPOPO											
Greater Giyani	930	-	-	930	930	-	-	930	475	51%	934
Greater Letaba	930	-	-	930	930	-	-	930	591	64%	934
Greater Tzaneen	930	-	-	930	930	-	-	930	20	2%	934
Ba-Phalaborwa	940	-	-	940	940	-	-	940	939	100%	934
Maruleng	930	-	-	930	930	-	-	930	471	51%	934
Mopani District Municipality	940	-	-	940	940	-	-	940	-	0%	934
Musina	940	-	-	940	940	-	-	940	-	0%	934
Mutale	930	-	-	930	930	-	-	930	-	0%	934
Thulamela	930	-	-	930	930	-	-	930	233	25%	934
Makhado	930	-	-	930	930	-	-	930	525	56%	934

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Vhembe District Municipality	940	-	-	940	940	-	-	940	460	49%	934
Blouberg	930	-	-	930	930	-	-	930	514	55%	934
Aganang	930	-	-	930	930	-	-	930	630	68%	934
Molemole	930	-	-	930	930	-	-	930	749	81%	934
Polokwane	930	-	-	930	930	-	-	930	466	50%	930
Lepelle-Nkumpi	930	-	-	930	930	-	-	930	19	2%	934
Capricorn District Municipality	940	-	-	940	940	-	-	940	573	61%	934
Thabazimbi	930	-	-	930	930	-	-	930	-	0%	934
Lephalale	930	-	-	930	930	-	-	930	533	57%	934
Mookgopong	930	-	-	930	930	-	-	930	730	78%	934
Modimolle	930	-	-	930	930	-	-	930	263	28%	934
Bela Bela	930	-	-	930	930	-	-	930	837	90%	934
Mogalakwena	930	-	-	930	930	-	-	930	-	0%	934
Waterberg District Municipality	940	-	-	940	940	-	-	940	12	1%	934
Ephraim Mogale	930	-	-	930	930	-	-	930	-	0%	934
Elias Motsoaledi	930	-	-	930	930	-	-	930	467	50%	934
Makhuduthamaga	930	-	-	930	930	-	-	930	-	0%	934
Fetakgomo	930	-	-	930	930	-	-	930	-	0%	934
Greater Tubatse	930	-	-	930	930	-	-	930	-	0%	934
Sekhukhune District Municipality	940	-	-	940	940	-	-	940	-	0%	934
<b>MPUMALANGA</b>											
Albert Luthuli	930	-	-	930	930	-	-	930	-	0%	934
Muskaligwa	930	-	-	930	930	-	-	930	-	0%	934
Mkhondo	930	-	-	930	930	-	-	930	651	70%	934
Pixley Ka Seme	930	-	-	930	930	-	-	930	-	0%	934
Lekwa	930	-	-	930	930	-	-	930	-	0%	934
Dipaleseng	930	-	-	930	930	-	-	930	-	0%	934
Govan Mbeki	930	-	-	930	930	-	-	930	-	0%	934
Gert Sibande District Municipality	940	-	-	940	940	-	-	940	290	31%	934
Victor Khanye	930	-	-	930	930	-	-	930	738	79%	934

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Emalahleni	930	-	-	930	930	-	-	930	-	0%	934
Steve Tshwete	940	-	-	940	940	-	-	940	-	0%	934
Emakhazeni	930	-	-	930	930	-	-	930	241	26%	934
Thembisile Hani	930	-	-	930	930	-	-	930	274	29%	934
Dr JS Moroka	930	-	-	930	930	-	-	930	52	6%	934
Nkangala District Municipality	930	-	-	930	930	-	-	930	930	100%	934
Thaba Chweu	930	-	-	930	930	-	-	930	-	0%	934
Mbombela	930	-	-	930	930	-	-	930	442	48%	934
Umjindi	930	-	-	930	930	-	-	930	147	16%	934
Nkomazi	930	-	-	930	930	-	-	930	-	0%	934
Bushbuckridge	930	-	-	930	930	-	-	930	-	0%	934
Ehlanzeni District Municipality	940	-	-	940	940	-	-	940	650	69%	934
<b>NORTHERN CAPE</b>											
Richtersveld	930	-	-	930	930	-	-	930	83	9%	934
Nama Khoi	930	-	-	930	930	-	-	930	521	56%	934
Kamiesberg	930	-	-	930	930	-	-	930	92	10%	934
Hantam	930	-	-	930	930	-	-	930	25	3%	934
Karoo Hoogland	930	-	-	930	930	-	-	930	388	42%	934
Khai-Ma	930	-	-	930	930	-	-	930	423	45%	934
Namakwa District Municipality	930	-	-	930	930	-	-	930	362	39%	934
Ubuntu	930	-	-	930	930	-	-	930	-	0%	934
Umsobomvu	940	-	-	940	940	-	-	940	669	71%	934
Emthanjeni	930	-	-	930	930	-	-	930	931	100%	934
Kareeberg	930	-	-	930	930	-	-	930	147	16%	934
Renosterberg	930	-	-	930	930	-	-	930	-	0%	934
Thembelihle	930	-	-	930	930	-	-	930	163	18%	934
Siyathemba	930	-	-	930	930	-	-	930	732	79%	934
Siyancuma	930	-	-	930	930	-	-	930	-	0%	934
Pixley Ka Seme District Municipality	930	-	-	930	930	-	-	930	-	0%	934
Mier	930	-	-	930	930	-	-	930	-	0%	934
iKai! Garib	930	-	-	930	930	-	-	930	-	0%	934
//Khara Hais	930	-	-	930	930	-	-	930	543	58%	934

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Ikheis	930	-	-	930	930	-	-	930	-	0%	934
Tsantsabane	930	-	-	930	930	-	-	930	-	0%	934
Kgatelopele	930	-	-	930	930	-	-	930	-	0%	934
Siyanda District Municipality	930	-	-	930	930	-	-	930	295	32%	934
Sol Plaatje	930	-	-	930	930	-	-	930	-	0%	934
Dikgatlong	930	-	-	930	930	-	-	930	-	0%	934
Magareng	930	-	-	930	930	-	-	930	-	0%	934
Phokwane	930	-	-	930	930	-	-	930	-	0%	934
Frances Baard District Municipality	940	-	-	940	940	-	-	940	180	19%	934
Joe Morolong	930	-	-	930	930	-	-	930	67	7%	934
Ga-Segoyana	940	-	-	940	940	-	-	940	426	45%	934
Gamagara	930	-	-	930	930	-	-	930	-	0%	934
John Taolo Gaetsewe District Municipality	930	-	-	930	930	-	-	930	-	0%	934
<b>NORTH WEST</b>											
Moretele	930	-	-	930	930	-	-	930	-	0%	934
Madibeng	930	-	-	930	930	-	-	930	1200	129%	934
Rustenburg	930	-	-	930	930	-	-	930	37	4%	934
Kgetlengrivier	930	-	-	930	930	-	-	930	953	102%	934
Moses Kotane	930	-	-	930	930	-	-	930	508	55%	934
Bojanala Platinum District Municipality	930	-	-	930	930	-	-	930	930	100%	934
Ratlou	930	-	-	930	930	-	-	930	-	0%	934
Tswaing	930	-	-	930	930	-	-	930	555	60%	934
Mafikeng	940	-	-	940	940	-	-	940	-	0%	934
Ditsobotla	930	-	-	930	930	-	-	930	454	49%	930
Ramoatshe Moiloa	930	-	-	930	930	-	-	930	72	8%	934
Ngaka Modiri Molema District Municipality	930	-	-	930	930	-	-	930	194	21%	934
Naledi	930	-	-	930	930	-	-	930	930	100%	934
Mamusa	930	-	-	930	930	-	-	930	12	1%	934
Greater Taung	930	-	-	930	930	-	-	930	155	17%	934

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT		2014/15 Division of Revenue Act R'000
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000	% of available funds spent by municipality %	
Lekwa-Teemane NW397	930	-	-	930	930	-	-	930	53	6%	934
Dr. Ruth Segomotsi Mompoti District Municipality	930	-	-	930	930	-	-	930	595	64%	930
Ventersdorp	930	-	-	930	930	-	-	930	142	15%	934
Tlokwe	930	-	-	930	930	-	-	930	82	9%	934
City of Matlosana	930	-	-	930	930	-	-	930	589	63%	934
Maquassi Hills	930	-	-	930	930	-	-	930	203	22%	934
Dr Kenneth Kaunda District Municipality	930	-	-	930	930	-	-	930	19	2%	934
WESTERN CAPE	930	-	-	930	930	-	-	930	931	100%	934
Matzikama	930	-	-	930	930	-	-	930	538	58%	934
Cederberg	930	-	-	930	930	-	-	930	283	30%	934
Bergivier	940	-	-	940	940	-	-	940	801	85%	934
Saldanha Bay	930	-	-	930	930	-	-	930	79	8%	934
Swartland	930	-	-	930	930	-	-	930	227	24%	934
West Coast District Municipality	930	-	-	930	930	-	-	930	155	17%	934
Witzenberg	930	-	-	930	930	-	-	930	554	60%	934
Drakenstein	930	-	-	930	930	-	-	930	6	1%	934
Stellenbosch	930	-	-	930	930	-	-	930	-	0%	934
Breede Valley	930	-	-	930	930	-	-	930	641	69%	934
Langeberg	940	-	-	940	940	-	-	940	665	71%	934
Cape Wineands District Municipality	930	-	-	930	930	-	-	930	322	35%	934
Theewaterskloof	930	-	-	930	930	-	-	930	394	42%	934
Overstrand	930	-	-	930	930	-	-	930	158	17%	934
Cape Agulhas	930	-	-	930	930	-	-	930	3	0%	934
Swellendam	940	-	-	940	940	-	-	940	188	20%	934
Overberg District Municipality	930	-	-	930	930	-	-	930	196	21%	934
Kannaland	930	-	-	930	930	-	-	930	516	55%	934
Hessequa	930	-	-	930	930	-	-	930	772	83%	934
Mossel Bay	930	-	-	930	930	-	-	930	42	5%	934

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT		2014/15 Division of Revenue Act
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
George	930	-	-	930	930	-	-	930	47	5%	934
Oudtshoorn	930	-	-	930	930	-	-	930	445	48%	934
Bitou	930	-	-	930	930	-	-	930	46	5%	934
Knysna	930	-	-	930	930	-	-	930	1076	116%	934
Eden District Municipality	930	-	-	930	930	-	-	930	350	38%	934
Laingsburg	930	-	-	930	930	-	-	930	87	9%	934
Prince Albert	942	-	-	942	942	-	-	942	305	32%	934
Beaufort West	930	-	-	930	930	-	-	930	-	0%	934
Central Karoo District Municipality	930	-	-	930	930	-	-	930	930	100%	934
<b>Total MSIG</b>	<b>251 442,00</b>	<b>-</b>	<b>-</b>	<b>251 442,00</b>	<b>251 442,00</b>	<b>-</b>	<b>-</b>	<b>251 442,00</b>	<b>68 511,00</b>	<b>0,27</b>	<b>252 152,00</b>
Disaster Recovery Grant											
<b>KWAZULU-NATAL</b>											
Vulamehlo	2000	-	-	2000	2000	-	-	2000	-	-	401
Umdoni	6000	-	-	6000	6000	-	-	6000	-	-	5054
Umzumbe	11095	-	-	11095	11095	-	-	11095	-	-	10
Emnambithi -Ladysmith	50000	-	-	50000	50000	-	-	50000	-	-	31346
Umvoti	120	-	-	120	120	-	-	120	-	-	159
<b>LIMPOPO</b>											
Greater Giyani	20000	-	-	20000	20000	-	-	20000	-	-	4982
Maruleng	836	-	-	836	836	-	-	836	-	-	1100
<b>MPUMALANGA</b>											
Umjindi	4586	-	-	4586	4586	-	-	4586	-	-	12332
Nkomazi	20000	-	-	20000	20000	-	-	20000	-	-	15868
Bushbuckridge	2635	-	-	2635	2635	-	-	2635	-	-	1783
<b>WESTERN CAPE</b>											
Hessequa	30000	-	-	30000	30000	-	-	30000	-	-	22835
Eden District Municipality	20849	-	-	20849	20849	-	-	20849	-	-	27432
<b>Total Disaster Recovery Grant</b>	<b>186121</b>	<b>-</b>	<b>-</b>	<b>186121</b>	<b>186121</b>	<b>-</b>	<b>-</b>	<b>186121</b>	<b>-</b>	<b>-</b>	<b>123302</b>



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

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT		2014/15 Division of Revenue Act R'000
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by Municipality R'000	Amount spent by municipality R'000	
Municipal Demarcation Transitional Grant <b>GAUTENG</b>										
GT482 Randfontein	1857	-	-	1857	1857	-	-	1857	-	-
GT483 Westonaria	1857	-	-	1857	1857	-	-	1857	-	-
<b>Total Municipal Demarcation Transitional Grant</b>	<b>3714</b>	<b>-</b>	<b>-</b>	<b>3714</b>	<b>3714</b>	<b>-</b>	<b>-</b>	<b>3714</b>	<b>-</b>	<b>-</b>
Vehicle Licences <b>GAUTENG</b>										
Tshwane Metro	27	-	-	27	27	-	-	27	-	-
<b>Total Vehicle Licences</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>-</b>

The Department can confirm that as per the DORA requirements, all the transfers were made into the primary bank accounts of the municipalities and/or provinces

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

**ANNEXURE 1B  
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT / AGENCY / ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2014/15 Appropriation Act
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
South African Local Government Association	9 215	-	-	9 215	9 215	100%	26 904
Municipal Demarcation Board	45 793	-	-	45 793	45 793	100%	44 230
Municipal infrastructure Support Agent	304 013	-	-	304 013	304 013	100%	294 162
Department of Traditional Affairs	125 928	-	-	125 928	125 928	100%	115 864
Public Sector SETA	-	-	-	-	-	-	662
<b>TOTAL</b>	<b>484 949</b>	<b>-</b>	<b>-</b>	<b>484 949</b>	<b>484 949</b>	<b>-</b>	<b>481 822</b>

**ANNEXURE 1E  
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

FOREIGN GOVERNMENT / INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2014/15 Appropriation Act
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Transfers Commonwealth Local Government Forum	-	-	-	-	-	-	238
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>238</b>

**ANNEXURE 1F  
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2014/15 Appro-riation Act R'000
	Adjusted Appro-riation Act R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	
Transfers South African Cities Network United Cities and Local Government of Africa (UCLGA)	6 286	-	-	6 286	6 286	-	6 071 3 209
<b>TOTAL</b>	<b>6 286</b>	<b>-</b>	<b>-</b>	<b>6 286</b>	<b>6 286</b>	<b>-</b>	<b>9 280</b>

**ANNEXURE 1G  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2014/15 Appro-riation Act R'000
	Adjusted Appro-riation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Transfers Post-Retirement Benefits Leave Gratuity Claims against state (cash) Act of Grace	88	-	-	88	79 317 132	90%	339 - 10
<b>TOTAL</b>	<b>88</b>	<b>-</b>	<b>-</b>	<b>88</b>	<b>528</b>	<b>-</b>	<b>349</b>

**ANNEXURE 3A  
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2016 – LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2016 R'000	Guarantees draw downs during the year R'000	Guarantees repayments/ cancelled/ reduced/ released during the year R'000	Revaluations R'000	Closing balance 31 March 2016 R'000	Guaranteed interest for year ended 31 March 2016 R'000	Realised losses not recoverable i.e. claims paid out R'000
Standard Bank	Housing M W Matebula	11	11				11		
<b>TOTAL</b>		<b>11</b>	<b>11</b>				<b>11</b>		

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

**ANNEXURE 3B**  
**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2016**

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance
	1 April 2015	the year	the year	(Provide details hereunder)	31 March 2016
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
DML Facilitators Vs Minister of COGTA	170				170
LIMA Rural Development Foundation Vs Minister of COGTA	707				707
<b>TOTAL</b>	<b>877</b>				<b>877</b>

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

ANNEXURE 4  
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2015/16	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department of Traditional Affairs			6 672	13 736	6 672	13 736		
National Treasury			24		24			
Department of Social Development			84		84			
Department of Minerals			19		19			
Department of Environmental Affairs			72		72			
Department of Public Enterprises			24		24			
North West Premier			16		16			
Gauteng COGTA			66		66			
Western Cape Premier			68		68			
Public Service Commission			19					
DIRCO			2 793		2 793			
KZN Premier			45		45			
Department of Public Works				44		44		
Department of Human Settlements				30		30		
Department of Health				42		42		
Eastern Cape Local Government and Traditional Affairs			14	14	14	14		
<b>Sub Total</b>			<b>9 916</b>	<b>13 866</b>	<b>9 916</b>	<b>13 866</b>		
Other Government Entities								
Municipal Infrastructure Support Agent			3 469	2 794	3 469	2 794		
Merafong Local Municipality			73	73	73	73		
Randfontein Local Municipality			69	69	69	69		
Thembisile Municipality				67 845		67 845		
Mhlonlolo Municipality				4 500		4 500		
Sub Total			3 611	75 281	3 611	75 281		
<b>TOTAL</b>			<b>13 527</b>	<b>89 147</b>	<b>13 527</b>	<b>89 147</b>		

Annexures to the Annual Financial Statements for the Year Ended 31 March 2016

**ANNEXURE 5  
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2015/16*	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>DEPARTMENTS</b>								
Current								
Gauteng Provincial Treasury			22	15	22	15		
Department of Performance Monitoring and Evaluation				525	-	525		
Department of Trade and Industry				8	-	8		
Department of Tourism				8	-	8		
<b>TOTAL</b>			<b>22</b>	<b>556</b>	<b>22</b>	<b>556</b>		

**ANNEXURE 8A  
INTER-ENTITY ADVANCES PAID (note 11)**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
<b>NATIONAL DEPARTMENTS</b>						
GCIS			3 501		3 501	-
DIRCO				150	-	150
<b>TOTAL</b>			<b>3 501</b>	<b>150</b>	<b>3 501</b>	<b>150</b>

# CHAPTER 5





























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