

DEPARTMENT COOPERATIVE GOVERNANCE

ANNUAL REPORT

2022/2023



cooperative
governance

Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA



DEPARTMENT OF COOPERATIVE GOVERNANCE

VOTE NO. 03

ANNUAL REPORT

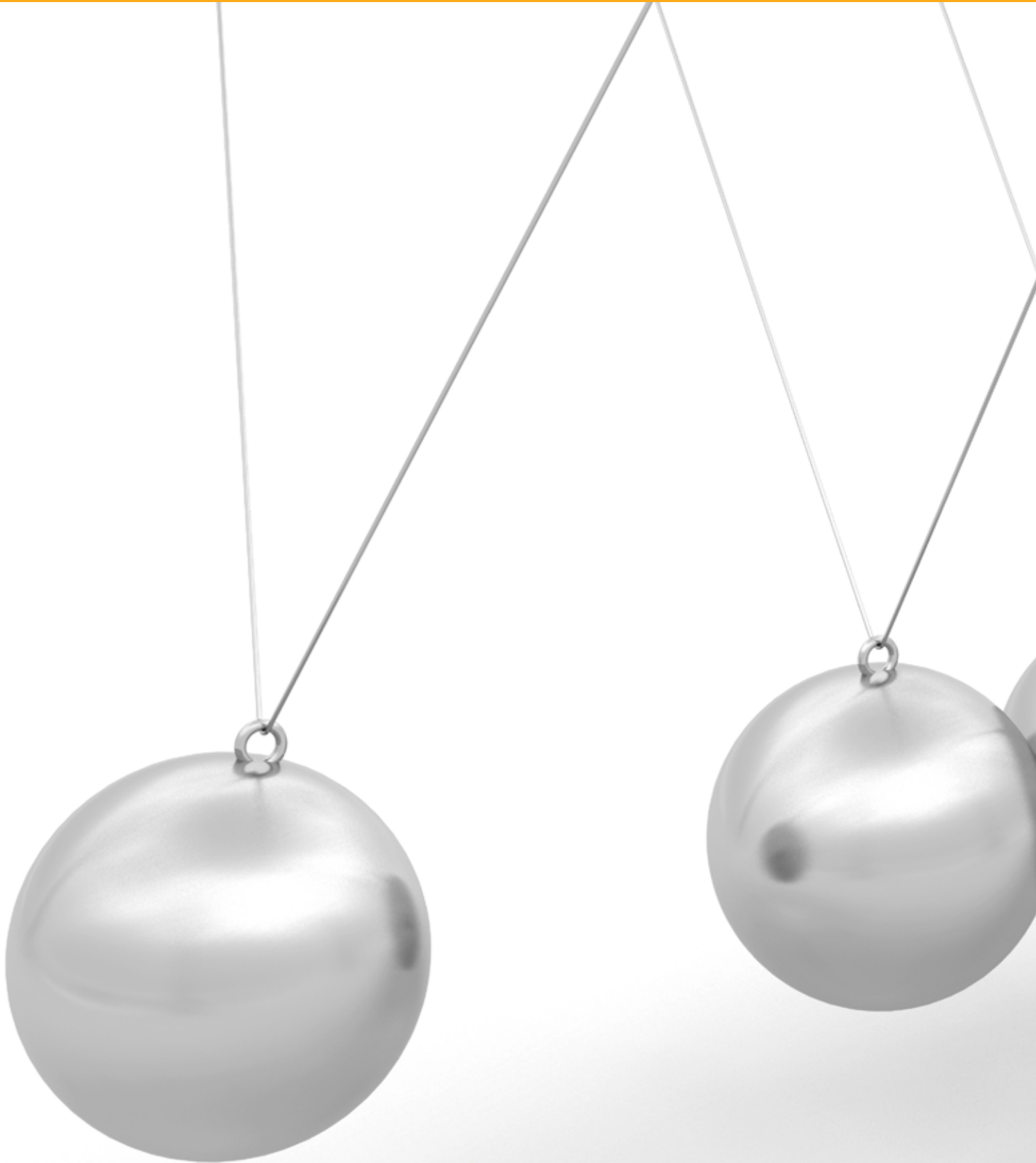
2022/2023 FINANCIAL YEAR

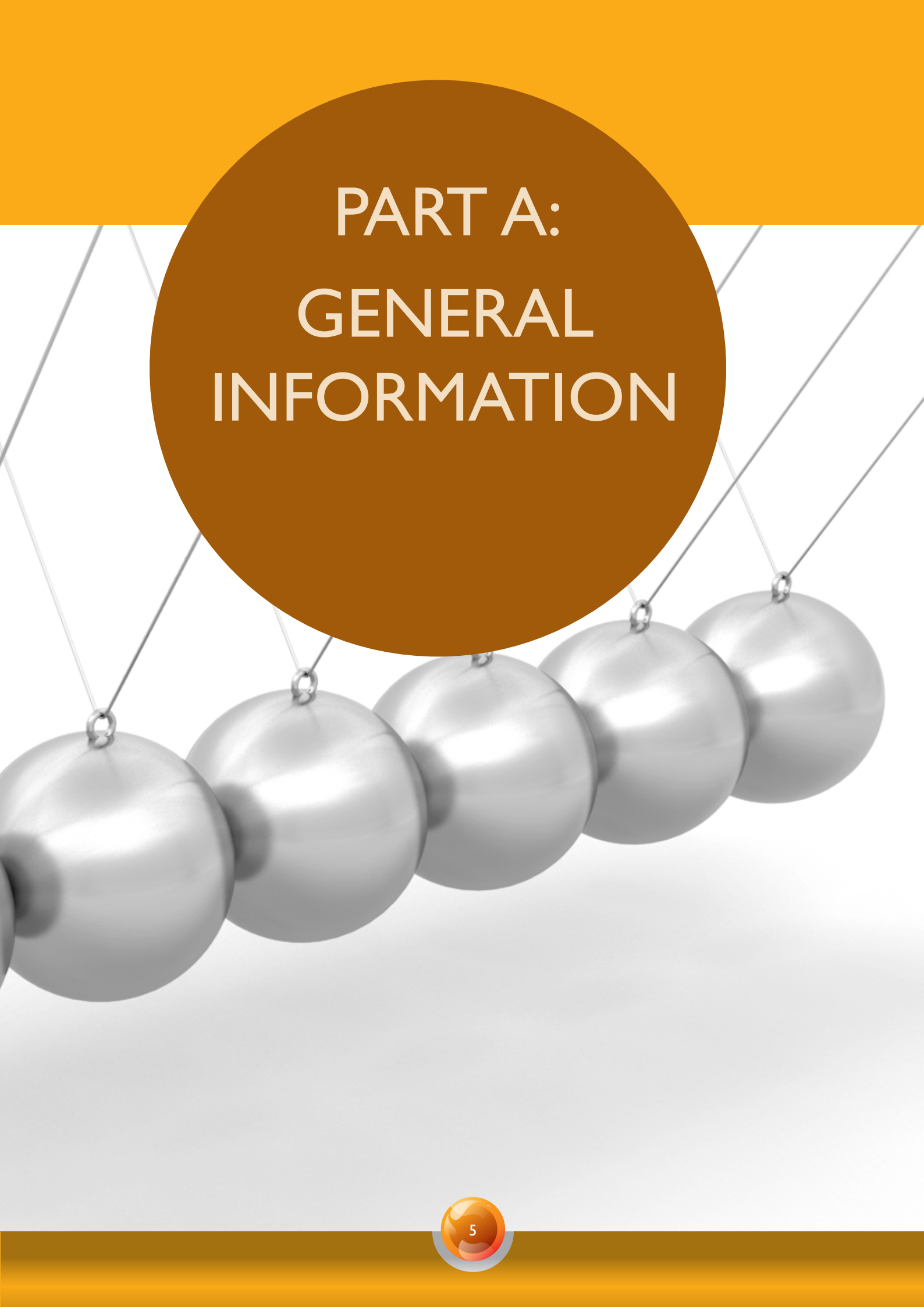


CONTENTS

PART A: GENERAL INFORMATION	5
1. DEPARTMENT GENERAL INFORMATION	6
2. LIST OF ABBREVIATIONS/ACRONYMS	7
3. FOREWORD BY THE MINISTER	9
4. DEPUTY MINISTER STATEMENT	12
5. REPORT OF THE ACCOUNTING OFFICER	14
6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	21
7. STRATEGIC OVERVIEW	22
7.1. Vision	22
7.2. Mission	22
7.3. Values	22
8. LEGISLATIVE AND OTHER MANDATES	22
9. ORGANISATIONAL STRUCTURE	24
10. ENTITIES REPORTING TO THE MINISTER	25
PART B: PERFORMANCE INFORMATION	27
1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES	28
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	28
2.1 Service Delivery Environment	28
2.2 Service Delivery Improvement Plan	31
2.3 Organisational environment	32
2.4 Key policy developments and legislative changes	32
3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES	33
4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	34
4.1 Programme 1: Administration	34
4.2 Programme 2: Local Government Support and Interventions Management (LGSIM)	40
4.3 Programme 3: Institutional Development (ID)	55
4.4 Programme 4: National Disaster Management Centre	63
4.5 Programme 5: Community Work Programme (CWP)	79
5. TRANSFER PAYMENTS	82
5.1. Transfer payments to public entities	82
5.2. Transfer payments to all organisations other than public entities	82

6.	CONDITIONAL GRANTS	82
6.1.	Conditional grants and earmarked funds paid	82
6.2.	Conditional grants and earmarked funds received	88
7.	DONOR FUNDS	89
7.1.	Donor Funds Received	89
PART C: GOVERNANCE		93
1.	INTRODUCTION	94
2.	RISK MANAGEMENT	94
3.	FRAUD AND CORRUPTION	94
4.	MINIMISING CONFLICT OF INTEREST	94
5.	CODE OF CONDUCT	94
6.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES	95
7.	PORTFOLIO COMMITTEES	95
8.	SCOPA RESOLUTIONS	99
9.	PRIOR MODIFICATIONS TO AUDIT REPORTS	99
10.	INTERNAL CONTROL UNIT	99
11.	INTERNAL AUDIT AND AUDIT COMMITTEES	100
12.	AUDIT COMMITTEE REPORT	101
13.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION	105
PART D: HUMAN RESOURCE MANAGEMENT		107
1.	INTRODUCTION	108
3.	HUMAN RESOURCES OVERSIGHT STATISTICS	109
PART E: PFMA COMPLIANCE REPORT		131
1.	IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES	132
1.1.	Irregular expenditure	132
1.2.	Fruitless and wasteful expenditure	134
1.3.	Unauthorised expenditure	135
PART F: FINANCIAL INFORMATION		137
1.	REPORT OF THE AUDITOR-GENERAL	138
2.	ANNUAL FINANCIAL STATEMENTS	153



A Newton's cradle with five silver spheres hanging from thin wires against a white background. A large, solid brown circle is centered in the upper half of the image, containing the text.

PART A: GENERAL INFORMATION

I. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

ACEIR	African Centre of Excellence for Inequality Research
AGSA	Auditor-General of South Africa
AMI	Advanced Metering Infrastructure
AO	Accounting Officer
APP	Annual Performance Plan
BCM	Buffalo City Municipality
BBBEE	Broad Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGICTPF	Corporate Governance of ICT Policy Framework
COGTA	Cooperative Governance and Traditional Affairs
CWP	Community Work Programmeme
DBSA	DBSA
DCOG	Department of Cooperative Governance
DDM	District Development Model
DG	Director-General
NDMC	National Disaster Management Centre
DM	District Municipality
DMAA	Disaster Management Amendment Act, 2015 (Act No. 16 of 2015)
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DTA	Department of Traditional Affairs
DWS	Department of Water and Sanitation
EC	Eastern Cape
ENE	Estimates of National Expenditure
EU	European Union
FBSA	Fire Brigade Services Act
FBS	Free Basic Services
FFC	Financial Fiscal Commission
FS	Free State
GIS	Geographic Information System
GP	Gauteng Province
HCM	Human Capital Management
HOD	Head of Department
IAA	Internal Audit Activity
ICT	Information Communication Technology
IDDR	International Day for Disaster Risk Reduction
IEC	Independ Electoral Commission

IUDF	Integrated Urban Development Framework
IUDG	Integrated Urban Development Grant
IGR	Intergovernmental Relations
IMSI	Intergovernmental Monitoring, Support and Intervention
IMTT	Inter-Ministerial Task Team
KPA	Key Performance Area
KZN	KwaZulu-Natal
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
LM	Limpopo
MP	Mpumalanga
M&E	Monitoring and Evaluation
MDB	Municipal Demarcation Board
MEC	Member of Executive Committee
MIG	Municipal Infrastructure Grant
MinMEC	Ministers and Members of Executive Council
MISA	Municipal Infrastructure Support Agent
MoU	Memorandum of Understanding
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act
MSCoA	MSCoA
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NC	Northern Cape
NCBCF	National Capacity Building Coordinating Forum
NCoP	National Council of Provinces
NDMC	National Disaster Management Centre
NDP	National Development Plan
NFSF	National Fire Services Framework
NGO	Non-Government Organisation
NT	National Treasury
NW	North West
UCLGA	United Cities and Local Governments of Africa
UNISDR	United Nations Strategy for Disaster Reduction
PAJA	Promotion of Administrative Justice Act
PFMA	Public Finance Management Act, Act 1 of 1999
POA	Programme of Action
SACN	South African Cities Network
SADC	Southern African Development Community

SALDRU	Southern Africa Labour and Development Research Unit
SALGA	South African Local Government Association
SANEDI	SA National Energy Development Institute as a part of the
SARS	South African Revenue Services
SASGI	South African Smart Grid Initiative
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SFDRR	Sendai Framework for Disaster Risk Reduction
SITA	State Information Technology Agency
SIU	Special Investigation Unit
SLA	Service Level Agreement
SMART	Specific, Measurable, Attainable, Realistic, Timely
SMME	Small Medium and Micro Enterprises
SMS	Senior Management Services
SPLUMA	Spatial Development Frameworks
TOR	Terms of Reference
TR	Treasury Regulations
TSP	Technical Support Plans
WC	Western Cape



FOREWORD BY THE MINISTER

Ms Thembi Nkadimeng,
*Minister of Cooperative Governance and
Traditional Affairs*

It is with great pleasure that I present this Annual Report which reflects our efforts to build and accelerate implementation of the developmental and transformative role of local government as envisioned in Section 152 of the Constitution.

This report showcases the Department's unwavering commitment to promoting good governance and fostering cooperative governance. This report also presents a comprehensive overview of the Department's achievements, challenges faced and plans. It highlights the progress made in implementing key projects and initiatives, as well as the allocation and utilisation of resources in line with our strategic objectives.

We are tabling this report at a time when local government continues to face the pressing challenge of inadequate service delivery. Some of our municipalities struggle to provide essential services such as water, sanitation, electricity and roads to their communities.

The fundamental challenges we face, necessitating nationwide interventions, stem from insufficient institutional capacity, ineffective governance, inadequate financial management, pervasive corruption and political instability. As a result of this, 66 of our municipalities were classified as dysfunctional in 2022, exhibiting difficulties across vital areas such as administration, governance, financial administration, service delivery and Local Economic Development (LED).

We acknowledge that this poses a critical challenge to our mission of building sustainable and thriving communities. However, it is in confronting these challenges that we find the stimulus to enact positive change. While the task ahead may be daunting, we draw inspiration from the numerous success stories that have emerged from our municipalities that have embraced change and implemented service delivery solutions. Their achievements demonstrate the possibilities that exist when we unite around a common purpose and work tirelessly towards a shared vision.

As part of our efforts, we continue to monitor the implementation of national interventions in terms of Section 139 (7) of the Constitution, namely, in Lekwa Local Municipality (Mpumalanga), Mangaung Metro (Free State) and Enoch Mgijima Local Municipality (EMLM) in the Eastern Cape. This provision empowers us as a national government to intervene in provincial and local government affairs when there are severe challenges and failures that impede effective governance and service delivery. In the financial year under-review, we worked and collaborated closely with National Treasury and other sector Departments such as the Department of Water and Sanitation, Department of Human Settlements, Department of Transport and Department of Forestry, Fisheries and Environment in our effort of ensuring a coordinated and comprehensive support to the municipalities under Section 139 (7), particularly in the Mangaung Metro resulting in its relative stability.

Over the past year, we have continued with efforts to strengthen the foundation of cooperative governance at all levels, ensuring effective collaboration between national, provincial and local spheres of government. By encouraging partnerships and promoting citizen participation, we have aimed to enhance service delivery, address community needs and create an enabling environment for sustainable development across the country. We have done this by supporting the institutionalisation of the District Development Model (DDM) which is anchored in the Intergovernmental Relations Framework Act.

We are currently reviewing legislation that impacts on local government with the view of addressing weaknesses and entrenching good practices and policy coherence as follows: (1) Inter-Governmental Relations Framework Act (IGR) Review: Regulations in terms of Section 47 of the Intergovernmental Relations Framework Act will go out for public comments with an aim of institutionalizing the DDM. (2) Intergovernmental Monitoring, Support and Intervention Bill (IMSI). In compliance with the requirements of Section 100(3) and 139(8) of the Constitution, this Bill aims to strengthen the processes and procedures for intervention by the national and provincial governments in provinces and municipalities, respectively.

While we work to institutionalise the DDM, we welcome the improved coordination and cooperation between the Offices of the Premier (OoPs) and provincial Cooperative Governance and Traditional Affairs (CoGTAs) in the implementation of the DDM.

We further also welcome the conclusion of the DDM Presidential Izimbizo in all provinces. These Izimbizo embodies the core principles of our democracy, transparency and accountability. They provided a platform for direct interaction between the highest office in the land and the citizens it serves. They have been a testament to the commitment of our government to hear the voices, concerns and aspirations of our people firsthand.

As we confront the challenges posed by natural and human-induced disasters, we remain steadfast in our commitment to safeguarding the well-being of the people of South Africa. In recognising the vulnerability of our nation to various calamities, we have placed disaster management and risk reduction at the forefront of our agenda. The impact of these events has been devastating, affecting communities, infrastructure and the environment.

Through collaborative efforts with multiple stakeholders, we have dedicated ourselves to fortifying disaster response mechanisms, improving early warning systems and advocating for resilience-building initiatives. This collaboration proved pivotal when the National Disaster Management Centre (NDMC) efficiently responded to the flood disasters that struck no fewer than four provinces (KwaZulu-Natal, Mpumalanga, North West and the Eastern Cape) in April 2022.

Throughout the reporting period, the Community Work Programmeme (CWP) has continued to be a beacon of hope, empowering communities and fostering inclusive development across our beloved nation. Guided by its vision of transformative change and social cohesion, the programme remains at the forefront of our efforts to alleviate poverty, create employment opportunities and uplift marginalised communities.

We have initiated the process of reconfiguring the programme to integrate it as a key component of the DDM. Aligned with the DDM approach, the reconfigured CWP will prioritise the coordination of all stakeholders, with a particular emphasis on engaging the private sector.

Through this reconfiguration, our goal is to foster strategic partnerships that effectively address the pressing issues of poverty, inequality, unemployment and the related socio-economic challenges. By uniting our efforts in this manner, we aim to create a more comprehensive and impactful approach to empower our communities and promote sustainable development. The reconfigured CWP will

result in more bias towards the local government mandate in the form of infrastructure related work programmes with the economic and social programmes as additional support work areas.

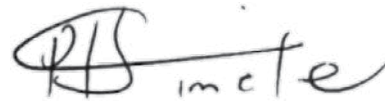
As part of ensuring good governance and sound financial management, we continue to inculcate and deepen the culture of consequence management within the echelons of the Department.

Findings and recommendations of various bodies such as the Auditor-General, Audit Committee, forensic outcomes, etc., are being considered and implemented on an ongoing basis.

The Department would not have achieved its targets and programmes for the 2022/23 financial year without the support and partnership with institutions such as Municipal Infrastructure Support Agent (MISA), Municipal Demarcation Board, SA-Cities Network, South African Local Government Association (SALGA), National House of Traditional and Khoi-San leaders as well as various social partners.

This report not only highlights the challenges we faced during the year under review, but also showcases the impact of collective efforts and innovative approaches in service delivery, none of which would be accomplished without the dedication and hard work of our team, whose unwavering commitment to public service is commendable.

As we look ahead, we remain steadfast in our mission to our vision of vibrant, resilient, sustainable, prosperous, connected, cohesive and climate smart communities. Our vision for the future hinges on cooperation, solidarity and equitable development, where every citizen enjoys the benefits of our nation's progress.



Ms TP Nkadimeng

**Minister of Cooperative Governance and
Traditional Affairs**

Date: 29 September 2023





DEPUTY MINISTER STATEMENT

Mr Parks Tau, MP

Deputy Minister of Cooperative Governance

It gives us pleasure to table this Annual Report as testament to the work we have undertaken during the period under review. Our core mission remains the need to support and strengthen the local government sphere, which is the bedrock of service delivery and community development in our nation.

Having launched the District Development Model (DDM) as an approach to governance, we are starting to record milestones in our collective efforts to achieve sustainable development and prosperity for all South Africans. The model embodies a fundamental shift in the way we have been approaching local development. By breaking down silos and fostering greater collaboration between government Departments, all spheres of government, traditional leaders, civil society and the private sector, we have set a new standard for integrated planning and service delivery.

Throughout the year under review, we have witnessed remarkable achievements arising from the adoption of the DDM. This year, we saw the submission of 50, first generation intergovernmental long-term One Plans, which underwent a rigorous quality assurance process, facilitated through an intergovernmental panel. This was a first for the country and a key milestone under the institutionalisation phase of the DDM.

This sets the basis for the implementation of key identified catalytic projects in various district and metro

spaces. As the lead Department in the coordination of the implementation of the DDM, we supported and coordinated the rollout of five Presidential DDM Imbizos in five provinces. This contributed to further strengthening the institutionalisation of the DDM across the three spheres of government and enhanced the objectives of One Plans as intergovernmental implementation protocols.

We have recorded strides in advancing the principles of local democracy and citizen-centric governance. Our steadfast commitment to fostering collaborative partnerships with municipalities, traditional leaders, civil society and other key stakeholders is instrumental in driving positive change and sustainable development at the grassroots level.

We pride ourselves on the work we have undertaken to foster excellence in municipal governance as this has been at the forefront of our efforts. We undertook this work as we want to see our municipalities upholding the principles of transparency, accountability and service delivery.

Our dedication to capacity building and skills development will yield positive results, equipping municipal leaders and employees with the knowledge and tools to excel in their roles.

The Department is in the process of finalising the implementation of the generic prototype staff establishment to support municipalities to design fit-for-purpose municipal organograms to assist in achieving

the strategic goals and objectives and service delivery mandate of municipalities. We have further also developed an online skills audit system for local government to assist municipalities to conduct skills audit for municipal officials as part of the rollout of municipal staff regulations. We have undertaken to upgrade the system to incorporate, amongst others, the competency frameworks for the different occupational streams for all municipal staff below the management echelon.

We continue to embrace a participatory governance approach, dedicated to collaborating with citizens and all stakeholders at the community level, in order to address their social, economic, and material requirements and enhancing their overall well-being.

By actively involving communities in local government affairs, we ensure that municipalities are responsive to a diverse range of community needs, representing the interests of all. In our participatory processes, it is crucial to include the representation of all groups to ensure equitable consideration, avoiding favoritism of one group's interests over another's needs.

We have in the period under review provided hands-on technical support to provinces and municipalities to ensure that ward committees were established in accordance with the provisions of the legislative framework for ward committees and community participation.

Various support measures to enhance the functionality of ward committees were also implemented including: Guidelines for Establishment and Operation of Municipal Ward Committees; Regulations for the Term of Office of Ward Committee Members; Payment of out-of pocket Expenses for Ward Committee Members in Grades 1, 2 and 3 Municipalities through the Local Government Equitable Share Grant; A National Framework on Ward Committee Operational Plans has been developed and is currently implemented by municipalities; Capacity-building for ward committee members is taking place in partnership with Local Government Sector Education and Training Authority (LGSETA) to provide an National Qualification Framework (NQF) Level 2 capacity building and training skills programme,

Looking ahead, in a drive to further encourage the involvement of communities and community organisations in core local government processes, we will be strengthening key focus areas to ensure optimum local participatory

democracy. These include, amongst others, strengthening public participation through IGR and implementation of Integrated Service Delivery Models (ISDMs) such as Operation Sukuma Sakhe in KwaZulu-Natal (KZN); collaboration/partnerships with civil society organisations; strengthening the role of district municipalities in enhancing public participation.

We look forward to hosting the 2023 Brazil, Russia, India, China and South Africa (BRICS) Urbanisation Forum in Durban as a platform for sharing insights, exchanging best practices and fostering collaboration on urban development challenges among the BRICS member countries. This is particularly important for our country as we are experiencing a significant 'urban shift' or migration. On our part, we continue to implement the Integrated Urban Development Framework (IUDF) as government's policy position to guide the future growth and management of urban and rural areas and to support and guide South African cities, intermediate cities and small towns to achieve spatial transformation – by reversing the inefficient spatial patterns to promote both social and economic development, while protecting the environment.

We will forge ahead with work to support various municipalities towards developing a support programme and plans for redesign and refurbishment into smart cities and will include 3D models. We will also continue to provide leadership in the development of cities and towns in South Africa. In this regard, we have drafted the Smart Cities Framework (SCF) to guide municipalities towards developing smart city initiatives from a South African perspective.

While we take pride in the accomplishments highlighted in this report, we acknowledge that there is still work to be done. We are committed to continuous improvement and building on the successes of the past year. Challenges will undoubtedly emerge, but we are confident in our ability to overcome them together, drawing strength from the knowledge that a collective approach is essential to sustainable progress as called for in the DDM.



MR MFP Tau, MP

Deputy Minister of Cooperative Governance

Date: 29 September 2023



REPORT OF THE ACCOUNTING OFFICER

Mr Mbulelo Tshangana

Director-General of the Department of Cooperative Governance

Overview of the Department

It is with a great sense of responsibility and commitment that I present this statement as the Department of Cooperative Governance tables the 2022/23 Annual Report. It reflects our dedication to upholding the Constitutional principles that underpin the mandates of the three spheres of government in South Africa.

As we opened the 2022/23 financial year, flood disasters struck no less than four provinces in April 2022. Despite these challenges, we remained committed in our resolve to strengthen local government by bringing together government, private sector, our partners and civil society to confront these difficulties.

Having just come out of a difficult period under the Covid-19 pandemic, the flood disasters in KwaZulu-Natal, Mpumalanga, North-West and the Eastern Cape further intensified the need for a one-government approach towards saving lives and strengthening our service delivery mechanisms.

A year-on-year comparison shows a decline in departmental performance with 63% achievement for the year under review against 79% during the 2021-2022 financial year and 68% in 2020-2021. We introduced changes to the organisational programmes to assist in bringing efficiency and drive the implementation of our mandate. Following the comprehensive review and overview of the Operating Model and Organisational Structure of the Department, the following programmes now drive our mandate:

- Programme 1: Administration
- Programme 2: Local Government Support and Interventions Management (LGSIM)
- Programme 3: Institutional Development (ID)
- Programme 4: National Disaster Management Centre
- Programme 5: Community Work Programmeme

Through a thorough review of our organisational programmes, we have identified areas for improvement and realignment. We have streamlined processes, enhanced coordination, and adopted innovative strategies to ensure that our resources are utilised optimally, and our efforts are directed towards meaningful outcomes.

As we reflect on the year under review, we are inspired by the remarkable progress we have made in fulfilling our mandate and advancing the well-being of our communities. Some of the highlights includes the hosting of the Local Government Summit wherein His Excellency, President Cyril Ramaphosa directed the Department to, amongst others, continue to have focused engagements with municipalities to ensure that our citizens and communities are provided with basic services in a sustainable manner.

Programme 1: Administration

At the core of our operations, Programme 1: Administration serves as the strong foundation that supports the efficient functioning of our organization. Through prudent financial management, robust governance practices and a dedicated team, we have ensured that our resources are optimally utilised, allowing us to focus on delivering impactful outcomes. The Department, through the reconfigured organisational structure, low levels staff members are provided an opportunity to move into higher levels.

Programme 2: Local Government Support and Interventions Management (LGSIM)

Our commitment to strengthening local governance is exemplified through Programme 2: LGSIM. By providing intergovernmental support and fostering collaborative partnerships, we have empowered municipalities to enhance service delivery, promote transparency and embrace sustainable development. Together, we have laid the groundwork for vibrant and resilient local government systems.

As part of our mandate to support local government, the Municipal Support and Intervention Framework continues to be implemented in collaboration with National Treasury and other sector Departments to deal with municipal specific challenges that were identified in the State of Local Government Report. This work is carried out in partnership with National Treasury and the Provincial Departments of CoGTA.

Programme 3: Institutional Development (ID)

The vital role of Programme 3: Institutional Development (ID) in formulating intergovernmental policies and promoting effective governance, cannot be overstated. Through evidence-based decision-making and strategic planning, we have advanced cooperative governance, ensuring that all spheres of government work harmoniously towards a common vision of progress and prosperity.

Taking into consideration the complex challenges facing our municipalities, it is the constitutional mandate of both national and provincial governments to support municipalities. This is covered in our Constitution in Sections 154 and 155: Section 154 states that, "national and provincial governments, by legislative and other measures, must support and strengthen the capacity of local government to manage their own affairs, to exercise their powers and to perform their functions". Section 155(7) provides that national government and provincial governments have the legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters listed in Schedule 4 and 5."

Over the years, the above support framework has been implemented in various ways with varying degrees of success. Regarding interventions specifically, we have undertaken a review of how interventions in terms of Section 139 of the Constitution have been implemented since the advent of the Constitution. The review of interventions in some provinces has led to several key success factors or principles that were considered to inform the strategy on how to approach interventions. The Department developed a strategy on how to approach interventions to bring about consistency in procedural implementation. Some of the principles underpinning the new approach referred to herein has been captured in the Intergovernmental Monitoring Support and Interventions Bill (IMSI Bill) which the Department will publish during the first half of the new financial year for public comment. This legislative reform is an important piece within the broader intergovernmental relations puzzle which will bring uniformity and consistency.

Corruption in the local government affects service delivery. Corruption has become one of the main issues occupying the public discourse. The fight against corruption is one of the key pillars and a priority area as outlined by the National Development Plan (NDP). The NDP envisions

a corruption-free society, instructs for the creation of a resilient anti-corruption system and advocates for a whole-of-society approach to prevent and combat corruption.

The Department launched the Local Government Anti-Corruption Strategy (LGACS) as a way of strengthening the fight against corruption in the municipalities. The strategy sets out the strategic objectives to be pursued by municipalities in terms of preventing and combating corruption. LGACS entails that the municipalities must drive an anti-corruption awareness campaign to enhance good governance and create a culture which is intolerant to fraud and corruption. The Local Government Anti-Corruption Strategy and the Municipal Integrity Management Framework provide a high-level road map on how to deal with fraud, maladministration, and corruption, and promotes prevention, detection, investigation, resolution and public participation as the platform of the strategy.

In September 2022, the Minister launched the Local Government Anti-Corruption Forum as a vehicle through which the Department works in collaboration with the Special Investigating Unit (SIU), Directorate for Priority Crime Investigation (DPCI), Auditor-General of South Africa (AGSA) and SALGA through the Local Government Anti-Corruption Forum as part of intensifying the fight against fraud, corruption and other malpractice in the municipalities.

The Department also supported the Local Government Ethical Leadership Initiative which contributes towards building a capable, ethical and developmental state in the municipalities. In this regard, the Department is working with the Ethics Institute, SALGA and the Moral Regeneration Movement to develop a Code on Ethical Leadership which is another initiative highlighting the importance of ethical leadership and ethics in general within municipalities. It is the intention to launch the Code during the 2023/24 financial year.

As part of the amendments made to the Municipal Structures Act in 2021, the Code of Conduct for Councillors was incorporated into the Amended Act to become the new Schedule 7. To strengthen the implementation of the Code, Draft Regulations were developed and consulted on during this financial year. This is a key reform that was developed to bring stability in governance in municipal councils and its committee structures, especially within

coalition governments. It is anticipated that the regulations will be promulgated during the first half of the 2023/24 financial year.

The South African Cities Network remains an important partner in dealing with the number of challenges facing our cities and towns through their research, knowledge sharing and peer learning work, so that they are able to make informed decisions.

Complementing the work initiated by DCoG, SALGA committed to support local municipalities on localising the Sustainable Development Goals through Voluntary Local Reviews (VLR) during the year under review. This process will assist municipalities to track and report on Sustainable Development Goals (SDGs) progress. The envisaged training will assist municipalities to mainstream SDGs into their planning and budgeting systems.

Programme 4: National Disaster Management Centre

The past year has brought unforeseen challenges, and Programme 4: National Disaster Management Centre played a critical role in coordinating disaster response and mitigation efforts. With a focus on preparedness, response and recovery, we have demonstrated our commitment to safeguarding our communities and building resilience in the face of adversity.

Programme 5: Community Work Programme

Empowering communities through sustainable employment opportunities remains a cornerstone of our mission, exemplified by Programme 5: Community Work Programme. By investing in skills development, community infrastructure and social cohesion, we have contributed to alleviating poverty and enhancing the quality of life for countless beneficiaries.

Looking ahead, we will continue with work following the adoption of a Results-Based Planning approach towards key programmes that will result in meaningful impact. We will establish a Results-Based Management Office (RMO) that will operate like a War Room. It is our aim to resource this approach with the recruitment and placement of highly qualified, skilled and experienced local government experts and specialist who will be working with municipalities, provincial governments, national sector Departments and state-owned entities across the country.

This will not only measure the acceleration of our programmes but gauge the impact, whilst also closing the loopholes as illustrated in what the District Development Model (DDM) concept note expects us to do.

Our Annual Report reflects the diverse yet interconnected nature of our programmes, highlighting the collective impact of our endeavours. None of this would have been possible without the leadership of Minister Nkadimeng as well as Deputy Ministers Parks Tau and Prince Zolile Burns-Ncamashe. The dedication and passion of our talented team and the invaluable support and collaboration of our stakeholders and partners, have been instrumental in making our collective efforts a resounding success.

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

	2022/2023			2021/2022		
	Estimate	Actual	(Over)/ Under Collection	Estimate	Actual	(Over)/ Under Collection
		Amount Collected			Amount Collected	
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	699	200	499	280	274	6
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	1 042	1 356	(314)	824	861	(37)
Sale of capital assets	-	-	-	390	372	18
Financial transactions in assets and liabilities	2 500	7 893	(5 393)	735	17 127	(16 392)
Total	4 241	9 449	(5 208)	2 229	18 634	(16 405)

The table above depicts actual receipts, projected receipts and variances. An amount of R9.449 million was collected by the Department by 31 March 2023 against projections of R4.241 million. The revenue collected was from parking, sale of wastepaper and commission on insurance deductions. It is not always possible to accurately project revenue as the Department is not a revenue generating organisation.

Programme 1: Administration

Programme 1 spent R348.708 million, indicating a spending rate of 99.9 percent in relation to the adjusted allocation of R348.226 million, resulting in a minimal underspend of only 0.1 percent. This variance is of negligible consequence, as the Department redistributed funds from other underspending programmes. This adjustment was necessary due to the substantial overspending observed in Programme 1, primarily attributable to increased costs

related to employee compensation and procurement of goods and services.

Programme 2: Local Government Support and Intervention Management

Programme 2 spent R18.520.496.000, reflecting a spending rate of 99.9 percent in relation to the adjusted budget allocation of R18.535.071.000, resulting in a minor underspend of 0.1 percent. This variance is attributed to the following factors: vacant positions that remain unfilled, undergoing a selection and recruitment process, and underutilization of funds for goods and services due to delays in implementing the Procurement plan.

Programme 3: Institutional Development

Programme 3 spent R84.1 06.367.000, accounting for 96.0 percent of the budgeted amount of R87,571,768,000.

This results in a deviation of R3.465.401.000, reflecting an underspend of 4.0 percent. This variance arises due to multiple factors. Delays in executing the annual Procurement Plan played a role, compounded by the underspending within the Municipal System Improvement Grant (MSIG). The latter stems from awarded projects in the procurement plan that have yet to commence due to instabilities in certain municipalities. Furthermore, two projects concerning Smart Cities outlined in the Procurement plan remain unawarded. Additionally, the withholding of Local Government Equitable Share (LGES) was necessitated due to underperforming municipalities in other conditional grants they received and/or non-compliance with conditions outlined in the Division of Revenue Act (DORA).

Programme 4: National Disaster Management Centre

Programme 4 spent R3.900.043.000, which represents 91.3 percent of the allocated budget of R4.270.687.000. This results in a variance of R370.644.000, reflecting an underspend of 8.7 percent. This deviation can be attributed to a few key factors. The CoE underspending is primarily due to vacant positions within the Programme. However, the selection and recruitment process to fill these vacancies is underway. Additionally, the underutilization of funds for goods and services is a consequence of delayed

Disaster evaluations and the slower implementation of the Procurement plan.

Regarding the Disaster Relief Grants, prior to receiving supplementary funding during the 2022 Medium-Term Budget Review, the Department effectively transferred its entire Disaster Response Grant allocation from the original budget to provide immediate relief in response to the floods that affected KZN. However, any unspent additional funding of R344.5 million will be returned to the National Treasury due to underspending.

Programme 5: Community Work Programme

Programme 5 spent a total of R3.834.095.000, reflecting an expenditure of 89.1 percent in comparison to the budget allocation of R4.301.204.000. This results in a variance of R467.109.000, representing an underspend of 10.9 percent. The factors contributing to this variance encompass the suspension of procurement activities involving tools, materials, and training, lapse of contracts with Implementing Agents, not renewed to facilitate the handover process, and the influence of the suspension of the 2017 PPPFA (Preferential Procurement Policy Framework Act) regulations at the commencement of the financial year by the National Treasury, which further contributed to procurement delays.

Table 2: Savings trends since 2015/16 financial year.

Year	Expenditure R '000	Saving %	Saving R '000
2015/16	68 097 537	3.99%	2717 940
2016/17	69 852 230	4.54%	3 169 676
2017/18	76 362 043	2.68%	2 101 847
2018/19	81 814 196	3.81%	3 222 815
2019/20	86 946 178	3.78%	3 414 105
2020/21	103 305 842	3.41%	3 636 945
2021/22	98 443 058	2.80%	2 816 873
2022/23	110 709 081	3.8%	4 318 357

The primary factor behind the underutilization of funds in the 2022/23 financial year is attributed to several causes, including the offsetting of the local government equitable

share to certain underperforming municipalities due to non-compliance with the stipulations outlined in the Division of Revenue Act.

Programme Expenditure

DEPARTMENT OF COOPERATIVE GOVERNANCE	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
Rand thousand	R'000	R'000	R'000	R'000	R'000	R'000
Administration	348 708	348 080	628	338 875	332 293	6 582
Local Government Support and Intervention Management	18 535 071	18 520 496	14 575	17 418 275	17 403 184	15 091
Institutional Development	87 571 768	84 106 367	3 465 401	78 599 372	76 645 019	1 954 353
National Disaster Management Centre	4 270 687	3 900 043	370 644	698 256	536 915	161 341
Community Work Programmeme	4 301 204	3 834 095	467 109	4 205 153	3 525 647	679 506
TOTAL	115 027 438	110 709 081	4 318 357	101 259 931	98 443 058	2 816 873
Current payments	5 019 597	4 454 375	565 222	5 011 236	4 166 697	844 539
Compensation of employees	366 212	346 427	19 785	358 126	337 454	20 672
Goods and services	4 653 381	4 107 944	545 437	4 653 110	3 829 243	823 867
Interest and rent on land	4	4				
Transfers and subsidies	109 965 114	106 234 171	3 730 943	96 203 531	94 231 527	1 972 004
Payments for capital assets	42 127	19 936	22 191	45 092	44 762	330
Payment for financial assets	600	599	1	72	72	-
Total	115 027 438	110 709 081	4 318 357	101 259 931	98 443 058	2 816 873

The table presented above outlines the revised allocated budget for the Department of Cooperative Governance for the financial year 2022/23, totaling R115.027 billion. In the context of the 2022/23 Adjusted Estimates of National Expenditure, there was an increase of the Department's budget by R3.663 billion, an increase from the original appropriation of R111.365 billion. This constitutes a rise of 13.7% when compared with the budget allocation in the preceding financial year. The amplified allocation for the 2022/23 financial year chiefly pertains to appropriated funds and other adjustments within the domains of Local Government Equitable Share and Disaster Response and Recovery Grant. However, the primary factor contributing to the underspending of R4.318 billion stemmed from the offsetting of Local Government Equitable Share funding, triggered by underperformed conditional grants.

Roll-over.

An amount of R12.835 million of the unspent funds at the end of the 2021/22 financial year was requested to National Treasury to be rolled over to the 2022/23 financial year in respect of ex-gratia payment for councillors whose term ended after the 2021 local government election.

Unauthorised, irregular, fruitless and wasteful expenditure.

During the 2022/23 financial year, the Department has not encountered any instances of potential unauthorised expenditure (as indicated in note 30). Nevertheless, the Department has recorded fruitless and wasteful expenditure amounting to R16 000. Pertaining to irregular expenditure, it is essential to highlight that the Department has accrued notable irregular expenditure, totalling

R475.199 million. This can be attributed to irregularities in the CWP contract for Implementing Agents and expenses incurred without a valid contract.

Public Private Partnerships.

There were no procurement activities that relate to Public Private Partnerships during the 2022/23 financial year.

Discontinued activities / activities to be discontinued.

There were no activities that were discontinued during the 2022/23 financial year.

New or proposed activities

There were no new or proposed activities during the 2022/23 financial year.

Supply Chain Management

During the financial year under review, the Department has abstained from finalizing any unsolicited bids or proposals. Nevertheless, the Department boasts

established mechanisms and protocols aimed at identifying and prevent potential instances of irregular expenditure. Additionally, functional Bid Committees have been appointed by the Department to uphold standards of transparency, equity, and adherence to the guidelines outlined in the Preferential Procurement Framework Act, as well as the Preferential Procurement Regulations and the pertinent National Treasury Practice Notes within the realm of Supply Chain Management.

Gifts and Donations received in kind from non-related parties

The Department acknowledges and values the assistance provided by both international and local donors, particularly the contributions received from SADEC in response to the disaster that occurred in KZN.

Exemptions and deviations received from the National Treasury/Director-General

The Department obtained the following deviations approved by the Director-General:

DESCRIPTION	NAMA OF SERVICE PROVIDER	TYPE OF DEVIATION	AMOUNT
ESRI SA is the sole authorised distributor of the Enterprise license Agreement in Southern Africa.	ESRI South Africa	Sole provider	R12,233,382.49
Subscription to Regional eXplorer (ReX) and Rex Publisher databases.	IHS Information and Insight (pty) Ltd.	Sole Provider	R1,670,319.02
The Development and Provision of Disaster Related Data and Information Products including consultation and advisory	Agricultural Research Council	Single source	R1 421 443,00
Renewal of Library subscription to EBSCO Political Science and SocINDEX	EBSCO Information Services	Sole Provider	R1 364 659,00

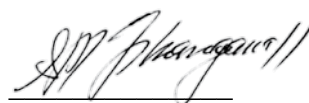
Events after the reporting date

None

Acknowledgement(s) or Appreciation

I would like to take this opportunity to acknowledge the contribution and commitment of DCoG staff and executive management in the achieving the improved results contained in this Annual Report.

Approval and sign-off



Mr MS Tshangana

Director-General: Department of Cooperative Governance

Date: 27 September 2023

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

To the best of my knowledge and belief, I confirm the following: All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate, and free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury (NT).

The Annual Financial Statements (Part F of the report) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury. The Accounting Officer (AO) is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The AO 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 2023.

Yours faithfully



Mr MS Tshangana

Accounting Officer

Date: 27 September 2023

7. STRATEGIC OVERVIEW

7.1 VISION

Efficient and effective cooperative governance system that enables resilient, safe, sustainable, prosperous, cohesive, connected and climate smart communities

7.2 MISSION

To lead the Cooperative Governance System in support of integrated planning and implementation across all spheres of government

7.3 VALUES

Commitment to public service that demonstrates Energy, Enthusiasm and Enjoyment

Professionalism, Integrity and Accountability

Servant leadership and a hands-on approach

8. LEGISLATIVE AND OTHER MANDATES

Constitutional mandate

The mandate of the Department of Cooperative Governance (DCoG) 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 need 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 obligations. Chapter 6 is also relevant when a municipality, as a result of the financial crisis, breaches its obligations to provide basic services to meet its financial requirements.

Chapter 7 - This chapter deals with, among other things, 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 role involves strengthening the constitutional democracy of the country. The Department has to comply with all legislative frameworks in this chapter in order to conform to rules made under the auspices of institutions such as the Auditor-General and the Public Protector.

Our primary mandate is to:

- Develop and monitor the implementation of the 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; and
- 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, among other things, the implementation of the following:

Name of Legislation	Mandate
Municipal Property Rates Act, 2004 (Act No.6 of 2004)	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 an objections and appeals process.

Name of Legislation	Mandate
Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)	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.
Disaster Management Act, 2002 (Act No. 57 of 2002)	To provide for: <ul style="list-style-type: none"> • 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. • The establishment of national, provincial and municipal disaster management centres. • Disaster management volunteers. • Matters incidental thereto.
Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)	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, including the local community within the municipal area, to provide for municipal powers and functions; to provide for community participation; to establish an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change; 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.
Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)	To provide for the establishment of municipalities, in accordance with the requirements relating to categories and types of municipalities; to establish criteria for determining the category of a municipality to be established in an area; to define the types of municipalities that may be established within each category; to provide for an appropriate division of functions and powers between categories of municipalities; to regulate the internal systems, structures and office-bearers of municipalities; and to provide for appropriate electoral systems.
The Intergovernmental Relations Framework Act, 2005 (Act No. 13, of 2005)	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.
Local Government: Municipal Demarcation Act, 1998 (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.
Organised Local Government Act, 1997 (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 the 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.
Fire Brigade Services Act, 1987 (Act No. 99 of 1987)	To provide for the establishment, maintenance, employment, coordination and standardisation of Fire Brigade Services; and for matters connected therewith.
Remuneration of Public Bearers Act, 1998 (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.

9. ORGANISATIONAL STRUCTURE



10. ENTITIES REPORTING TO THE MINISTER

The table below indicates the entities that report to the Minister and highlights for 2022/23:

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
South African Local Government Association (SALGA)	The Constitution of South Africa <ul style="list-style-type: none"> • The Organised Local Government (OLG) Act • The White Paper on Local Government • The Municipal Systems Act (MSA) • The Municipal Finance Management Act • The Intergovernmental Relations Framework Act 	Municipal Levy <ul style="list-style-type: none"> • Grant Allocation 	<ul style="list-style-type: none"> • Lobby, advocacy and representing the interests of municipalities in legislatures and other policy-making and oversight structures and engaging with various stakeholders in public debates and other platforms in the interest of the local government. • Employer Body that represents its municipalities in collective bargaining as stipulated in the Labour Relations Act. • Facilitating capacity building initiatives for municipalities and also representing municipalities' interests in the Local Government Sector Education and Training Authority (LGSETA). • Support and advice services to enable municipalities to understand and interpret trends, policies and legislation affecting local government and implementation thereof. • Strategic profiling: Elements here refer to enhancing the profile and image of local government as an essential 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. • Knowledge and information sharing to build and share a comprehensive hub of local governmental knowledge and intelligence. The knowledge hub is also a useful reference point for all who seek information on local governments.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Municipal Demarcation Board (MDB)	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"> • Determine and re-determine municipal outer boundaries. • Delimitation of wards for local government elections. • Conduct capacity assessments of the district and local municipalities to perform their functions and exercise their powers, and provide advice to Members of Executive Committee (MECs). • Render advisory service in respect of matters provided for in the Municipal Demarcation Act. • By way of cabinet resolution, the MDB also assists government Departments in aligning their service delivery boundaries to municipal boundaries.
South African Cities Network (SACN)	It was 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"> • Knowledge and information exchange, experiences and best practices on urban development and city management amongst members. Secretariat to oversee governance, administration and programme functions • An active Board for oversight and championship. • Providing thought leadership by producing and disseminating credible and continual research about cities and key urban themes. • Enable and support cities to act and speak with one voice • Establish strategic relations locally, regionally and internationally to support the work of the network.

PART B: PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General has performed procedures to obtain evidence about the usefulness and reliability of performance information reported against pre-determined objectives to provide reasonable quality assurance in the form of audit conclusions. The audit outcome is included in the report to management.

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

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

Economic Environment

District One Plans and Economic Recovery Plans are critical instruments to enable the President's vision. As a place-based strategy for economic development, Local Economic Development (LED) in South Africa is an integral element of national spatial development. Bringing together local governments, the private sector and civil society in search of local (district) economic development requires the collaborative efforts of local stakeholders to grow the local economies and improve the standard of living of the people.

The Ministry of Cooperative Governance and Traditional Affairs has developed the South Africa Economic Recovery Plan for Municipalities in Response to COVID-19. This plan consists of eight pillars: Designing and implementing social and solidarity economic reforms in municipalities; building a labour intensive economy; introducing infrastructure financing that is developmental; creating a developmental agenda for local government; creating competitive economies that benefit local economies, Small Medium Micro Enterprises (SMMEs) and cooperatives; creating a productive agrarian reform that is inclusive; building cohesive communities through mining; and minimising the effects of COVID-19 on the local construction industry.

The Department supported the development of Economic Recovery Plans by both districts and metros.

The District Development Model plays an important integration role between regional (district) economic development and local economic development. Although a natural overlap is present between these systems, the complexity of the environment, comprising multi-

stakeholders and multi-levels, represents a governance challenge. Resolving or bridging this gap requires the adoption of specific and innovative approaches. Innovative partnerships based on collaboration and collaborative governance between role-players in the Regional and LED arena, should be explored in more detail as well as being recognised in economic development policy processes.

The purpose of building inclusive economies, namely addressing inequalities, exclusion and poverty resonates strongly in the South African context and require municipalities focusing more on:

- Good data and analysis to identify the local economy's unique assets and challenges to create better policy;
- Building consensus and understanding among local role-players and clearly defining what inclusive economies mean locally;
- Prioritising partnerships, including anchor institutions in the local economy which are key stakeholders and who should be extensively engaged as part of building more inclusive economies;
- Leveraging social value in commissioning and procurement to promote better work, better wages, better access to skills and other outcomes linked to more inclusive economies;
- Using infrastructure expenditure and investment funds to ensure councils invest in projects that build a more inclusive economy and strengthens the local economy; and
- Promoting enabling conditions for job creation and the skills required for those jobs, together with improving the opportunities for affordable housing and public transport that must support those participating in the labour market.

Access to basic services

The non-financial census of municipalities (2019) by Stats SA, recorded that local government has made great strides in providing services. For example, municipalities supplied water to just over 9 million consumer units in 2006, expanding to 13.8 million in 2019. This represents an average annual growth rate of 3.2%, outstripping the national population growth rate of 1.5%

There has been, however, a reduction in the coverage of free basic services. In terms of water, for example, 6.9 million consumer units benefited from free water in 2006, falling to just over 3 million in 2019. In 2006, 76% of consumer units received free water, falling to 22% in 2019. This is mainly due to better targeting of the rightful beneficiaries (i.e., indigent households), instead of providing free basic services to all households regardless of their indigent status.

Due to a growth in population size and the prevalence of drought in South Africa, pressure is mounting on the demand of freshwater resources that are suitable for human consumption. This has in turn put pressure on wastewater treatment infrastructures and sanitation systems. The GHS (2019) found that the percentage of households with access to an improved source of water increased by less than four percentage points between 2002 and 2019 (growing from 84.4% to 88.2%). The increases were much more notable in Eastern Cape (+17.8%) and KwaZulu-Natal (+10.0%). Despite these notable improvements, access to water declined in five provinces between 2002 and 2019. The largest decline was observed in Mpumalanga (-5.3%), Limpopo (-3.8%) and Free State (-3.7%). The declines, however, belie the fact that more households had access to piped water in 2019 than 18 years earlier. While the number of households with access to water in the dwelling increased by 70.5% (3.2 million households) between 2002 and 2019, growing from 4.5 million to 7.7 million, the percentage of households with access to water in the dwelling only increased by 4.5% over the same period.

Households in Limpopo (56.6%) and Mpumalanga (54.4%) reported the most water supply interruptions, while Western Cape (4.6%) and Gauteng (9.5%) experienced the least interruptions. Approximately one-fourth (25.8%) of South African households reported some dysfunctional water supply service in 2019. The increase in the percentage of households with access to water coincided with a

decline in the percentage of households who paid for the piped water they received. The proportion of households who reported paying for water has been declining steadily over the past decade, dropping from 67.3% in 2008 to only 44.6% in 2019.

The Sustainable Development Goals: Country Report 2019, published by Stats SA highlights the need to effectively resolve challenges in the water sector. The development of the first National Water and Sanitation Masterplan is seen as a useful instrument for an improved sectoral approach to water resource management and sanitation services. Some of the issues requiring attention include investment in human capacity and skills in the institutional environment, effective infrastructure asset management and the implementation of mechanisms that improve revenue collection from water users, water service authorities (WSAs) and water service providers (WSPs), as well as by utilising a range of innovative financing mechanisms.

A significant development was the announcement by the President that the Green Drop and Blue Drop programmes to strengthen water quality monitoring, would be revived. The distribution of water tanks and water carting to mitigate the risks of COVID-19 made a significant difference in people's lives, since recipient communities were given access to clean drinking water and provided with the opportunity to regularly wash their hands. Supply of water tanks to communities is ongoing. The sustainability and upgrading of this temporary intervention, is not guaranteed, since most beneficiary municipalities lack the requisite capacity to continue providing the services. This calls on government to ensure sustainability of tankering services and upgrading the services during or after COVID-19.

The GHS (2019) noted that through the provision and the efforts of government, support agencies and existing stakeholders, the percentage of households with access to improved sanitation increased by 20.4% between 2002 and 2019, growing from 61.7% to 82.1%. Most improvement was noted in Eastern Cape where the percentage of households with access to improved sanitation increased by 54.1% to 87.6%, and Limpopo in which access increased by 36.5% to 63.4%. The installation of pit toilets with ventilation pipes played an important part in achieving the large improvements. A range of reasons, including rapid household growth and urbanisation, as well as a preference for flush toilets have all contributed to the slow progress

over the reference period. The relative scarcity of water and regular water interruptions experienced in many parts of the country will increasingly lead to the use of alternative sources of sanitation.

The GHS (2019) reported that the percentage of South African households that were connected to the mains electricity supply increased from 76.7% in 2002 to 85.0% in 2019. Households with access to mains electricity were most common in Limpopo (92.7%), Northern Cape (91.7%), and Free State (93.4%), and least common in Gauteng (76.6%) and North West (81,6%). The largest increases between 2002 and 2019 were observed in Eastern Cape (+34,0%), and Limpopo (+20.8%) while the percentage of households with access to mains electricity declined in Gauteng (-10.6%) and Western Cape (-0.1%). These declines can be associated with the rapid in-migration experienced by these provinces and the associated increase in households. The percentage of households that used electricity for cooking increased from 57.5% in 2002 to 79.9% in 2014, before declining to 75.1% in 2019. Simultaneously, the use of paraffin, coal and firewood declined notably. The common use of wood for cooking purposes in rural provinces such as Limpopo (32.1%) and Mpumalanga (16.7%) is, however, an indication that available resources are still very accessible and, most likely, less expensive than using electricity. One quarter (24.9%) of households did not use electricity for cooking in 2019, preferring other sources. More than three-quarters (76.9%) of South African households that had access to electricity obtained electricity through a pre-paid meter, while 14.6% were billed using a conventional meter. It is notable that 2.3% of households used electricity for which they did not pay.

According to the GHS (2019), the percentage of households whose solid waste was removed weekly or less often declined from 66.4% in 2018 to 61.5% in 2019, the lowest this figure has been for more than a decade. There was also an increase in the percentage of households that reported using their own refuse dumps. Although household recycling is extremely important to ameliorate the huge negative impact household waste is having on the environment, the report found that more than four-fifths (80.6%) of metropolitan households did not separate waste for recycling, and that only 6.1% actively recycled household waste.

Ecological Environment

Disaster Management

The NDMC continued to promote an integrated and coordinated system of disaster management, with special emphasis on prevention and mitigation by all relevant organs of state. The common disaster incidents experienced in most parts of the country during the 2022/23 financial year was flooding. The country experienced torrential rains that persisted in parts of the country in April 2022, with most damages experienced as a result of flooding and mudslides in the KZN province. The severity and magnitude of the floods in KZN prompted the classification of a provincial disaster by the NDMC in terms of the Disaster Management Act, 2002 (57 of 2002) (DMA). The contingency arrangements were immediately activated by organs of state across spheres of government, activated as early as the early warnings and advisories were issued by the South African Weather Service (SAWS). The NDMC coordination of relevant structures across the spheres of government. The Extended National Joint Floods Coordination Committee (E-NJFCC) was activated with the participation of Directors-General and Heads of Department (HODs) to provide strategic direction in the provision of relief, response and recovery measures to address the impacts of the flood disasters.

The floods situation gravitated to other provinces, affecting Eastern Cape, Free State and North West. The rains brought very devastating effects which resulted in loss of lives, injuries, missing persons, damage to houses, roads and many other critical infrastructures.

These conditions necessitated reclassification of the disaster by the NDMC to a national disaster as per Section 23(3) of DMA to strengthen coordination of efforts, reallocation and reprioritisation of resources by affected organs of state as well as the allocation of resources from the Disaster Grants within the NDMC. This was immediately followed by the declaration of a National Disaster by the CoGTA National Minister, subsequent to consulting responsible Cabinet members. A notice to this effect was published in Government Gazette No. 46247 – R. 2029 of 18 April 2022. The primary purpose of the declaration was to augment existing legislation and contingency arrangements of the affected organs of state as well as activate other extraordinary measures as and when required to address the effects of the disaster.

Government adopted a three-tier transitional approach to better coordinate response, recovery and reconstruction measures within all affected provinces. These were three phases which are immediate humanitarian relief, stabilisation and recovery, and rehabilitation and reconstruction. The transition of phases does not only involve the construction and repair of major infrastructure but also involves the construction of houses and damaged infrastructure within suitably-located areas including measures to protect the residents of these areas from such adverse weather events in the future.

Various perilous disaster related events continue to be experienced in the country, often leading to severe human suffering, loss of life, widespread damage to property, infrastructure and the environment. It is evident that these conditions require investment in climate-resilient infrastructure, reduction of greenhouse gas emissions and empowerment of communities to build a more resilient and sustainable future.

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The floods situation gravitated to other provinces, affecting Eastern Cape, Free State and North West. The rains brought very devastating effects which resulted in loss of lives, injuries, missing persons, damage to houses, roads and many other critical infrastructures.

These conditions necessitated reclassification of the disaster by the NDMC to a National Disaster as per Section 23(3) of DMA, followed by the declaration of a National Disaster by the CoGTA National Minister; subsequent to consulting responsible Cabinet members. A notice to this effect was published in Government Gazette No. 46247 – R. 2029 of 18 April 2022. The primary purpose of the declaration was to augment existing legislation and contingency arrangements of the affected organs of state as well as activate other extraordinary measures as and when required to address the effects of the disaster.

Government adopted a three-tier transitional approach to better coordinate response, recovery and reconstruction measures within all affected provinces. These include three phases which are immediate humanitarian relief, stabilisation and recovery as well as rehabilitation and reconstruction measures. Assistance came from all walks of life, from government, Non-Governmental Organisations, private sector, individual communities including donor funding and support from the regional and international communities.

The Department allocated an amount of R516.7 million from the Disaster Response Grants for relief measures in the affected municipalities in KwaZulu-Natal and Eastern Cape which were the most affected provinces. An additional amount of R3.3 billion was allocated in March 2023 from the Municipal Disaster Recovery Grant for the implementation of the reconstruction and rehabilitation projects. Implementation of interventions by relevant organs of state is underway through the support and monitoring of implementation by the national government. The Office of the Auditor-General also conducts audit on the allocated resources across the spheres of government.

The NDMC continues to put emphasis on disaster risk reduction which includes effective disaster management planning by all organs of state to enhance resilience and “Building Back Better” principle within communities.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

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

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

Main services and standards

Current/actual arrangements	Desired arrangements	Actual achievements
Accessible information through the DCoG website	DCoG website updated regularly for access by members of the public and client Departments	Achieved regular updates done
Accessible information through the DCoG call-in and walk-in and email enquiry	DCoG information enquiry and interaction through Social Media	DCoG available on social media platform Facebook, tweeter; LinkedIn, GOVCHAT and Instagram

Service delivery information tool

Current/actual arrangements	Desired arrangements	Actual achievements
Work-in and suggestion boxes for customer complaints	Electronic government and community interactive platform	GOVCHAT rolled-out in identified municipalities - a WHATSAPP community engagement platform for lodging complaints and making follow-ups

Complaints mechanism

Current/actual arrangements	Desired arrangements	Actual achievements
Members of the public can access us through e-mail services, telephone calls, written correspondence and the Presidential Hotline administered by the Presidency	Members of the public can access us through e-mail services, telephone calls, written correspondence and the Presidential Hotline administered by the Presidency	Achieved. Queries, enquiries and complaints are received from the public and attended to

2.3 ORGANISATIONAL ENVIRONMENT

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

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

The Department completed its comprehensive strategic review and is in the process of implementing its revised strategy, operating model and organisational structure.

Key policy developments and legislative changes

The Municipal Systems Amendment Act, 2011 (Act No. 7 of 2011) was declared unconstitutional by the Constitutional Court with effect from 9 March 2019 for want of compliance with the procedures as set out in Section 76 of the Constitution of the Republic of South Africa, 1996 (the Constitution). A new Bill with corresponding provisions as the invalidated Act was re-introduced to Parliament on 6 February 2019 in terms of Rule 159(8)(1) (a) and (b) of the Joint Rules of Parliament. The Bill repeals Act No. 7 of

2011 and has been properly tagged as a Section 76 Bill that affects the functioning of provinces. The Bill was approved by Parliament on 3 May 2022 with further amendments following comprehensive public participation processes at both national and provincial levels. The Bill was assented to and signed by the President on 16 August 2022 into an Act. The objects of the Municipal Systems Amendment Act, (Act No. 3 of 2022) are to:

- (a) make further provision for the appointment of municipal managers and managers directly accountable to municipal managers;
- (b) provide for procedures and competency criteria for such appointments, including consequences of appointments made otherwise than in accordance with such procedures and criteria;
- (c) determine timeframes within which performance agreements of municipal managers and managers directly accountable to municipal managers must be concluded;
- (d) make further provision for the evaluation of the performance of municipal managers and managers directly accountable to municipal managers;

- (e) require employment contracts and performance agreements of municipal managers and managers directly accountable to municipal managers to be consistent with the Act and any regulations made by the Minister;
- (f) require all staff systems and procedures of a municipality to be consistent with uniform standards determined by the Minister by regulation;
- (g) limit the rights of municipal managers and managers directly accountable to municipal managers from holding political office in political parties;
- (h) regulate the employment of municipal employees who have been dismissed;
- (i) provide for the Minister to make regulations relating to the duties, remuneration, benefits and other terms and conditions of employment of municipal managers and managers directly accountable to municipal managers;
- (j) provide for the approval of staff establishments of municipalities by the respective municipal councils;
- (k) prohibit the employment of a person in a municipality if the post to which the person is appointed is not provided in the staff establishment of that municipality;
- (l) enable the Minister to prescribe frameworks to regulate human resource management systems for local government and mandates for organised local government;
- (m) extend the Minister's powers to make regulations relating to municipal staff matters.

The President proclaimed the Municipal Systems Amendment Act, 2022 to come into operation with effect from 1 November 2022. Following the approval of a framework towards the professionalisation of the public service by Cabinet, the implementation of the Local Government: Municipal Systems Amendment Act, 2022 and this framework enjoins the Department to review the Local Government: Regulations on appointment and conditions of employment of senior managers. Plans are underway to embark on this project during the 2023/24 financial year.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department contributes to the achievement of the 2019-2024 Medium-Term Strategic Framework

(MTSF) priorities through the following impact indicators and outcomes:

- Percentage trust in government;
- Clarification of institutional arrangements for the District Development Model;
- Percentage of districts and metros with joined-up long-term plans (government, business, civil society);
- Monitor implementation of the District Development Model plans through an Integrated Monitoring System for accountability; and
- Number of cities identified for redesign and refurbishment as smart cities.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 PROGRAMME I: ADMINISTRATION

Purpose: to provide strategic leadership, management and support services to the Department.

The Programme contributes to the achievement of Outcome: Effective and efficient governance systems to drive implementation of the District Development Model (DDM) through the following sub-programme:

Ministry: During the financial year under review, the Office of the Minister provided Administrative, Parliamentary, Cabinet support, Communication and Media Liaison to the Minister and Deputy Minister.

Management: The Office of the Director-General (DG)

Corporate Services: The sub-programme has achieved the following through its components:

a) Human Capital Management

Finalised and implemented the reviewed organisational structure, and appointments at key strategic positions of three Deputy Directors-General for NDMC, Policy Governance and Administration and the Chief Financial Officer (CFO). The Department conducted an intensive skills audit to respond to priorities outlined in the strategic plan, operating model and organisational structure to identify skills gaps for developmental purposes. A culture survey was conducted to gauge a real understanding of how employees perceive the culture to be and what can be improved to enhance an employee's working life.

b) Information Communication Technology Management

The turnaround time in resolving logged incidents with Service Level Agreement (SLA) improved to 98.18% against a target of 95%. Project Management Book of Knowledge (PMBok) methodology was adopted as the project management methodology for all internal ICT projects. Cybersecurity environment has been improved through the implementation of a Security Incident and Event Management Solution.

c) Legal services

Legislative drafting and review

Legislative drafting support services was provided to line functions of the Department in respect of the following subordinate legislation administered by the Minister:

- Regulations on Institutionalisation of the District Development Model in terms of Section 47(1)(b) of the Intergovernmental Relations Framework Act, 2005;
- Regulations on Ministerial Authorisation and Revocation of Functions and Powers Processes in terms of Section 84(3) of the Municipal Structures Act, 1998; and
- The Code of Conduct for Councillors Regulations in terms of Section 92 of the Municipal Structures Act, 1998.

Furthermore, the legislative drafting and review directorate assisted Operation Vulindlela under the Presidency in developing the Standard Draft By-laws for Deployment of Electronic Communications and Facilities in terms of Section 14(1) of the Municipal Systems Act, 2000. It also produced the Revised Legislative Toolkit.

Litigation Services

Litigation services directorate managed all litigation matters on behalf of the Minister and/or the Department and further provided legal opinions and advice to the Department on various matters. The directorate conducted workshops and implemented the Litigation Management Policy as well as the Standard Operation Procedures for management of litigation within the Department. Litigation matters were handled within the prescribed timeframes; case reports (briefs) to DG and/or the Minister were prepared timeously and litigation quarterly reports were submitted to the Minister on time.

Administrative Compliance and Contract Law Support

The Directorate managed to respond to the requests to vet/draft contracts within five working days of receipt from line function. During the reporting period, the Contract Management Policy was revised to address the internal audit findings and it was workshopped to all the branches. The Information Officer and Deputy Information Officers were registered with the Information Regulator in compliance with Protection of Personal Information Act (POPIA). We have also managed to develop the combined Promotion of Access to Information Act (PAIA) and POPIA manual. The POPIA Compliance Champions Committee was set up to conduct an assessment on personal information being processed by the Department.

d) Corporate Planning Internal Monitoring and Reporting

In the year under review, the Chief Directorate paid special focus on ensuring that there was alignment of our plans to the national priorities as outlined in the National Development Plan (NDP): Vision 2030 and the revised Medium-Term Strategic Framework for 2019-2025.

The unit further provided support to provinces to ensure that the standardised programme performance indicators for the 2023/24 are included in the provincial APPs. The unit has also provided oversight by assessing the performance reports of all provinces on implementation of the standardised programme performance indicators.

Working together with Programme Managers within the Department, the Chief Directorate continued to facilitate the process towards the implementation of audit action plans on performance information.

e) Communications and Marketing

Communications developed an Annual Communication Strategy which was approved for implementation. The strategy enabled Communications to proactively communicate salient and relevant content in respect of Departmental programmes and activities for both internal and external audiences. Communications was able to set the tone and agenda on key programmes such as the DDM, Local Government Summit, Presidential Imbizo, Eastern Seaboard Development, Small Town Regeneration Strategy, Internal Transformation, etc. Additionally, through the media monitoring and social media listening,

Communications was able to respond rapidly to distortions and inaccuracies in the media environment by providing factual information. The Internal Communications "Lunch and Learn" session proved to be a positive contributor to the Transformation for Impact journey. The enhancement of the website and Intranet as well as the convergence of content output in all communication platforms has seen an improved audience uptake.

f) Office Accommodation

The DCoG is currently accommodated in five leased buildings in Arcadia and Centurion, Pretoria. The Department has requested Department of Public Works and Infrastructure (DPWI) as a custodian of government buildings to acquire an alternative interim building as well as a long-term solution for CoGTA Head Office at the beginning of 2021. The consolidated Head Office building is planned to accommodate DCoG, Department of Traditional Affairs (DTA), Municipal Infrastructure Support Agent (MISA) and MDB. The tender by DPWI closed in December 2021 – this process has to date not been concluded. The first site identified by DPWI for construction of a permanent head office for the CoGTA family in Pretoria Central Business District (CBD) was not accepted by the Department. DPWI is currently in the process of identifying additional sites.

g) Internal Audit and Risk Management

The Chief Directorate Internal Audit has managed to provide assurance and consulting services to the Department through implementation of the approved internal audit plan for the 2022/23 financial year.

The assurance was provided to management, the Director-General and Audit Committee on the adequacy and effectiveness of internal controls, risk management and governance processes within the Department.

Internal Audit has performed follow-up audits on prior year audit findings to verify progress on implementation against management action plans, and the results of the follow-ups were shared with management. Progress against the internal audit plan was reported to the Audit Committee on a quarterly basis. The internal Audit Charter was reviewed and approved timeously.

The strategic and operational risks of the Department were conducted and regularly reviewed. The risk action plans were monitored on a monthly and quarterly basis and reported to Management, Risk and the Audit Committees.

The Risk Management Committee chaired by an external Chairperson and the Risk Champions Committee was functional during the year under review. Risk management support and initiatives to embed risk management continued during this period.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reasons for Deviations
Outcome I: Effective and efficient corporate governance systems to drive the implementation of the DDM							
Sub-programme: Finance							
Annual financial statements	1.1 Improved audit opinion expressed by the Auditor-General of South Africa (AGSA)	Qualified for 2019/20 financial year	Achieved The Department received a qualified audit opinion for 2020/21 financial year with less findings compared to previous years	Unqualified audit opinion for 2022/23 financial year by 31 March 2023	Not Achieved The Department received a qualified audit opinion.	Qualified audit opinion	This was mainly due to pre-payments and advance, movable tangible capital assets and goods and services. Non- implementation of the Post audit action plan (PAAP)
Programme: Corporate Services							

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reasons for Deviations
Approved corporate services implementation plan (CSIP) and reports on implementation of the plan	1.2 CSIP approved and progress reports submitted to EXCO	New indicator	Achieved CSIP annual progress report submitted to EXCO by 31 March 2022	Approved corporate services implementation plan (CSIP) and reports on implementation of the plan	Achieved Four CSIP progress report approved by EXCO by 31 March 2023.	N/A	N/A
	1.3 Percentage implementation of CSIP as contained in progress reports	New indicator	Achieved 90% implementation of CSIP as contained in the progress reports by 31 March 2022	90% implementation of approved CSIP by 31 March 2023	Achieved 98% implementation of CSIP were approved by 31 March 2023.	+8 achievement	Out of the 10 targets on the CSIP, the branch achieved 100% on 8 and 90% and 95% on the other two targets respectively.
Sub-programme: Finance							
Approved financial management implement plan (FMIP) and reports on implementation of the plan	1.4 FMIP approved and progress reports submitted to EXCO	New indicator	Achieved FMIP annual progress report submitted to EXCO by 31 March 2022	Four FMIP progress report approved by EXCO by 31 March 2023	Achieved Four annual progress reports approved by EXCO by 31 March 2023	N/A	N/A

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reasons for Deviations
	1.5 Percentage implementation of FMIP as contained in the progress reports	New indicator	Not Achieved FMIP progress report for the period ended 31 March 2022 will be submitted to EXCO in May 2022 due to financial year-end closure	90% implementation of approved FMIP by 31 March 2023	Achieved 90% implementation of approved FMIP by 31 March 2023	N/A	N/A
Sub-programme: Internal Audit and Organisational Risk Management							
Report on investigated corruption cases	1.6 Percentage of reported corruption cases that are investigated and resolved	New indicator	New indicator	90% of reported corruption cases investigated and resolved by 31 March 2023	Not Achieved 0% of reported corruption cases investigated and resolved by 31 March 2023	The investigation on the one reported alleged corruption/fraud case was finalised in April 2023.	The reported alleged fraudulent case was reported to internal audit towards end of quarter 3. The investigation only commenced at the beginning of quarter 4 and by 31 March 2023 the investigation was in reporting stage, with only a draft preliminary report completed. Therefore, the steps to be taken to resolve the case will be dependent on the final report outcomes and recommendations.
Policy Toolkit	1.7 DCoG policy toolkit developed	New indicator	New indicator	DCoG Policy toolkit developed by 31 March 2023	Achieved Policy toolkit developed and routed to Minister for approval in December 2022.	N/A	N/A

Linking performance with budgets

Sub-programme expenditure

Programme 1: Administration	2022/23				2021/22	
	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	%	R'000	R'000
Sub-programme						
1. Ministry	39 879	39 736	143	99,6%	33 909	29 771
2. Human Capital Management	28 123	27 890	233	99,2%	21 306	21 306
3. Corporate Services	159 573	159 468	105	99,9%	160 594	160 231
4. Financial Services	54 637	54 539	98	99,8%	50 866	49 674
5. Internal Audit Aactivitynd Risk Management	11 831	11 782	49	99,6%	10 573	9 684
6. Office Accommodation	54 665	54 665	-	100,0%	61 627	61 627
	348 708	348 080	628	99,8%	338 875	332 293
Economic classification						
Current payments	341 606	341 383	223	99,9%	333 038	326 457
Compensation of employees	167 151	166 990	161	99,9%	164 721	158 615
Goods and services	174 451	174 389	62	100,0%	168 317	167 842
Interest and rent on land	4	4	-	100,0%	-	-
Transfers and subsidies	2 870	2 540	330	88,5%	1 336	1 335
Payments for capital assets	3 948	3 873	75	98,1%	4 450	4 450
Payment for financial assets	284	284	-	100,0%	51	51
	348 708	348 080	628	99,8%	338 875	332 293

Strategy to overcome areas of under performance:

1.1: Improved audit opinion expressed by the Auditor-General of South Africa (AGSA)

The Department has strengthened the internal controls especially in qualification areas. Furthermore, the Department is in the process of automating the Asset Management and other processes. The capacity is being strengthened through a Result Management Office. The Asset Management Policy including the Financial Management Improvement Plan has been reviewed to respond to the current challenges.

1.6: Percentage of reported corruption cases that are investigated and resolved

Project plans with clear timelines are set for all investigations to ensure that the investigations are finalised timely. The indicator and target on the investigations will be monitored at the operational plan level during the 2023/24 financial year. The steps to be taken to resolve the case is dependent on the final report outcomes, recommendations and management actions taken. Follow-up will be performed to ensure that action is taken by management/ the accounting officer.

4.2 PROGRAMME 2: LOCAL GOVERNMENT SUPPORT AND INTERVENTIONS MANAGEMENT

Purpose: Conduct performance monitoring, support and interventions in municipalities and provincial Departments of Cooperative Governance that will drive Back to Basic activities.

Programme 2 has the following sub-programmes:

a) Municipal Performance Monitoring

One of the projects was for the **Integrated Monitoring Framework for the DDM reporting** to be consulted and piloted in identified districts/metros. The DDM Integrated Monitoring and Evaluation (IM&E) Framework and its Process and Procedures Manual has been updated and reviewed, including consultations and input from DDM pilot site stakeholders. The DCoG relied on the support of the Development Bank of Southern Africa (DBSA) Programme Management Office (PMO) to implement the DDM in the three pilot sites. The piloting process of the IM&E Framework continued in the Ethekwini Metro and extensive work has been undertaken on the development of the draft M&E plan for the One Plan in the metro. The PMO reported that the development of a Monitoring and Evaluation (M&E) Plan for the One Plan is a comprehensive and continuing process taking time, extensive engagement and refinement of the M&E Plan as demonstrated with the development of the M&E Plan in Ethekwini. This resulted in the M&E Plans for the One Plan for the other two pilot sites in OR Tambo and Waterberg Districts not being developed. It needs to be indicated as a mitigating factor that the APP did not describe what is meant with “piloting” of the Framework, for example that an M&E Plan for the One Plan should be developed (as evidence of piloting).

Another project was for the development of the **DDM Information Management System (IMS)** and to have it piloted in one district. Progress shows that the “production deployment” of the One Plan Module, or the rollout, in the three DDM pilot sites have been approved by the DDM Project Steering Committee on 31 March 2023. This will allow for users in the three DDM pilots to commence with the electronic capturing of the One Plan.

Other key deliverables completed include:

- Development and completion of the functionality for the development and capturing of the One Plan through its 7 stages.
- Development of the functionality for the reporting of progress on the One Plan.
- The testing and identification and training of users with regard to the One Plan Module in the DDM pilot sites.

The Functional Requirement Specification (FRS) document for the Municipal Performance Module of the DDM IMS was developed and approved, outlining the functionality requirements of the Municipal Performance Module (to be followed by development of the Module).

- The Functional Requirement Specification (FRS) document for the Municipal Performance Module of the DDM IMS based on the LG indicators issued in the joint MFMA Circular Nr 88 was developed and approved, outlining the functionality requirements of the Municipal Performance Module (to be followed by development of the Module).

With regard to **Municipal Performance reporting**, in practice the performance information needed for the monitoring and support of local government is often not of the quality required and not timeously received. We need to strengthen and support the structures, systems and capacities required to build local government. This necessitates greater information sharing, of a higher quality and with stronger coordination across spheres, particularly by the Department of Cooperative Governance, National Treasury and the Department of Planning, Monitoring and Evaluation.

The joint government Reporting Reforms work and process has been about moving towards producing reliable information about local government performance through a common understanding and standardization of information. It was reported last year that a set of indicators with standardised definitions, differentiated per municipal grouping, was developed under guidance of the Joint Planning, Budgeting and Reporting Reforms Steering Committee between the National Treasury, DCoG and

Department of Planning, Monitoring and Evaluation, also including the South African Local Government Association (SALGA), the South African Cities Network (SACN), Statistics South Africa and Auditor-General of South Africa. The set of indicators was issued in the first joint MFMA Circular Nr 88 and its annual updates, with one of its main aims to reduce the reporting burden on municipalities through a rationalised, single set of indicators, differentiated per municipal grouping. As it is a joint government reform and process of the above Departments and institutions following a collaborative approach, it also included extensive consultation between relevant national sector Departments, provincial CoGTA Departments and local government, with resultant buy-in and a shared understanding of the reform.

The joint MFMA Circular 88 reporting reforms of the above Departments and role players made considerable progress producing reliable information through common definitions of the performance information in the eight metropolitan municipalities since 2018/2019 FY, with emerging evidence-based insights to improve delivery. Piloting in the rest of local government commenced from the 2021/22 FY and continued in 2022/23, as agreed, that the indicators would be piloted in all non-metro municipalities before regulation, not to receive negative audit outcomes from reporting on the indicators while still testing and getting their data systems in place. More support and guidance is required to provincial CoGTA Departments and municipalities to improve reporting in the 249 non-metro municipalities and then to increase the quality of the data being provided for use in performance analysis.

In January 2023, the DCoG commenced with developing a Municipal Performance Assessment Tool (MPAT) to be able to uniformly assess and categorise municipalities across provinces in terms of their performance. The initial draft assessment tool was updated and further aligned as a prioritised subset of indicators from the joint MFMA Circular Nr 88, to avoid fragmenting and duplicating requests for the same performance information from local government, and ensure the Tool is consistent with the reform provisions already being institutionalized. To avoid duplication of reporting, the information for the Tool will be drawn from a prioritised subset of indicators from

MFMA Circular Nr 88. The Tool will be a “data processing” instrument, and all municipalities will be required to report on the identified priority indicators of MFMA Circular Nr 88 as a minimum, which will make it compulsory for reporting before official regulation. The Tool has been consulted further with inputs and comments from stakeholders, updated accordingly, and has been submitted for consideration for approval to be issued for reporting in the 2023/24 municipal FY.

b) Local Government Improvement Programme

The programme deals with diagnosing municipal challenges and develop support packages in collaboration with other branches within CoGTA, sector Departments, provinces, and entities. Post the tabling of the 2021 August State of LG report to Cabinet that identified 64 municipalities as dysfunctional, the Department facilitated implementation of the Cabinet resolution to develop a Framework on Municipal Support and Intervention Plans (MSIPs). The MSIPs that outlined legislative provisions for support & interventions in terms of Section 154 and 156 of the Constitution, 1996 and highlights criteria for section 139 constitutional interventions in line with the CoGTA/NT Intervention Collaborative Framework. Several meetings with national and provincial sectors and provincial CoGTA's were held during August 2021 to explain and refine the Framework. CoGTA, in collaboration with relevant stakeholders continues to implement the Framework on MSIPs which was adopted by CoGTA MinMEC. MSIPs are intergovernmental support plans to address the short and medium-term challenges in the key local government performance areas. MSIPs for municipalities have been developed and for municipalities placed under mandatory intervention in terms of Section 139(5), Financial Recovery Plans (FRP's) have been developed.

MSIPs for municipalities have been developed for the 64 dysfunctional municipalities and for municipalities placed under mandatory intervention in terms of Section 139(5), Financial Recovery Plans (FRP's). A joint approach was adopted between NT and CoGTA, Provincial CoGTAs and Treasuries to support the 43 identified distressed municipalities. The Provincial CoGTAs through the responsible MEC tabled quarterly progress reports on the status of implementation of MSIPs in the COGTA MinMEC meeting held on 13 July 2022.

The Provincial CoGTAs are at different levels with regards to the implementation of the MSIPs. Provinces such as Mpumalanga, KwaZulu-Natal, Western Cape have institutionalised processes for monitoring and reporting MSIP implementation. Some provinces established the Rapid Response Teams and Multi-disciplinary teams to deal with municipalities in crisis, supported by the Political Principals e.g. One-on-One engagements. Provinces have varying capacities to support municipalities and to implement new national government priorities and policies. Political instability, especially in municipalities that have coalition governments, is impacting negatively on the implementation of MSIPs. A viable support to municipalities should be characterised by a national government Department that build and support provinces to support municipalities on provincially existing mechanisms and enhance such.

The State of Local Government for the municipal financial year 1 July 2021 – 30 June 2022 was reviewed and assessed against the recommendations made in the State of Local Government Report submitted to Cabinet in 2021. The assessment of the SOLG during June 2022 against the performance of municipalities during July 2021 has shown a marked improvement in performance of municipalities, nearly 100 percent increase of municipalities that moved to the stable category. The KwaZulu-Natal Province is the biggest contributor of 10 municipalities which moved to the stable category due to a re-assessment process undertaken. Also the development of customised MSIP packages for intense and high priority interventions and support by the Provincial CoGTA Department to deploy governance and financial experts as well as interventions by Political Champions. Such yielded the following positive results such as:

- Political / Administrative stability
- Functional Audit Committees, MPAC training for consideration of UIFW reports; functional Council structures, appointment of competent and qualified Municipal Managers and Section 56 managers
- Financial Management improved due to funded budgets, UIFW expenditure addressed and prevention measures implemented, implementation of audit action plans;

Service delivery – improved water supply, rehabilitation of landfill sites

c) Intergovernmental Policy and Practice

The sub-programme Intergovernmental Policy and Practice focused on the review and strengthening the policy and institutional framework for intergovernmental relations and the management of powers and functions. The primary focus of the work package of the sub-programme were largely focused on policy development and review of key legislation framing intergovernmental relations and the assignment of powers and functions at a local government level.

A key initiative that framed the work and programme implementation was the development of section 47(1) (b) of the IGRFA regulations that will legally frame the institutionalisation of the DDM and the implementation of the DDM through intergovernmental long-term One Plans. The sub-programme followed extensive intergovernmental consultations and dialogues to the development of these regulations, which were by the end of the financial year submitted to Government Printers for publishing for public comment during the beginning of Q1 of the 2023/24 financial year.

The development of further amendments to sections 84(1) and 85) of the Local Government: Municipal Structures Act of 1998 following extensive intergovernmental consultations and dialogues was another key focus area of the sub-programme. A draft amendment bill was produced, which will be processed through the require Cabinet and Parliamentary structures and processes during the 2023/24 financial year.

Continuation with the amendments to the Intergovernmental Relations Framework Act of 2005 was another key focus area of the sub-programme resulting in the development of a Intergovernmental Relations Framework Amendment Bill. The IGRFA Amendment Bill will be processed through the required Cabinet and Parliamentary structures and processes during the 2023/24 financial year.

MIG PROJECTS WITH ACTUAL EXPENDITURE

Note the 2021/22 municipal Financial Year came to an end within the 2022/23 National Financial year.

National Overview of MIG Expenditure as at 30 June 2022

Province	Allocated (R'000)	Transferred to date (R'000)	Transfers as % allocation	Estimates of National Expenditure to date (R'000)	Expenditure as % allocation (exc roll-overs)	Expenditure as % transferred (exc roll-overs)	Unspent balance (R'000)
Eastern Cape	3,150,667	3,150,667	100.00%	2,604,123	82.65%	82.65%	546,544
Free State	779,352	779,352	100.00%	618,398	79.35%	79.35%	160,954
Gauteng	281,652	281,652	100.00%	204,420	72.58%	72.58%	77,232
KwaZulu-Natal	3,585,280	3,585,280	100.00%	3,563,584	99.39%	99.39%	21,696
Limpopo	3,100,822	3,100,822	100.00%	2,861,588	92.28%	92.28%	239,234
Mpumalanga	1,889,630	1,889,630	100.00%	1,832,232	96.96%	96.96%	57,398
Northern Cape	472,148	472,148	100.00%	346,371	73.36%	73.36%	125,777
North West	1,878,769	1,878,769	100.00%	1,525,171	81.18%	81.18%	353,598
Western Cape	454,428	454,428	100.00%	436,195	95.99%	95.99%	18,233
TOTAL	15,592,748	15,592,748	100.00%	13,992,082	89.73%	89.73%	1,600,666

Source: MIG DoRA – June 2022

The above indicates that the Municipal Infrastructure Grant (MIG) has spent approximately R14 billion (89.73%) of the R15.6 billion MIG allocation that was allocated to the programme for the 2021/22 financial year. One hundred percent of the total 2021/22 allocation of R15.6 billion was transferred to municipalities as at the end March 2022. The highest expenditure reported by municipalities against the provincial allocation was by municipalities in KwaZulu-Natal Province that spent R3.5 billion (99.39%) of their R3.6 billion 2021/22 MIG allocation.

The lowest expenditure as at the third quarter of the municipal financial year was recorded by the Gauteng Province that spent 72.28% or R204 million of their total allocation of R281.7 million.

The National Treasury approved a total rollover amount of R333.7 million of the unspent funding of the 2020/21 financial year.

Province	% Water	% Sanitation	% Street/Community Lighting	% Roads & Storm Water	% Solid Waste Facilities	% Sport & Rec Facilities	% Community Facilities	LED
EC	43%	22%	1%	25%	1%	3%	6%	0%
FS	22%	30%	2%	33%	4%	5%	4%	0%
GT	17%	39%	3%	35%	0%	2%	3%	0%
KZN	31%	24%	1%	29%	1%	7%	7%	0%
LP	53%	5%	0%	33%	1%	5%	1%	1%
MP	33%	16%	2%	42%	1%	3%	2%	0%
NC	20%	18%	6%	42%	6%	6%	3%	0%
NW	15%	30%	6%	36%	1%	5%	7%	0%
WC	18%	16%	2%	51%	5%	4%	2%	2%
TOTAL	36%	19%	2%	33%	1%	5%	4%	0%

Source: MIG-MIS project list of June 2022

The expenditure reflected in the above table shows the percentage of funds that were spent cumulatively during the fourth quarter of the 2021/22 financial year (April

2022 to 30 June 2022) on different project categories funded by the MIG.

Number of MIG projects with Actual Expenditure as at 30 June 2022

Province	Water	Sanitation	Street/ Community Lighting	Roads & Storm water	Solid Waste Facilities	Sport & Rec Facilities	Community Facilities	LED
EC	86	69	4	170	4	21	50	2
FS	29	28	3	43	8	17	5	0
GT	2	8	1	12	0	1	2	0
KZN	106	58	17	267	6	66	113	5
LP	50	13	5	83	3	19	10	3
MP	58	49	9	92	4	10	6	0
NC	16	11	5	21	1	6	4	0
NW	29	23	16	73	2	13	28	5
WC	20	17	6	55	2	9	3	1
TOTAL	396	276	66	816	30	162	221	16

Source: MIG-MIS project list of June 2022

The above table shows the number of projects per sector with actual expenditure as at 30 June 2022. The roads and storm water sector have the largest number of projects being implemented nationally in all nine provinces. As at the end of the fourth quarter of the 2021/22 municipal financial year, there were 816 roads and storm water projects on which MIG funds were spent and were either in design and tender, construction or completion phases.

In all provinces that reported, the number of roads and storm water projects outnumbered all the other project categories. Water projects (396 projects) constitute the

second largest number of projects amongst the various categories and sanitation (276 projects) the third largest number.

Note the third quarter of the 2022/23 Municipal Financial Year is aligned to the fourth quarter of the 2022/23 National Financial Year.

The MIG allocation for the 2022/23 financial year is R16.8 billion. As at the end of March 2023 (the third quarter of the municipal financial year), the overall national performance per province is indicated below:

National Overview of MIG Expenditure as at 31 March 2023

Province	Allocated (R'000)	Transferred to date (R'000)	Transfers as % allocation	Expenditure to date (R'000)	Expenditure as % allocation (exc roll- overs)	Expenditure as % transferred (exc roll- overs)	Unspent balance (R'000)
Eastern Cape	3,490,712	3,490,712	1	1,809,743	1	1	1,680,969
Free State	844,877	844,877	1	397,514	1	1	447,363
Gauteng	449,940	449,940	1	156,073	0	0	293,867
KwaZulu-Natal	3,663,143	3,663,143	1	2,340,054	1	1	1,323,089
Limpopo	3,362,772	3,362,772	1	1,711,623	0	0	1,651,149
Mpumalanga	2,007,800	2,007,800	1	1,402,554	1	1	605,246
Northern Cape	492,495	492,495	1	235,288	0	0	257,207
North West	2,009,965	2,009,965	1	961,404	1	1	1,048,561
Western Cape	520,297	520,297	1	242,709	0	0	277,588
TOTAL	16,842,001	16,842,001	1	9,256,962	1	1	7,585,039

Source: MIG DoRA – March 2023

The above table indicates that the MIG has spent approximately R9.3 billion (54.96%) of the R16.8 billion MIG allocation that was allocated to the programme for the 2022/23 financial year. One hundred percent (R16.8 billion) of the total 2022/23 allocation was transferred to municipalities as at end March 2023. The highest percentage expenditure reported by municipalities against the provincial allocation was by municipalities in the Mpumalanga Province that spent R1.4 billion (67.66%) of their R2 billion 2022/23 MIG allocation. Note that

KwaZulu-Natal Province has spent the highest amount of R2.3 billion by the end of March 2023, the second highest performer in terms of percentage spent against the provincial 2022/23 MIG allocation.

The lowest expenditure as at the third (as in the first and second quarter) of the municipal financial year was recorded by the Gauteng Province that spent 39.02% or R156 million of their total allocation of R449.9 million.

MIG Expenditure per Sector as at 31 March 2023

Province	% Water	% Sanitation	% Street/Community Lighting	% Roads & Storm Water	% Solid Waste Facilities	% Sport & Rec Facilities	% Community Facilities	LED
EC	49%	10%	1%	31%	1%	0%	8%	0%
FS	28%	31%	1%	26%	7%	0%	8%	0%
GT	13%	40%	4%	37%	0%	0%	6%	1%
KZN	34%	23%	1%	26%	2%	0%	14%	0%
LP	47%	2%	0%	41%	2%	0%	6%	1%
MP	32%	17%	0%	44%	3%	0%	4%	0%
NC	40%	24%	2%	24%	4%	0%	7%	0%
NW	5%	39%	6%	35%	3%	0%	10%	1%
WC	27%	7%	4%	54%	2%	0%	2%	4%
TOTAL	36%	18%	1%	34%	2%	0%	9%	0%

Source: MIG-MIS project list of March 2023

The expenditure reflected in the above table shows the percentage of funds that were spent cumulatively during the third quarter of the 2022/23 financial year (January 2023 to 31 March 2023) on different project categories funded by the MIG.

In the third quarter of the current financial year, expenditure on water projects as well as roads projects are the highest at 36% and 34%, respectively. Sanitation projects constitutes the third highest expenditure of 18%.

Number of MIG projects with Actual Expenditure as at 31 March 2023

Province	Water	Sanitation	Street/Community Lighting	Roads & Storm water	Solid Waste Facilities	Sport & Rec Facilities	Community Facilities	LED
EC	59	50	5	167	7	3	55	1
FS	17	16	2	27	5	0	16	0
GT	5	10	3	19	1	0	5	1
KZN	86	52	12	193	5	3	146	6
LP	41	10	5	63	6	1	18	1
MP	54	37	6	99	9	0	11	0
NC	17	17	3	10	1	0	5	0
NW	12	19	12	58	2	0	23	7
WC	17	4	1	40	2	1	5	1
TOTAL	308	215	49	676	38	8	284	17

Source: MIG-MIS project list of March 2023

The above table shows the number of projects per sector with actual expenditure as at 31 March 2023. The roads and storm water sector have the largest number of projects being implemented nationally in all nine provinces. As at the end of the third quarter of the 2022/23 municipal financial year, there were 676 roads and storm water projects on which MIG funds were spent.

In all provinces that reported, the number of roads & storm water projects outnumbered all the other project categories. Water projects (308 projects) constitute the second largest number of projects amongst the various categories and sanitation (215 projects) the third largest number.

d) Municipal Infrastructure Support Agent

MISA has continued to provide support to the 44 district municipalities to have access to sustainable services through strengthening of municipalities' capacity that provides reliable municipal infrastructure in a manner that creates jobs for local communities and contributes to economic growth. Support to each of these municipalities was set out in the Technical Support Plan (TSP) and supported by the Memorandum of Understanding (MoU) developed jointly by MISA provincial teams with the respective municipalities. Although technical support provided by MISA has enabled municipalities to undertake activities relating to planning, infrastructure development and maintenance, most municipalities continue to experience a disruption in services like the provisioning of non-revenue water. MISA, through the development and implementation of water conservation and water demand plans had managed in the past year to improve the water management system for the benefit of all in the communities.

Fifteen selected districts have been identified for support on operations and maintenance activities to reduce the 8% target in our five-year Strategic Plan, in addition to improving their infrastructure asset management practices. MISA has consistently supported municipalities to achieve 90% of their expenditure in the previous financial year. MISA has developed 30 Spatial Development Frameworks (SPLUMA) compliant plans, Land Use Management Schemes (LUMS), Spatial Development Frameworks (SDFs), Integrated Development Plans (IDPs), etc., across 20 districts. Twenty district municipalities were identified and supported with the development and/or implementation of Water Conservation or Water Demand Management (WC/WDM) strategies, with a

further 15 districts supported with the implementation of Integrated Waste Management (IWM) services. MISA also identified 15 districts to develop electricity strategies and implementation of these strategies that assisted in improving capacity to deliver access to electricity services. MISA further supported five Water Services Authority (WSAs) with the integration and prioritisation of strategies for alignment of bulk and reticulation projects in municipal IDPs.

All of the above programmes have contributed towards the reduction of backlogs and improved service delivery.

Assessment on infrastructure condition and municipal capacity in 10 districts was undertaken to assess the functionality of water and sanitation infrastructure, including capacity to maintain infrastructure assets and implement infrastructure projects within these municipalities. Areas where municipalities need to improve on functionality and general performance of water and sanitation infrastructure as well human capacity were identified. These assessments contributed towards the number of districts supported to improve capacity to deliver infrastructure to increase access to water and sanitation services. The next step in the new financial year would involve further interaction with municipalities to advise on areas of improvement, recommending alternative technologies where required.

Initiatives undertaken in the 2022/23 financial year to improve efficiency in infrastructure management, through increased municipal technical capacity in 44 districts, include the following:

- MISA contributed towards creating a technical skills pipeline in municipalities through placement of 318 youth (learners and candidates) in host municipalities across the country.
- A total of 510 municipal officials, from 42 districts and 8 metros, attended MISA facilitated technical skills training courses in areas such as:
 - Road Construction, Maintenance and Rehabilitation;
 - General Conditions of Contracts (GCC) 2015;
 - Estimating, Costing and Pricing of Construction;
 - Advanced Water Treatment Processes;
 - SPLUMA Guidelines for Special Development Framework;
 - Fundamentals of Procurement and Tendering;

- Pressure Pipeline and Pump Station Design and Specifications; and
- Development of Asset Management Plans.
- A total of 105 municipal general workers from 8 districts were enrolled in the MISA Recognition of Prior Learning (RPL) Programme to enhance their technical skills and work towards obtaining formal qualifications.

During 2022/23 financial year, seven local municipalities (spread across seven district municipalities) were supported to implement the long-term infrastructure investment plans and seven municipalities (spread across six district municipalities) were supported with the accessing of alternative funding sources. Seven municipalities (spread across six district municipalities) were supported on climate change mitigation and adaptation funding. Over the next outer years of the Medium-Term Expenditure Framework (MTEF), the unit will focus on supporting 20 district and metro spaces with identified infrastructure related interventions. The unit will also continue to collaborate with the financiers and other relevant stakeholders (SALGA, National Treasury, etc.) to increase infrastructure investments for the identified dysfunctional municipalities.

Over the MTEF period, MISA's focus will be on supporting the 52 districts/metros in implementing innovative procurement mechanisms. The programme also provides municipalities with an alternative procurement strategy through the use of framework contracts to improve infrastructure procurement efficiencies and shorten the procurement period. Ten municipalities were supported with the implementation of IDMS whilst 14 municipalities were supported with the enhancement of infrastructure procurement practices to improve capacity to deliver infrastructure to increase access to water services for both local and districts, supported over five years. MISA also supported a further 20 municipalities on the rolling out of the Local Government Framework for Infrastructure Delivery and Procurement Management (FIDPM).

MISA has also during the 2022/23 financial year, started with a process of looking at our long-term strategy for the organisation. This process culminated in the development of a Theory of Change Framework for the organisation, as well as making amendments to our approved Strategic Plan 2020–2025. These amendments were included in our approved Annual Performance Plan 2023/24 as an annexure, with the implementation date of these amendments to the Strategic Plan being 01 April 2023.

Municipal Demarcation Board

During the year under review, the Municipal Demarcation Board managed to determine and re-determine municipal outer boundaries for all municipalities that qualify. This target has been fully achieved as per the MDB's Annual Performance Plan (APP). A total of 58 municipalities with spatial boundary descriptions were finalised and a total of 4 468 wards profiled, while two cases of re-determination were evaluated to determine the impact on service delivery and development.

South African Cities Network

The South African Cities Network (SACN) had engagements with the Nelson Mandela, Mangaung and City of Johannesburg Metropolitan Municipalities to obtain insights that would enable the SACN to design city-informed programmes and ensure that the SACN works well within cities. Discussions have started with cities about their needs and how the SACN's programmatic work can respond to their needs. SACN hosted the Urban Festival in partnership with DCoG, the Department of Human Settlements (DHS), SALGA and the Civic Tech Innovation Network, and further held engagements with the World Resource Institute (WRI), Nelson Mandela Bay Municipality and the City of Johannesburg related to the WRI Urban Water projects. The organisation participated in various events, including World Bank/IFC and UN-HABITAT Local Public Section Alliance webinar, World Forum on Urban Violence and Education for Peace, UNHABITAT Her City Launch, and World Planning Day.

The table below presents the outcomes, outputs, output indicators, targets and actual achievements for the APP 2022/23 FY that was tabled on 10 March 2022 and implemented on 31 March 2022.

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reason for Deviations
Outcome: Integrated planning and service delivery							
Outcome 1: Functional inter-governmental governance systems							
DDM district and metro One Plan	2.1 Number of district and metro One Plans developed	One Plans developed for the 3 pilot sites	Not Achieved 40 district and 6 metro One Plans developed This is 88% of the planned target	44 districts and 8 metro One Plans reviewed and updated by 31 March 2023	NOT ACHIEVED 42 district and 4 metro One Plans reviewed and updated by 31 March 2023	-2 districts and -4 metro	Delays from provinces in finalising the updating of the One Plans within the indicated timelines
Gender-Base Violence and Femicide (GBVF) preventative measures	2.2 Guideline for mainstreaming of the GBVF in the IDPs of municipalities developed	New indicator	Alignment of One Plans and the IDPs including the GBVF targets by 31 March 2022	Guideline for mainstreaming of the GBVF in the IDPs of municipalities developed by 31 March 2023	Achieved Guideline for mainstreaming of the GBVF in the IDPs of municipalities developed by 31 March 2023.	N/A	N/A

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reason for Deviations
Sub-programme: Performance Monitoring							
DDM Integrated Monitoring Framework	2.3 Integrated Monitoring Framework for DDM reporting consulted and piloted in identified districts/metros	New indicator	New indicator	Integrated Monitoring Framework for DDM reporting consulted and piloted in 3 districts/metros by 31 March 2023.	Not Achieved Integrated Monitoring Framework for DDM reporting was not consulted and piloted in 3 Districts/ Metros 31 March 2023	The IM&E Framework does not reflect as draft M&E Plans for the One Plans in the two DDM pilot sites of OR Tambo and Waterberg districts, what is in the Programme Implementation Plan of the DBSA PMO with the DCoG, namely that 3 pilot M&E Plans for the One Plan developed by 31 March 2023.	The DCoG had to rely on the DBSA PMO to implement the DDM in the 3 pilot sites. The PMO reported that as the development of an M&E Plan for the One Plan is a comprehensive and continuing process taking time, extensive engagement and refinement of the M&E Plan (as demonstrated with the development of the M&E Plan in eThekweni), it resulted in the M&E Plans for the One Plan for the other two pilot sites not being developed.
DDM Integrated Monitoring System (IMS)	2.4 DDM IMS developed and implemented	New indicator	Achieved The DDM One Plan Prototype has been developed as the first release of a DDM priority module	DDM IMS developed and piloted in 1 districts by 31 March 2023	Achieved. DDM IMS developed and piloted in 1 Districts by 31 March 2023	N/A	N/A

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reason for Deviations
Outcome: Functional Inter-Governmental Governance Systems							
Local Economic Development	2.5 Number of district and metro Economic Recovery Plans implementation monitored	New indicator	New indicator	44 districts and 8 metros Economic Recovery Plans implementation monitored by 31 March 2023	Not Achieved 31 districts and 4 metros Economic Recovery Plans implementation monitored by 31 March 2023.	13 districts and 4 metros Economic Recovery Plans implementation monitored by 31 March 2023.	Implementation of Economic Recovery Plans could not be monitored in some districts and metros due to the non-submission of progress reports.
MIG allocations spent on municipal infrastructure	2.6 Percentage of MIG allocations spent on municipal infrastructure	Revised indicator	Revised indicator	85% of 2021/22 MIG allocations spent on municipal infrastructure by June 2022	Achieved 89.7% of the 2022/23 MIG allocations was spent on municipal infrastructure by 30 June 2022.	Over achieved by 4.7%	The MIG is a direct Grant to municipalities and thus the Department report on expenditure as the administrator in terms of the Division of Revenue Act and cannot be held responsible for the MIG expenditure performance of municipalities.
				60% of 2022/23 MIG allocations spent on municipal infrastructure by March 2023	Not Achieved 54.9% of MIG allocations spent on municipal infrastructure by March 2023 by the end of November 2022	-5.1% under achievement	Municipalities reported the following challenges impacting on performance: <ul style="list-style-type: none"> • supply chain management delays; • poor performance of contractors; • business forum interferences impacting on project progress; • delay in the payment of invoices impacting on expenditure reporting; • changing of project implementation priorities; and • vacant positions

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reason for Deviations
District/metro hubs	2.7 Number of reports on the identified district/metros readiness to establish and operationalise the district/metro hubs	Hubs established for 2 districts and 1 metro by 31 March 2021	Hub managers and hub administrative support staff appointed in 2 districts and 1 metro by 31 March 2022	3 reports on the identified districts/metros readiness to establish and operationalise the district/metro hubs by 31 March 2023	Achieved 3 readiness reports for KZN, Gauteng and Eastern Cape provinces produced.	N/A	N/A
Outcome: Sustained Good Municipal Governance							
Three Smart Cities (Small Towns)	2.8 Number of small towns identified for redesign and refurbishment as smart cities/towns	Smart Cities Framework developed by 31 March 2021	Smart Cities Framework included into 3 DDM One Plans by 31 March 2022	Three existing towns identified and plans for redesign and refurbishment as cities/towns developed by 31 March 2023	Not Achieved Three existing towns not identified and plans for redesign and refurbishment as cities/towns were not developed by 31 March 2023	-3 existing towns	SCM finalising the appointment of a service provider and the project will now be undertaken in the 2023/24 financial year. The project requires technical expertise to develop the plans for redesign and refurbishment.
One Coastal City planned	2.9 Number of progress reports on planned Coastal City	3 progress reports on planned Coastal City by 31 March 2023	New indicator	Three progress Reports on planned Coastal City by 31 March 2023	Achieved – 3 progress reports submitted on planned Coastal City (MISA output).	N/A	N/A

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reason for Deviations
Outcome: Sustained Good Municipal Governance							
	2.10 Intergovernmental Monitoring, Support and Intervention Bill submitted in Parliament	New indicator	New indicator	IMSI Bill submitted in Parliament by 31 March 2023	Not Achieved IMSI Bill submitted was not in Parliament by 31 March 2023	The GSCID Ministerial Cluster delayed the submission of the Bill to Cabinet for approval to publish for public comments by the target date, and directed further consultations and seek legal advice on the effects of the Bill).	IMSI Bill submitted in Parliament by 31 March 2023 (The Bill served before the Governance State Capacity and Institutional Development (GSCID) Cluster on 16 November 2022, and the DG Cluster on 24 November 2022. Thereafter, the Bill was served before the Cabinet Ministerial Cluster on 29 November 2022. The GSCID Ministerial Cluster delayed the submission of the Bill to Cabinet for approval to publish for public comments by the target date, and directed further consultations and sought legal advice on the effects of the passing of the Bill).
Municipal Support and Intervention Plans	2.11 Number of dysfunctional municipalities supported to implement Municipal Support & Intervention Plans (MSIPs)	New indicator	New indicator	64 dysfunctional municipalities supported by 31 March 2023	Achieved 64 dysfunctional municipalities supported by 31 March 2023	N/A	N/A

Programme 2: Local Government Support and Intervention Management	2022/23				2021/22	
	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	%	R'000	R'000
Sub-programme						
1. Management: Local Government Support and Intervention Management	5 406	4 215	1 191	78,0%	4 688	3 007
2. Performance Monitoring	16 850	16 197	653	96,1%	15 293	13 585
3. Local Government Improvement Programme	47 880	47 880	-	100,0%	25 894	21 810
4. Municipal Infrastructure Support Agent Municipal Infrastructure Grant Administration	22 655	19 994	2 661	88,3%	34 744	32 405
5. Urban Development Planning	10 519	10 519	-	100,0%	8 595	6 572
6. Integrated Districts and Regional Spatial Planning	10 932	8 629	2 303	78,9%	11 211	11 210
7. Intergovernmental Monitoring, Support and Intervention Intergovernmental Policy and Practice	10 396	2 629	7 767	25,3%	8 408	5 153
8. Integrated Urban Development Grant	1 085 368	1 085 368	-	100,0%	1 009 068	1 009 068
9. Municipal Demarcation Board	74 340	74 340	-	100,0%	70 601	70 601
10. South African Cities Network	8 508	8 508	-	100,0%	8 161	8 161
11. Municipal Infrastructure Grant	16 842 001	16 842 001	-	100,0%	15 592 748	15 592 748
12. Municipal Infrastructure Support Agent	400 216	400 216	-	100,0%	628 864	628 864
	18 535 071	18 520 496	14 575	99,9%	17 418 275	17 403 184
Economic classification						
Current payments	123 910	109 336	14 574	88,2%	108 338	93 247
Compensation of employees	93 721	87 022	6 699	92,9%	90 764	81 439
Goods and services	30 189	22 314	7 875	73,9%	17 574	11 808
Transfers and subsidies	18 411 020	18 411 020	-	100,0%	17 309 817	17 309 817
Payments for capital assets	64	63	1	98,4%	116	116
Payment for financial assets	77	77	-	100,0%	4	4
TOTAL	18 535 071	18 520 496	14 575	99,9%	17 418 275	17 403 184

Strategy to overcome areas of under performance:

2.1 : 44 districts and 8 metro One Plans reviewed and updated by 31 March 2023. The Department has achieved 88%, 42 district and 4 metro updated One Plans have been submitted from 8 provinces - 46 in total (88%). Districts are engaged through MINMEC and other relevant structures to ensure that district municipalities review and update their One Plans. There are also ongoing Presidential Imbizo Outreach Programmes to engage on review and implementation of District One Plans. It is important to effectively utilise the existing IGR structures to communicate the requirement of an acceptable District One Plan. The approval, consultation and gazetting of section 47(1)(b) of the IGRFA Regulations and Amendment Bill will also contribute towards sustainable One Plan processes.

2.3 : Integrated Monitoring Framework for DDM reporting consulted and piloted in 3 districts/ metros by 31 March 2023. DDM Integrated Monitoring and Evaluation (IM&E) Framework and its Process and Procedures Manual was updated and reviewed, including consultations and input from DDM Pilot Site stakeholders. The Integrated Monitoring and Evaluation Framework of the DDM as a guideline document will need to be considered by the LGOS Branch to be issued as policy to be taken into account with the revision of the One Plans and their implementation and monitoring and reporting of progress.

2.5 : 44 districts and 8 metros Economic Recovery Plans implementation monitored by 31 March 2023. The target was not achieved. To ensure that all municipalities comply with the submission of reports on the implementation of economic recovery plans the department issued Circular no 10 of 2022 advising municipalities on the submission dates on the reports. The department made regular follow-ups with municipalities to submit progress reports.

2.6 : 60% of 2022/23 MIG allocations spent on municipal infrastructure by March 2023. The Department achieved 54.9% of MIG allocations spent on municipal infrastructure by March 2023. There is only

a difference of 5,1%. The Department is not responsible for the spending trends of municipalities under a schedule 5B direct grant but will continue conducting under-performance meetings confirming support of under-performing municipalities to ensure the target of 85% as at the end of June 2023.

2.8 : Three existing towns identified and plans for redesign and refurbishment as cities/towns developed by 31 March 2023. This was not achieved as the process requiring technical expertise to prepare the 3D models and therefore the Directorate was unable to deliver the targets. The will finalising the appointment of a service provider and the project will now be undertaken in the 2023/24 financial year.

2.10 : IMSI Bill submitted in Parliament by 31 March 2023. This target was not achieved, but the Bill was served before the Cabinet Ministerial Cluster on 29 November 2022. The GSCID Ministerial Cluster delayed the submission of the Bill to Cabinet for approval to publish it for public comments by the target date, and directed further consultations and sought legal advice on the effects of the passing of the Bill. Once public comments have been obtained and dealt with the Bill will be submitted to the GSCID Ministerial Cluster for approval to be submitted to Parliament.

4.3 PROGRAMME 3: INSTITUTIONAL DEVELOPMENT

Purpose: Build institutional resilience in local government by supporting system development, governance and capacity building

Sub-programmes: The programme is structured into the following sub-programmes:

Management: Institutional Development provides strategic leadership to the programme to ensure compliance and the achievement of Departmental targets in line with the B2B strategy.

Municipal Human Resources Management Systems:

During the 2022/23 financial year, the Department committed to strengthen the capacity of municipalities to perform their functions by embarking on the following support initiatives:

1. Review of Local Government Competency Frameworks and Competency Assessment Batteries for senior managers

The Department committed to review the Local Government Competency Framework and Assessment Batteries for senior managers by 31 March 2023. The Competency Framework and Assessment Batteries for senior managers were reviewed as targeted. During the 2023/24 financial year, the Department will embark on the pilot and validation of the Competency Assessment Batteries.

2. Number of municipalities trained on the implementation of Local Government: Municipal Staff Regulations and Guidelines

The Department committed to train councillors on the implementation of Municipal Staff Regulations through the online system. Training material and the Learner Management System have been developed. Training could not be realised due to Eskom load-shedding crisis and associated network failures. To circumvent these challenges, the Department has put plans in place to change the mode of training for councillors from online to physical training sessions during the 2023/24 financial year. This will be followed by the training of municipal human resource functionaries.

3. Pilot and validate prototype municipal staff establishment for identified different categories of municipalities.

During the financial year under review, the Department committed to pilot and validate prototype municipal staff establishments according to different categories, powers and functions of municipalities. The project commencement date was delayed due to procurement processes.

4. Notice on upper limits of total remuneration packages payable to municipal managers and managers directly accountable to municipal managers (senior managers)

A notice was published on 18 November 2022 determining the cost-of-living adjustments of the upper limits for remuneration of senior managers for 2021/22 municipal financial year, as follows: -

- a one and a half percent (1.5%) cost of living adjustment
 - a non-pensionable cash gratuity of –
 - R1 695.00 payable monthly to senior managers earning a total remuneration package below R1 900 000; and
 - R1 818.00 payable monthly to senior managers earning a total remuneration package of R1 900 000 and above.
5. Notice on upper limits for salaries, allowances and benefits of different members of municipal councils.

A notice was published on 26 August 2022 determining a 3% cost-of-living adjustment of the upper limits for remuneration of different members of municipal councils for 2021/22 municipal financial year.

Municipal Finance:

The Department developed a report on municipalities with reduction of non-revenue water (NRW) and non-revenue electricity (NRE) in their SDBIPs in 2022/23 and communicated corrective measures to 99 non-compliant municipalities on the prioritization of both water and electricity losses in their Service Delivery Budget Implementation Plans (SDBIPs).

The Department developed a Report on the Compliance of Water Services Authority and Electricity Licensed Municipalities' Tariff Policies and Associated Tariff Schedules with the Provisions of Section 74(2)(ii) & (iii) of the Municipal Systems Act and sent letters of compliance to

82 municipalities.

The Department developed 4 reports on the Implementation of the Budget forum Recommendations on the Local Government Fiscal Framework

81 municipalities were assessed on the Municipal Indigent Policies and the findings on the assessments communicated with the municipalities per province.

30 municipalities were supported with the preliminary assessment of Municipal Indigent Registers

Municipalities were supported through the National Responsible Citizenry campaign and engagement with various stakeholders were held, which included provinces, government entities and municipalities for the institutionalisation of the campaign. In this regard, 18 district stakeholder engagements were held.

40 municipal credit control and debt collection policies were analysed and feedback provided to municipalities.

Citizen Engagement:

As part of CoGTA's mandate to regulate, support and monitor public participation in the processes of local government, the Department responded by entering into an Open Government Partnership with GovChat. This is an important partnership, as it comes at no fee to government and can be used by multiple institutions at provincial and local levels to engage the public and it further helps the public to hold government accountable. The public can access the platform on the zero-rated application.

Currently, the platform is being used by over 8 million citizens and it is accessed in over a million unique South African households. Individuals use GovChat to learn who their ward councillor is, to report and rate government facilities, to log service requests with their municipalities, to apply for the South African Social Security Agency (SASSA) grants, to report cases and attain GBVF related services, to report corruption, to register child-care facilities (ECD centres), to access COVID-19 services and to participate in government polls and surveys.

For the period under review, the Department supported the implementation of the GovChat in the nine provinces through various IGR engagements and training support. To date, all the provinces have been engaged on GovChat and they have put measures in place to respond and use it for community participation activities.

The Department also provided support to all provinces on matters relating to ward committees through sharing of documents and policy guidance. Financial support was also provided for catering assistance to municipalities who made such requests. To date, 97% of ward committees have been established across all provinces and measures have been put in place to support those that have not yet been established.

Anti-Corruption and Good Governance:

As part of the broader government efforts to root out corruption in the local sphere of government, the Local Government Anti-Corruption Forum (LGACF) was established in October 2020 under the Chairmanship of the Special Investigating Unit (SIU) supported by DCoG as the Secretariat. The Minister launched the LGACF and the Local Government Ethical Leadership Initiative (LGELI) on 20 September 2022. The launch was done in collaboration with key stakeholders which include heads of law enforcement agencies. In terms of the governance arrangements, the LGACF comprises of a larger Forum and a Steering Committee. Members of the Forum include officials from government, law enforcement agencies, civil society, business and labour. The LGACF brings all key stakeholders together to collectively advance the anti-corruption agenda, strengthen and formalise stakeholder relations in aid of addressing vulnerabilities in the local government sector:

The establishment of the forum is in line with pillar six of the National Anti-Corruption Strategy (NACS) which focuses on the protection of vulnerable sectors and directs strategic interventions to be implemented in those sectors that are prone to corruption. The formation of the LGACF is vital as part of implementation of Local Government Anti-Corruption Strategy (LGACS) and for the purpose of fostering collaboration amongst the stakeholders at the local government level to effectively prevent corruption and coordinate efforts amongst all law enforcement agencies, to ensure that investigative capacity is in place and outcomes such as criminal prosecutions, civil recoveries and any administrative actions are well synthesised.

Anti-Corruption and Ethics Awareness Campaigns

In collaboration with law enforcement agencies and provinces, the Department continues to conduct anti-corruption and ethics awareness workshops as part of the prevention of fraud, corruption, and related offences. The anti-corruption and ethics workshops are conducted to empower and encourage officials and councillors to act with integrity when discharging their duties and building capacity to fight corruption.

Collaboration with law enforcement agencies

The delays in relation to finalisations of investigations and prosecutions has also been identified as one of the challenges in the fight against corruption. In this regard, the Department will continue to collaborate with provinces, municipalities and law enforcement agencies such as the SIU, Hawks and the National Prosecuting Authority (NPA) through the recently established the LGACF.

Municipal Property Rates

Municipal Property Rates guides municipalities to comply with critical rating and valuation aspects of the Municipal Property Rates Act (MPRA) (2004) and its regulations.

A total of 71 municipalities were assessed in terms of compliance with the rating aspects of the Act and outcomes of the assessment findings and recommendations on corrective measures (in the case of non-compliance) were communicated to the municipalities.

Engagements were held with 40 municipalities, and where relevant, non-compliant municipalities were guided to comply with Section 8 (property categorisation) of the Act and on the appropriate rating of public service purpose properties.

A total of 38 municipalities that were envisaged to implement new valuation rolls on 1 July 2023 were monitored and supported on their readiness to implement new valuation rolls.

Twenty municipalities were assessed in terms of compliance with Chapter 8 of the MPRA (Updating of Valuation Rolls) and outcomes of assessment findings and recommendations on corrective measures were communicated to the 20 municipalities.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEES (MPACs)

On 11 October 2021, the President proclaimed that the Local Government: Municipal Structures Amendment Act, 2021 commences on 1 November 2021. To upscale oversight and accountability at municipal councils, a new provision which provides for the mandatory establishment of the Municipal Public Accounts Committees (MPACs) was introduced in the Structures Act.

To ensure that MPAC performs its various responsibilities assigned to it in terms of the Structures Act, including inter alia, including assisting municipalities in preparations of the Oversight report on Annual Report, review of the Auditor-General's audit reports for it to effectively conduct investigations on Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIF&WE), focusing on identified dysfunctional municipalities that will be supported to ensure the realisation of sustained good governance priority as identified in the Medium Term Strategic Framework for 2019-2024.

CODE OF CONDUCT FOR COUNCILLORS REGULATIONS, 2023

The Code of Conduct for Councillors ("the Code") was also migrated from the Local Government: Municipal Systems Act and introduced to Schedule 7 of the Structures Act, with various interventions brought into the Code.

To further entrench the culture of accountability and to promote ethical leadership in councils, the Department is in the process of finalising Code Conduct for Councillors Regulations, 2023. The Regulations deals, inter alia, the following:

- (a) Prohibition of "walk-outs" during council meetings to instil discipline in the municipal councils and its committees occurring mostly in coalition governance municipalities;
- (b) Introduction of a requirement for designated councils' gifts register for declaration of gifts that are received by councillors in kind to ensure compliance with item 8(1) of the Code;
- (c) Maintaining decorum in the municipal councils, including its committees by ensuring that If a councillor (s) behaviour is unruly, including when such councillor assaults or threatens to assault an official or another councillor or any other person present at the

meeting, the chairperson must order the councillor to immediately leave the meeting; and if the councillor fails to obey the order, request a law enforcement official employed by the municipality to remove the councillor from the meeting.

- (d) Obligation to municipalities to provide adequate support to cater for councillors living with disabilities to participate effectively in council proceedings;
- (e) Requirement for councillors to settle municipal accounts (no longer than 3 months) due for rates and services in accordance with the credit control policy of the municipality;
- (f) Enforcing consequence management for those councillor(s) who are known or seen to have orchestrated with a group of members of the public or municipal staff to engage in violent protests or labour unrest are disciplined by the municipal council for potential breach of the Code; and criminal charges laid with the South African Police Services and any loss or damage suffered by the municipality as a result of such protest or strike must be recovered from the councillor and cannot be written off.
- (g) Ensuring consequence management are enforced for those councillor(s) that vote in favour of or agrees with a proposed resolution that is before the municipal council or a committee, which conflicts with any legislation applicable to local government, and that such councillor(s) are held personally liable for any loss or damage suffered by the municipality as a result of the action referred above;
- (h) Ensuring that the Speaker is abreast of the breaches of the Code that occur in the committee or its proceedings, by requiring that the chairperson of a committee must immediately report the breach to the Speaker for further action; and
- (i) Requirement for reporting on a bi-annual basis by the municipality to the MEC and the Minister on compliance to the Code;

The Regulations have been consulted with all stakeholders (MECs and SALGA). The draft Regulations were published in the Government Gazette for public comments on 4 October 2022.

The Regulations were subsequently published in **Government Gazette No. 48786 of 2023** on 14 June 2023 for implementation. The Department also issued

a Circular to guide the implementation and for uniform interpretation.

LOCAL GOVERNMENT LEGISLATIVE REVIEW

Prior to the advent of democratic local government, various Ordinances, Acts and By-laws were in place to govern local government.

The advent of our new democratic local government dispensation in 2000 was guided by the adoption of the Constitution of the Republic of South Africa, 1996, and the subsequent introduction of various other pieces of legislation, including the following:

- (a) Local Government: Municipal Demarcation Act, 1998;
- (b) Local Government: Municipal Structures Act, 1998;
- (c) Local Government: Municipal Systems Act, 2000;
- (d) Intergovernmental Relations Framework Act, 2005; and
- (e) Various pieces of sectoral legislation.

Since the implementation of the newly introduced legislation, there have been good practices that have been entrenched. However, there are still many challenges that persist.

Having regard to the above, Department of Cooperative Governance initiated a process to review the various pieces of legislation that impacts on local government with the view to entrenching good practices and to address the challenges that have been experienced.

The Department requested all stakeholders (All National Departments; Provincial CoGTAs; SALGA; IEC; MDB; FFC) to provide inputs on the local government legislative review.

The received inputs are currently being utilised to **develop the Local Government: General Laws Amendment Bill** which will be consulted with stakeholders during September 2023, and ultimately process through relevant channels towards cabinet.

INDEPENDENT MUNICIPAL DEMARCATION AUTHORITY BILL

The amendments to the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998) are largely based on proposals received from the Municipal Demarcation Board, and are informed by:

- (a) Inputs from previous Boards;
- (b) Lessons learnt from previous redeterminations and ward delimitation processes;
- (c) Litigation; and
- (d) Inputs from various stakeholders.

As of the end of the 2022/23 FY, the IMDA Bill was still under the consideration of the Portfolio Committee on Cooperative Governance and Traditional Affairs in the National Assembly.

Once promulgated, the IMDA Bill will go a long way towards ensuring that the mandate of the Authority is amplified and executed in a manner that would be more receptive by all sectors of society.

The operationalisation of the Bill will also minimise unnecessary costly litigations and unrests related to the dissatisfaction with the decisions of the Authority. The Department will continuously support Parliament during the processing of the IMDA Bill.

IMPLEMENTATION OF THE LOCAL GOVERNMENT: MUNICIPAL STRUCTURES ACT, 2021

The Local Government: Municipal Structures Amendment Act, 2021 came into operation on 1 November 2021 (with the exception of section 30) as determined by the President Proclamation No. 37 of 2021 published in the Government Gazette No. 45305.

The Structures Amendment Act was rolled out to all provinces from August 2021 – March 2022.

The Department received requests for further rolling out the Structures Amendment Act to the provinces who were workshopped prior to November 2021 LGEs to enable newly elected councillors to be well informed with the amendments.

Workshops on the implementation of the Structures Amendment Act were held as follows:

NO.	PROVINCE	DATE
1.	Mpumalanga	30 September 2022
2.	Free State	27 October 2022
3.	Eastern Cape	10 November 2022
4.	North West	20 February 2023
5.	Gauteng	7 March 2023

Apart from the above-mentioned workshops, the DCoG received some requests from stakeholders to present the Structures Amendment Act in their forums/engagements.

Local Government Equitable Share

In terms of Section 227 of the Constitution, the local government sphere is entitled to an equitable share of nationally raised revenue to enable it to provide basic services and perform its allocated functions. The local government equitable share (LGES) is an unconditional transfer that supplements the revenue that municipalities can raise themselves (including revenue raised through property rates and service charges). The equitable share provides funding for municipalities to deliver free basic services to poor households and subsidises the cost of administration and other core services for those municipalities with the least potential to cover these costs from their own revenues.

During the 2022/23 financial year, the Department successfully administered the LGES grant in line with the 2022 Division of Revenue Act and transferred an amount of R83.9 billion (96.1%) of the total allocation of R87.3 billion. The LGES transfers are meant to assist municipalities to deliver free basic services to indigent households and supplement the funding of the basic administration of running the municipalities.

Municipal Systems Improvement Grant

The purpose of the Municipal Systems Improvement Grant (MSIG) is to assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation. In respect of the technical assistance provided through the MSIG, the Department has determined key areas to assist municipalities to address issues resulting in adverse audit outcomes especially through technical assistance on both the improvement of data and records management.

During 2022/23, the Department assessed the state of records management in each of the 30 targeted municipalities to develop implementation plans and assist the municipalities in improving their records management, considering the key pillars of records management and guided by various legislation that govern National and Provincial Records Management.

The Department also supported eight municipalities by assessing their data management practices guided by municipal revenue related policies and local government legislation, to identify key anomalies that require correction, develop implementation plans and assist municipalities with the improvement of their data management.

The support provided by the Department on the cost of supply studies on water provision in 10 municipalities resulted in the Department developing status quo reports in respect of the status quo of eight municipalities' water services provision. The support will result in the determination of the identified municipalities' revenue requirements for water provision, apportionment of costs and the determination of appropriate water tariffs.

The table below presents the outcomes, outputs, output indicators, targets and actual achievements for the APP 2022/23 FY that was tabled on 10 March 2022 and implemented till 31 March 2022.

Output	Output Indicator	Actual Achievement 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reason for Deviations
Outcome: Sustained Good Municipal Governance							
Outcome 4 Financially viable municipalities and metros							
Financially viable municipalities	3.1 Number of reports on the implementation of the recommendations of the Budget Forum on the Local Government Fiscal Framework (LGFF)	New indicator	New indicator	Four reports by 31 March 2023	Achieved Four reports by 31 March 2023	N/A	N/A
Integrated Local Government Capacity Building Strategy	3.2 Integrated Local Government Capacity Building Strategy (LGCBS) piloted in identified districts and metros	Draft Integrated LGCBS	Integrated LGCBS developed by 31 March 2022	Integrated LGCBS piloted in 2 districts and 1 metro by 31 March 2023	Achieved Integrated LGCBS piloted in three (3) District Development Model (DDM) sites, i.e Waterberg DM, eThekweni metro and OR Tambo DM.	N/A	N/A
Reports on National Responsible Citizenry Campaign	3.3 Number of district stakeholder engagements held on responsible citizenry	New indicator	New indicator	18 district stakeholder engagements held on responsible citizenry by 31 March 2023	Achieved 18 district stakeholder engagements held on Responsible Citizenry by 31 March 2023	N/A	N/A

Output	Output Indicator	Actual Achievement 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target	Reason for Deviations
Active citizenry and leadership	3.4 Number of provinces implementing the GovChat social media platform for community engagement and service delivery improvement	New indicator	New indicator	9 provinces implementing the GovChat social media platform by 31 March 2023	Achieved Nine (9) provinces implementing GovChat, social media platform by 31 March 2023.	N/A	N/A
Effective community engagement structures, systems and processes	3.5 Number of provinces supported to capacitate municipalities to maintain functional ward committees	New indicator	New indicator	9 provinces supported to capacitate municipalities to maintain functional ward committees by 31 March 2023	Achieved Nine (9) provinces supported to capacitate municipalities to maintain functional ward committees by 31 March 2023.	N/A	N/A
Sub-programme: Human Resources Management Systems							
Municipal Public Accounts Committees (MPAC) functionality assessment reports	3.6 Number of MPAC functionality assessment reports developed	New indicator	New indicator	4 MPAC functionality assessment reports developed by 31 March 2023	Achieved 4 MPAC functionality assessment reports developed by 31 March 2023.	N/A	N/A
Outcome 4 Financially viable municipalities and metros							
Improved Audit Outcomes	3.7 Report on the implementation of actions to address issues raised by the AGSA in line with Section 134 of the PFMA	New indicator	New indicator	Report on the implementation of actions to address issues raised by the AGSA in line with Section 134 of the PFMA submitted to form part of Sec 48 report/state of local government report by 31 December 2022	Achieved Report on the implementation of actions to address issues raised by the AGSA in line with section 134 of the PFMA submitted to form part of sec 48 report/ state of local government report by 31 December 2022	N/A	N/A

Linking performance with budgets
Sub-programme expenditure

Programme 3: Institutional Development	2022/23				2021/22	
	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	%	R'000	R'000
Sub-programme						
1. Management: Institutional Development	3 515	2 791	724	79,4%	2 190	1 199
2. Municipal Human Resource Management System	16 350	16 271	79	99,5%	15 366	12 296
3. Municipal Revenue Enhancement and Audit Outcomes	20 416	20 416	-	100,0%	21 837	19 770
4. Citizen Engagement	4 420	3 991	429	90,3%	9 093	6 316
5. Anti-Corruption and Good Governance	2 238	2 238	-	100,0%	6 549	4 825
6. Municipal Property Rates	6 655	5 714	941	85,9%	10 059	9 648
7. Municipal Governance	22 097	17 361	4 736	78,6%	356 703	341 101
8. Local Government Equitable Share	87 311 493	83 937 761	3 373 732	96,1%	77 999 135	76 168 581
9. South African Local Government Association	36 280	36 280	-	100,0%	35 369	35 369
10. United Cities and Local Government of Africa	7 973	-	7 973	-	7 769	-
11. Municipal Systems Improvement Grant	140 331	63 544	76 787	45,3%	135 302	45 914
TOTAL	87 571 768	84 106 367	3 465 401	96,0%	78 599 372	76 645 019
Economic classification						
Current payments	202 939	123 169	79 770	60,7%	206 116	103 254
Compensation of employees	43 805	43 801	4	100,0%	43 878	41 138
Goods and services	159 134	79 368	79 766	49,9%	162 238	62 116
Transfers and subsidies	87 368 736	83 983 106	3 385 630	96,1%	78 393 183	76 541 692
Payments for capital assets	10	10	-	100,0%	73	73
Payment for financial assets	83	82	1	98,8%	-	-
TOTAL	87 571 768	84 106 367	3 465 401	96,0%	78 599 372	76 645 019

4.4 PROGRAMME 4: NATIONAL DISASTER MANAGEMENT CENTRE

Purpose: Promote an integrated and coordinated system of disaster prevention, mitigation and risk management.

The programme contributes to the achievement of Outcome: Integrated Planning and service delivery

Management: Head of the National Disaster Management Centre provides strategic leadership to the programme. to ensure compliance and the achievement of Departmental targets in line with its mandate as well as based on four (4) Key Performance Areas (KPA) and Enablers (ENs) of the National Disaster Management

Framework as reported hereunder:, notably:

- Key Performance Area 1 – Integrated Institutional Capacity for Disaster Risk Management.
- Key Performance Area 2 – Disaster Risk Assessment.
- Key Performance Area 3 – Disaster Risk Reduction.
- Key Performance Area 4 – Disaster Risk Reduction.
- Enabler 1 – Information Management and Communication.
- Enabler 2 – Education, Training, Public Awareness and Research.
- Enabler 3 – Funding Arrangements for Disaster Risk

The below sections outline performance of the NDMC in terms of its sub-programmes listed below:

Chief Directorate: Disaster Policy, Institutional Development and Compliance: Manage and oversee the development of disaster management regulatory frameworks, the functioning of Institutional Structures and the assessment of compliance to disaster management legislation. Oversee the implementation of the Fire Brigade Services Act, 1987 (Act No. 99 of 1987), policies, strategies, and frameworks.

Over the period under review, the chief directorate reviewed the Disaster Management Framework, updated it with contributions obtained from a series of consultations and was approved by the Head: NDMC by the end of the financial year. The 2021/2022 NDMC Annual Report was compiled, approved by the minister, tabled before parliament on 30 September 2022 and distributed in compliance with Section 24 of the DMA. All 9 Provincial Disaster Management Centres and 18 Municipal Disaster

Management Centres were assessed for their degree of compliance with the DMA, using a minimum assessment criterion, developed by the NDMC. There is a general decline in the level of compliance across the board, particularly so in the Free State., which does not have a functional Disaster Management Centre. The functionality of Disaster Management Institutional Structures was monitored over the year and an annual report to that effect was approved by the Head: NDMC. 10 municipalities were assessed on the capacity to implement the National Fire Safety and Prevention Strategy and a draft USAR Governance Framework was developed and approved by the end of the financial year.

Chief Directorate Disaster Risk Reduction and Capacity Development: Facilitates the development and implementation of disaster risk reduction (DRR) frameworks, and provide guidance and criteria in the preparation and assessment of disaster management plans by organs of state and relevant entities, as well as to facilitate the implementation of disaster risk reduction (DRR) measures within the organs of state across the spheres of government. These measures include risk prevention, mitigation and emergency preparedness. This sub-programme promotes a culture of risk avoidance among stakeholders by creating capacity for role -players through integrated education, training and public awareness programmes informed by scientific research. The aim is to promote disaster risk avoidance and built community resilience.

The Chief Directorate has two (2) directorates, being Disaster Risk Reduction, Planning and Strategies, and Education, Training, Awareness and Research.

Directorate: Disaster Risk Reduction, Planning and Strategies:

- The Disaster Management Act, 2002 (Act No. 57 of 2002) ("the Act"), particularly, sections 25, 38, 39, 52 and 53 provides a legislative requirement for the organs of state to develop, regularly update and submit disaster management plans to the NDMC. Furthermore, the National Disaster Management Framework of 2005, particularly Key Performance Area 3 outlines planning and integration of core risk reduction principles aimed at prevention and mitigation of risk into ongoing programmes and initiatives. Disaster Management (DM) Plans must incorporate

DRR measures which are medium to long-term multisectoral efforts focused on vulnerability reduction and resilience building. Furthermore, these plans must be incorporated into ongoing Municipal Integrated Development Plans (IDPs). This means that the disaster management planning must be included in the strategic plans of national and provincial Departments and the IDPs of municipalities. Sectoral plans must also include specific disaster management plans for the relevant Departments within all municipalities.

In this regard, it is important to coordinate and align the implementation of the disaster management plans of the districts/ metros with those of other organs of state and institutional role-players through the context of the "One Plan" of the District Development Model (DDM). In terms of the Annual Performance Plan of the Department of Cooperative Government, the NDMC was expected to facilitate and provide support with the development of 10 district municipal disaster management plans during the 2021/22 financial year.

During the year 2022/23, the Directorate implemented one (1) APP project and one (1) Operational Plan project. The APP project had an annual Target: 10 Municipalities and one Sector Department supported to prevent, prepare for and mitigate disaster risks through the effective implementation of applicable disaster management plans. Support Plan" to assist and guide organs of state to develop, update and review their disaster management plans. The Target was achieved through supporting ten municipalities in priority disaster areas and 1 sector Department (DoH) to prevent, prepare and mitigate disaster risks through the implementation of applicable Disaster Management Plans. These are:

1. Alfred Nzo
2. Chris Hani
3. Fezile Dabi
4. Garden Route
5. Xhariep
6. Mopani
7. Frances Baard
8. Namakwa
9. UMgungundlovu
10. Zululand
11. National Department of Health

The Operational Plan project had an annual Target: Number (9) of workshops conducted in all 9 provinces on the roll-out of guidelines for integration of disaster risk reduction into municipal IDPs and the Support Plan on the development and implementation of disaster management plans. The Target was successfully achieved, and following these workshops, the NDMC concluded the process to develop "Guidelines on the integration of DRR into municipal IDPs. The Guideline is ready for implementation within municipalities.

Directorate: Education, Training, Awareness and Research

The responsibilities of the Directorate: Education, Training, Awareness and Research (ETAR) emanate from Sections 15 and 20 of the Disaster Management Act, 2002 (Act No. 57 of 2002 – DMA) as well as Enabler 2 of the National Disaster Management Framework of 2005 (NDMF). In alignment with Section 20 of the DMA and Section 6 of the NDMF, the Directorate: ETAR is responsible for the promotion of a culture of risk avoidance among stakeholders by capacitating role players through integrated processes of education, training and public awareness supported by scientific research.

Through these legislative imperatives, the Directorate through the Education, Training and Research as well as Advocacy and Awareness Sub-Directorates coordinates the implementation of Disaster Risk Management (DRM) formal and informal education. Formal education refers to education that occurs within a structured curriculum in a formal environment, while informal education refers to education that occurs outside the structured curriculum and usually involves conversations, and the exploration and enlargement of experiences.

In promoting formal education, the National Disaster Management Centre (NDMC) offers bursaries to South African students registered for disaster management qualifications at public Institutions of Higher Learning in South Africa. The Directorate further collaborates with the Institutions of Higher Learning to ensure that DRM programmes are developed and implemented. In addition, the Department of Cooperative Governance (DCOG) through the NDMC supports the Department of Basic Education (DBE) to promote the integration of DRM in the school system. To this effect, an agreement titled "Implementation Protocol" has been developed and signed between the two Departments to formalise the collaboration. The Implementation Protocol is also aimed

to enhance safety within the school environment through DRM Training initiatives.

During the 2022/23 Financial Year, the Directorate had Annual Targets to: a) Report on 7 integrated Advocacy and Awareness Programmes inclusive of the 2022 International Day for Disaster Reduction; b) Compile a Bursary Report; and Develop a National Disaster Management Research Agenda. All the set Operational Targets for the 2022/23 Financial Year were achieved.

Chief Directorate: Disaster Response Coordination:

The NDMC continued to promote an integrated and coordinated system of disaster management, with special emphasis on prevention and mitigation by all relevant organs of state. The common disaster incidents experienced in most parts of the country during the 2022/2023 financial year was flooding. The country experienced torrential rains that persisted in parts of the country in April 2022, with most damages experienced as a result of flooding and mudslides in the KZN province. The severity and magnitude of the floods in KZN prompted the classification of a provincial disaster by the NDMC in terms of the Disaster Management Act, 2002 (57 of 2002) (DMA). The contingency arrangements were immediately activated by organs of state across spheres of government activated as early as the early warnings and advisories were issued by the South African Weather Service (SAWS). The NDMC coordination of relevant structures across the spheres of government. The Extended National Joint Floods Coordination Committee (E-NJFCC) was activated with the participation of Directors-General and Heads of Department (HODs) to provide strategic direction in the provision of relief, response and recovery measures to address the impacts of the flood disasters.

The floods situation gravitated to other provinces, affecting Eastern Cape, Free State and North-West. The rains brought with very devastating effects which resulted in loss of lives, injuries, missing persons, damage to houses, roads, and many other critical infrastructure.

These conditions necessitated reclassification of the disaster by the NDMC to a national disaster as per section 23(3) of DMA to strengthen coordination of efforts, reallocation and reprioritisation of resources by affected organs of state as well as the allocation of resources from the Disaster Grants within the NDMC. This was immediately followed by the declaration of a national disaster by the COGTA National Minister, subsequent to consulting responsible

Cabinet Members. A notice to this effect was published in Government Gazette No. 46247 – R. 2029 of 18 April 2022. The primary purpose of the declaration was to augment existing legislation and contingency arrangements of the affected organs of state as well as activate other extraordinary measures as and when required to address the effects of the disaster.

Government adopted a three-tier transitional approach to better coordinate response, recovery and reconstruction measures within all affected provinces. These were three (3) phases which are immediate humanitarian relief, stabilization and recovery and rehabilitation and reconstruction. The transition of phases does not only involve the construction and repair of major infrastructure but also involves the construction of houses and damaged infrastructure within suitably-located areas including measures to protect the residents of these areas from such adverse weather events in the future.

Various perilous disaster related events continue to be experienced in the country often leading to severe human suffering, loss of life, widespread damage to property, infrastructure and the environment. It is evident that these conditions require investment in climate-resilient infrastructure, reduction of Greenhouse gas emissions and empowerment of communities to build a more resilient and sustainable future.

The NDMC continued to promote an integrated and coordinated system of disaster management, with special emphasis on prevention and mitigation by all relevant organs of state. The common disaster incidents experienced during the 2022/2023 financial year was flooding in most parts of the country.

The country experienced torrential rains that persisted in parts of the country in April 2022, with most damages experienced as a result of flooding and mudslides in the KZN province. The severity and magnitude of the floods in KZN prompted the classification of a provincial disaster by the NDMC in terms of the Disaster Management Act, 2002 (57 of 2002) (DMA). The contingency arrangements were immediately activated by organs of state across spheres of government activated as early as the early warnings and advisories were issued by the South African Weather Service (SAWS). The NDMC activated the NJFCC to coordinate efforts by all relevant stakeholders for provision of relief and response measures to address immediate needs from existing arrangements and programmes.

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These conditions necessitated reclassification of the disaster by the NDMC to a national disaster as per section 23(3) of DMA, followed by the declaration of a national disaster by the COGTA National Minister, subsequent to consulting responsible Cabinet Members. A notice to this effect was published in Government Gazette No. 46247 – R. 2029 of 18 April 2022. The primary purpose of the declaration was to augment existing legislation and contingency arrangements of the affected organs of state as well as activate other extraordinary measures as and when required to address the effects of the disaster.

Government adopted a three-tier transitional approach to better coordinate response, recovery and reconstruction measures within all affected provinces. These include 3 phases which are immediate humanitarian relief, stabilization and recovery as well as rehabilitation and reconstruction measures. Assistance came from all walks of life from government, Non-Governmental Organizations, Private Sector, individual communities including donor funding and support from the regional and international communities.

The Department allocated an amount of R516.7 million from the Disaster Response Grants for relief measures in the affected municipalities in KwaZulu-Natal and Eastern Cape which were the most affected provinces. An additional amount of R3.3 billion was allocated in March 2023 from the Municipal Disaster Recovery Grant for implementation of reconstruction and rehabilitation projects. Implementation of interventions by relevant organs of state is underway through the support and monitoring of implementation by the National Government. The Office of the Auditor General also conducts audit on the allocated resources across the spheres of government.

The NDMC continues to put emphasis on disaster risk reduction which includes effective disaster management planning by all organs of state to enhance resilience and “Building Back Better” principle within communities.

Directorate: Information Technology, Intelligence And Information Management Systems guides the development of a comprehensive information management and communication system and establishes integrated

communication links with all disaster management role players.

The Directorate: Risk Assessment and Early Warnings (Formerly known as Early Warning and Capability Management Systems) comprises a Senior Manager, Manager (Geographical Information System (GIS) and is supplemented by two (2) GIS contractors.

The Directorate's purpose is to promote, develop, evaluate, and maintain the suite of national risk and vulnerability profiles, develop the disaster management early warning system in collaboration with the SAWS and maintain a spatial repository of information within the GIS platform. During the past financial year, the Directorate completed activities related to its specific scope of work in terms of the following functions:

- Improving Early Warning Systems And Conducting District Level Training. In 2022/2023, The Directorate sought to continue with its training, awareness building activities thereby improving all functions related to the dissemination of Early Warning notifications, hazard information and weather-related advisories. This was done by strengthening both the institutional relations with institutions like the SA Weather Service (SAWS), Agricultural Research Organisation (ARC) and Council for Geoscience. A second level of improvement was to improve the distribution of products and services associated with weather related early warnings.
- During the 2022/2023 financial year the Directorate undertook to complete its third-year target of training 54 districts and 9 metropolitan areas in Impact Based Early Warnings System and its platform of services. In collaboration with South African Weather Service (SAWS), the Directorate undertook workshops and training across a total of 32 Districts, 7 metros and 9 Provincial stakeholders. These workshops sought to create a high level of awareness and practical application of Impact Based Early Warnings and the necessary information to be considered in each level.

This training would enable districts and Local Municipality to work together to understand their regional vulnerabilities and a range of mitigation actions that could be take in respect of their regional vulnerabilities. The workshops also performed secondary benefits of delivering improved registrations to the early warnings' stakeholder email distribution lists, source new user requirements, showcase recently developed national spatial data applications in support of impact based early warnings.

The screenshot shows the 'Early Warnings Registration' form. At the top left, there are logos for 'cooperative governance' and the 'Department of Cooperative Governance, REPUBLIC OF SOUTH AFRICA'. The form contains the following fields:

- Title: Please select a value...
- Name *
- Surname *
- Organisation
- Designation *
- Work Title *
- Email Address *
- Cellphone Numbers
- Warning for which Geographical Location? * (All (National))
- Physical Location (Province) (Please select a value...)
- Physical Location (District) (Please select a value...)
- Physical Location (Municipality) (Please select a value...)

At the bottom of the form, there are 'Save' and 'Cancel' buttons.

Figure 1: Early Warning Registration Page

During the 2022/2023 financial year, The Directorate continued with its improvements of early warnings tools and services hosted on the NDMC GIS Portal (<http://gismap.ndmc.gov.za/>).

These included:

- The Impact Based Early Warning notifications on the GIS Webportal was refined and redeployed to provide stakeholders with a near real-time view of weather warnings issued by SAWS for all areas in South Africa. This was shown to be accessible for all disaster management stakeholders with a built in frequent refresh capability to ensure that all warnings below shown as they are received from the weather service.
- In 2022/23 the Daily Fire Index Early Warning System was optimized to not only include daily fire danger early warnings and live satellite fire observations, but also provided a new five day forecast to all regions. Fire managers at local, district and provincial levels will now have a daily and a weekly view of fire danger in their respective areas.

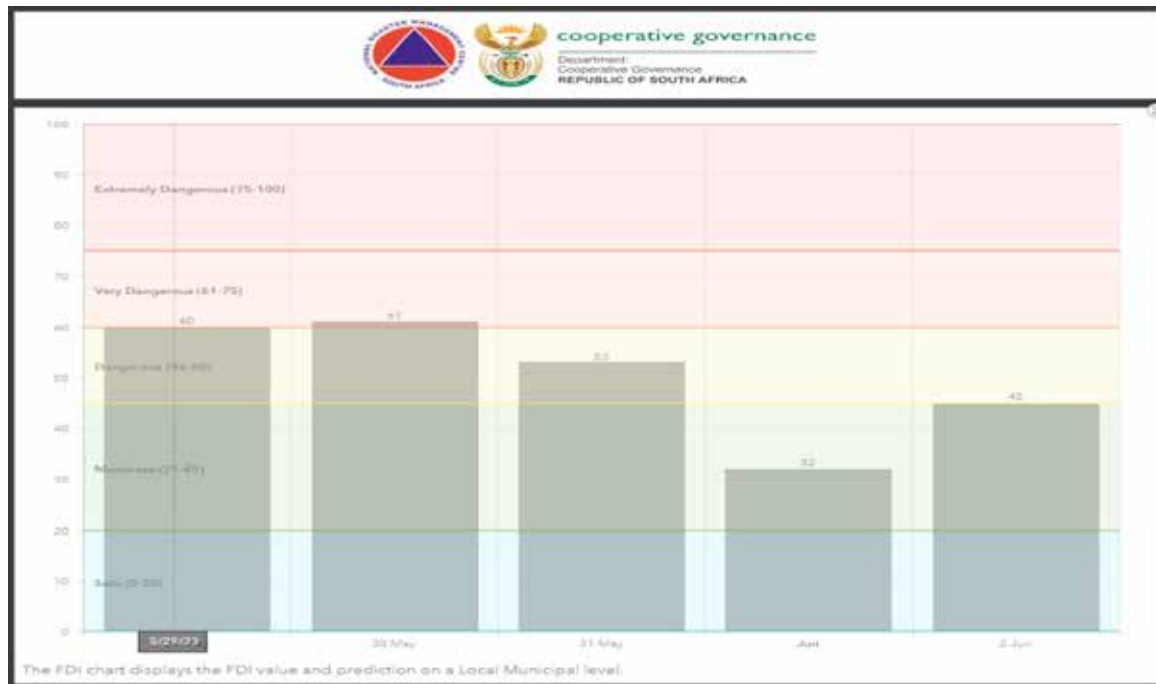


Figure 2: The 5-Day Fire Danger Forecast sourced Daily from the SA Weather Service. This forms part of the daily Fire Index Early Warning System on the NDMC GIS Web Portal

- The Directorate continued with its quarterly hosting of the Early Warnings Task Team (EWTT) meetings. These meetings bring in key stakeholders across sector Departments. Improvements for the financial year in question included a more rigorous form of engagements with each meeting, improved feedback from sector Departments on their localised interventions and improved advisory support to the National Disaster Management Advisory Forum (NDMAF).
- Seasonal Hazard Profile The Directorate: Risk Assessment and Early Warnings continued to guide and inform disaster management stakeholders in all spheres of government of the medium term (3 month) forecast as it pertains to various hazards throughout South Africa. One of the main goals of the seasonal profiles are to create awareness around potential and current conditions (situational awareness) to augment short-term EWS and assist in identifying possible areas of targeted DRR initiatives. The Seasonal Hazard Profile is produced at the beginning of each season (every 3 months) and is available from the NDMC website (www.ndmc.gov.za).

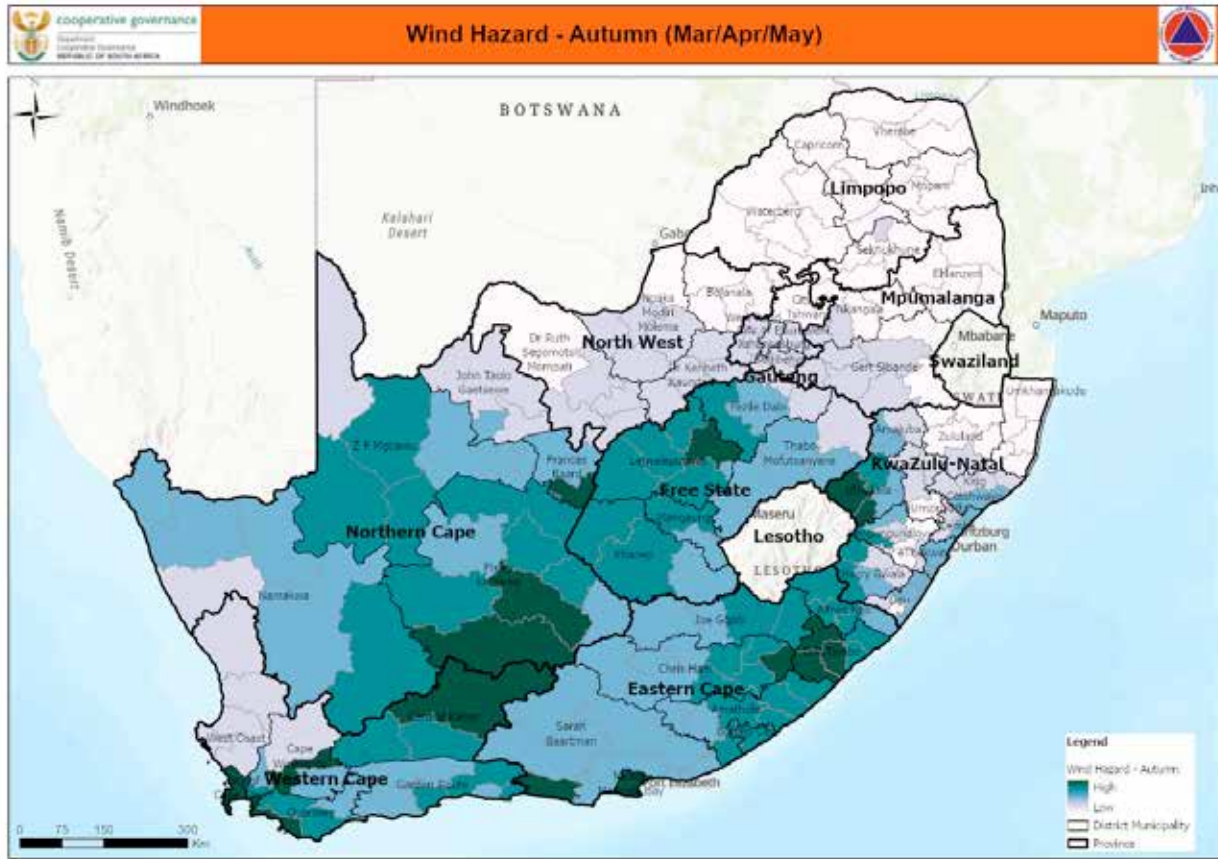


Figure 3: Seasonal wind hazard map indicating where elevated (darker colours) hazard scores exist for the autumn months of march, April and May.

In 2022/2023, the Directorate (with SAWS and CGS) participated in the international IOWAVE and Tsunami test exercises with other Indian Ocean Member states like Indonesia, Australia, and India. These exercises involved testing the country's Standard Operating Procedures for tsunami hazard events especially in the vicinity of the eastern shoreline. These exercises sought to provide new insights and practices to members states to improve their in-country practices.

Tsunami Bulletin:

06830
 WEIO24 AMMC 212034

 TSUNAMI BULLETIN NOTIFICATION MESSAGE NUMBER 7 IOTWMS TSUNAMI SERVICE PROVIDER AUSTRALIA [IATWC] ISSUED AT 2034 UTC SUNDAY 21 MAY 2023

 TO: INDIAN OCEAN NATIONAL TSUNAMI WARNING CENTRES [NTWCs]
 FROM: IOTWMS-TSP AUSTRALIA

NOTIFICATION:
 IOTWMS-TSP AUSTRALIA HAS JUST ISSUED TSUNAMI BULLETIN NUMBER 7 FOR THE INDIAN OCEAN, BASED ON THE FOLLOWING EARTHQUAKE EVENT:

MAGNITUDE: 6.8 MWP
 DEPTH: 10KM
 DATE: 21 MAY 2023
 ORIGIN TIME: 1456 UTC
 LATITUDE: 43.50S
 LONGITUDE: 39.17E
 LOCATION: PRINCE EDWARD ISLANDS REGION

- **GEOGRAPHIC INFORMATION SYSTEMS (GIS)**

The NDMC GIS platform is the main spatial processing tool that forms the basis of spatial decision making for provinces and districts. Besides the normal functional enhancements from a system perspective in 2022/2023, and in 2021/22, there was also the optimization of GIS Portal products and services.



Figure 4: NDMC GIS Portal Landing Page

The NDMC GIS Portal (<http://gismap.ndmc.gov.za/>) is the central entry point to spatial services and tools available to the disaster management fraternity and the public.

IMPACT BASED EARLY WARNING SYSTEM ENHANCEMENTS

During the 2022/23 financial year the Directorate: Risk Assessment and Early Warnings (Dir: RAEW) embarked on extending functionality of the Impact Based Severe Weather Early Warning System to include an interactive map web interface and temporal timestamps. This allows users to validate data ingestion and understand the temporal nature of the weather warnings. Additionally, work has commenced further enhancements providing users the ability to report back against received warnings by means of an integrated survey.

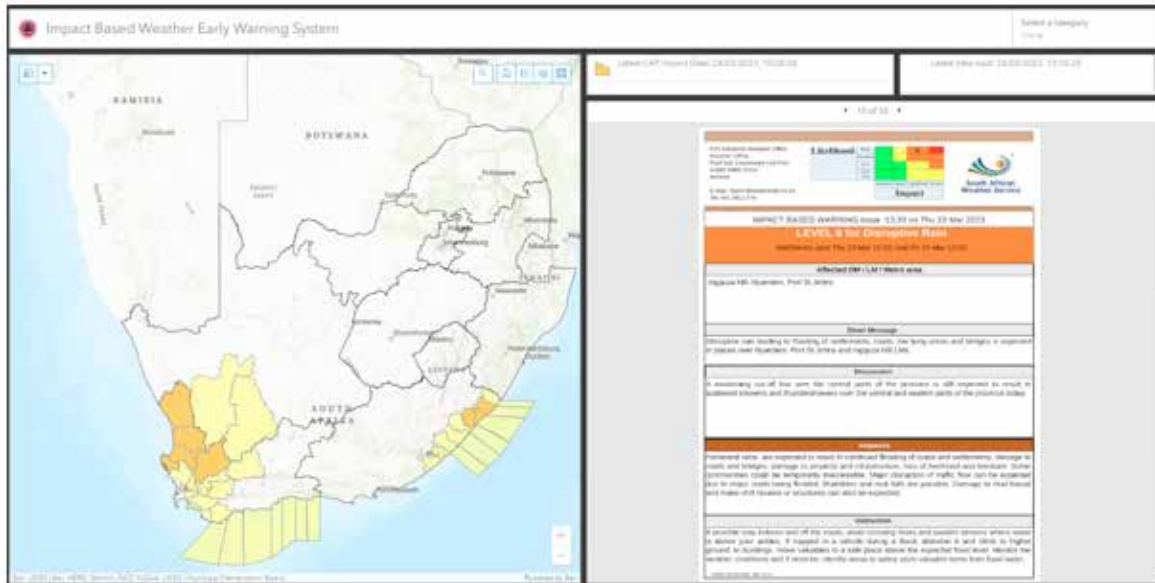


Figure 5: Impact Based Weather Early Warning System

- TROPICAL CYCLONE TRACKER DEVELOPMENT**

During 2022/23 an online web application was developed to convey global tropical cyclone risk information, provide historical data, and monitor and track near real-time observations of tropical cyclones. This tool was instrumental in providing situational awareness and tracking of Tropical Cyclone Freddy in February 2023.

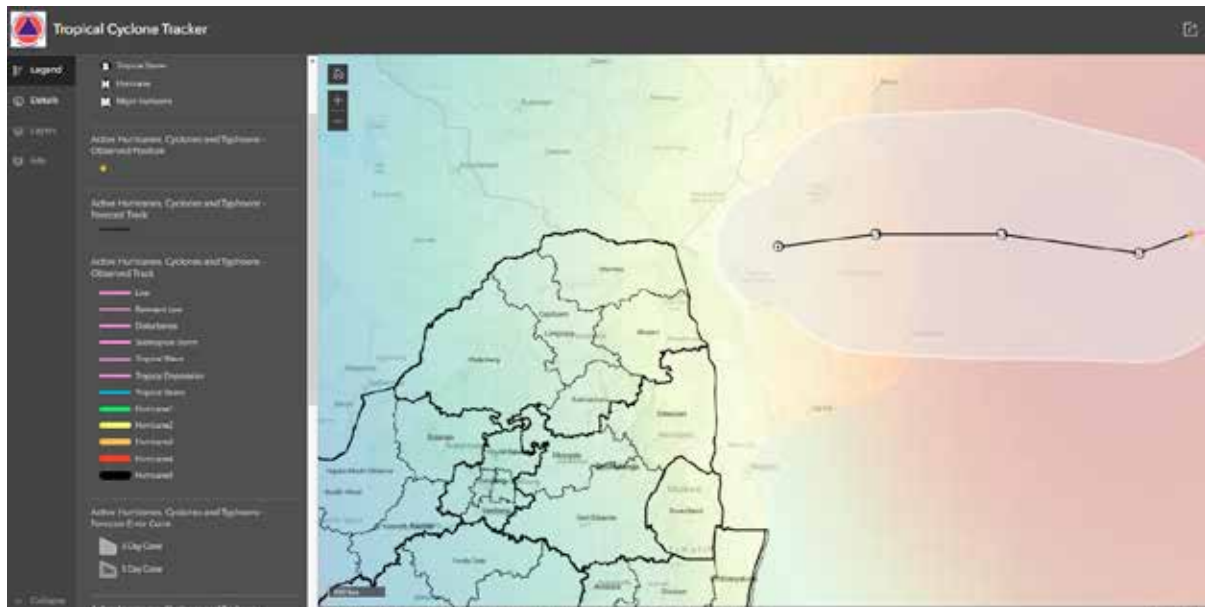


Figure 6: Tropical Cyclone Tracker

- DISASTER MANAGEMENT COMPLIANCE MONITORING DASHBOARD**

During 2022/23 a set of requirements were collected for the development of operational dashboards with a spatial interface. This application provided a baseline analysis for understanding disaster management institutional compliance. The surveys and supporting dashboards focussed on Disaster Management Centres (DMC) staffing, their establishment, access to early warnings and the submission of disaster management annual reports. This addition improved governance reporting for the NDMC.

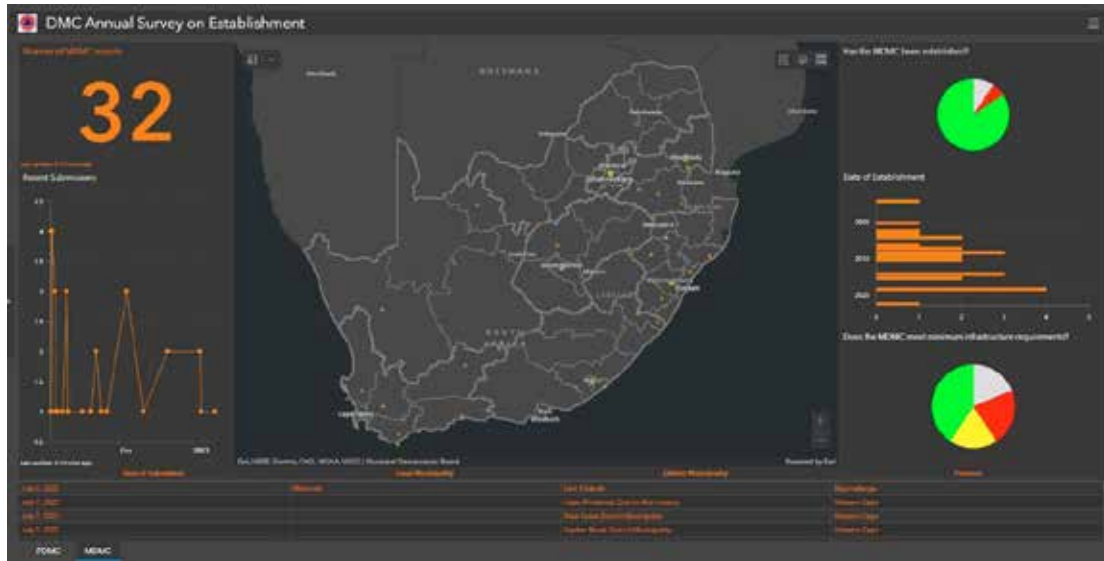


Figure 7: The Operations Dashboard Illustrating Findings From The Annual Survey On Disaster Management Centres (DMC) Establishment.

In 2023/24, The Directorate: RAEV, will endeavour to extend this dashboard development to more functional areas such as monitoring and evaluation of the disaster management function.

• **DROUGHT MONITORING**

The Directorate was also charged with the responsibility of monitoring and mapping the 2022/2023 drought hazard for both provincial disaster management stakeholder and important governance committees like the National Drought Joint Coordination Committee (NJDCC). The Directorate continued its information support in mitigation of drought conditions by means of developing monthly spatial products and providing information and advisories on the progression of the drought hazard for specific geographical areas. In addition, the unit maintained and updated the Drought Monitoring Tool on its Webportal interface. This tool provides stakeholders the ability to track drought conditions (measured by means of Precipitation Index (SPI)) temporally across various quaternary catchments.

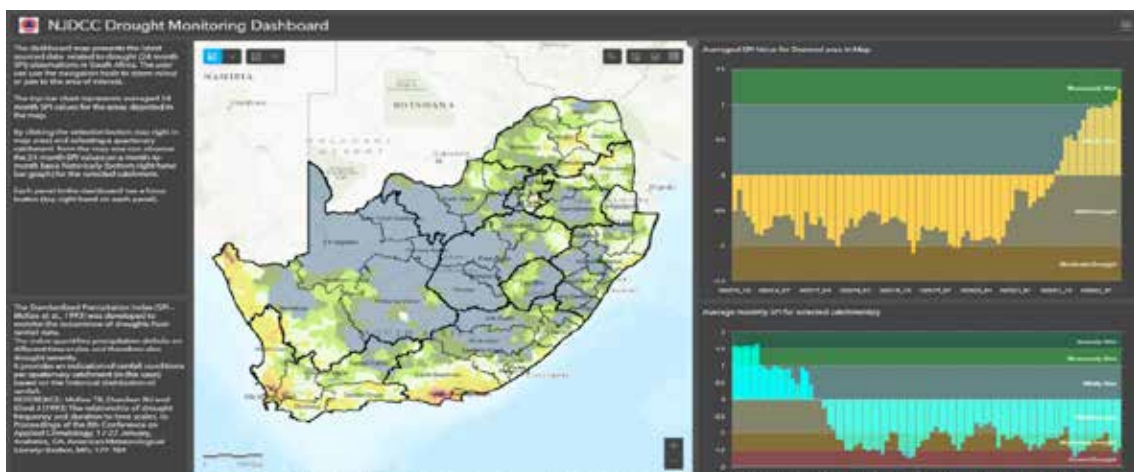


Figure 8: NJDCC Drought Monitoring Dashboard

THE ACTIVATION OF THE INTERNATIONAL CHARTER FOR SPACE AND MAJOR DISASTERS: 2022/2023

The International Charter for Space and Major Disasters is a collaboration with international satellite owners and service providers facilitated by the European Space Agency (ESA). The Charter makes satellite data and mapped products and services available to disaster management organisations on a global scale with no costs attached. In terms of the provisions to member states, multi-resolutions satellite imagery and data products is provided to for response and mitigations efforts. The Charter also allows resources and expertise to be coordinated for rapid response to major disaster events by assisting civil protection authorities and international humanitarian communities with information required. The NDMC is a member of the International Charter for Space and Major Disasters since 2021 and has since activated the Charter on numerous occasions to manage large scale disasters in South Africa. The following provides some examples of the Charters activation for the following incidents:

- **KwaZulu Natal Floods – April 2023**

During the 2023 torrential rains that persisted in many parts of the country, the KZN province endured large scale flooding, mudslides, and infrastructural damage. The NDMC activated the Charter in order to receive high resolution satellite imagery. This would enable the Directorate to track, monitor and get a spatial indication of impact. The directorate was also able to assess the damage over a wider scaled area and this would guide decision making and response efforts. The maps below were compiled for the 2023 KZN flood hazard.

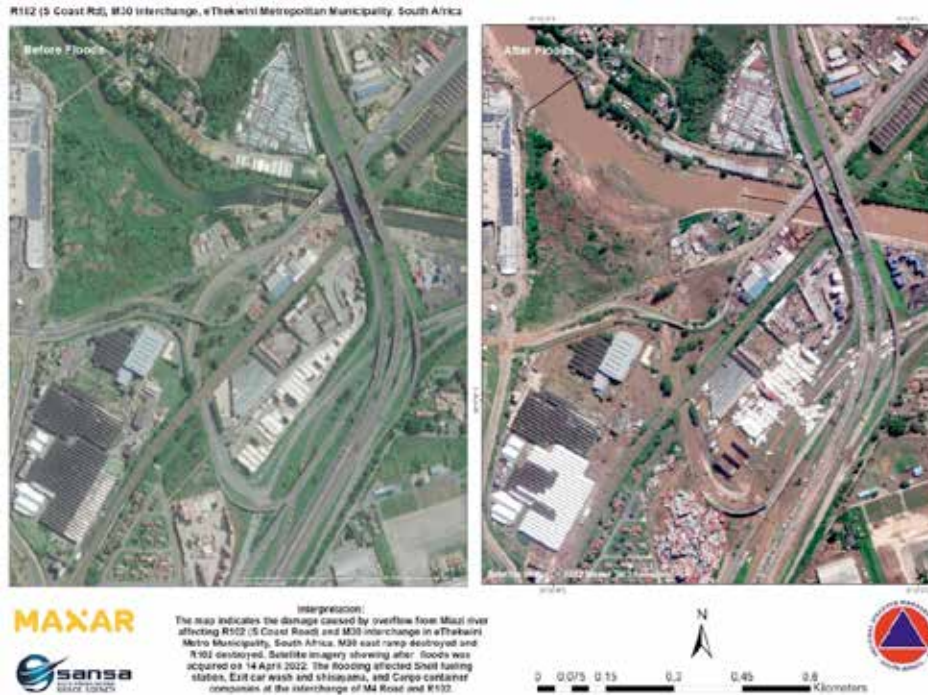


FIGURE 9: before and after the flood imagery for the at r102 (south coast Rd), m30 interchange in eThekweni municipality



Figure 10: Before and after imagery of the SAPREF refinery in the eThekweni municipality.

• **The Jagersfontein Mining Dam Failure – September 2022**

In September 2022, the Jagersfontein Mine’s tailing dam failed in terms of its wall infrastructure. The result was large scale flooding of mining sludge to the Jagersfontein town and surrounding residential areas. The NDMC activated the Charter shortly after the incident occurred and received various resolution satellite imagery. This imagery was used to:

- a) Map flooding extent
- b) Residential and other damage
- c) Infrastructural damage to waste water treatments and utilities supplies.

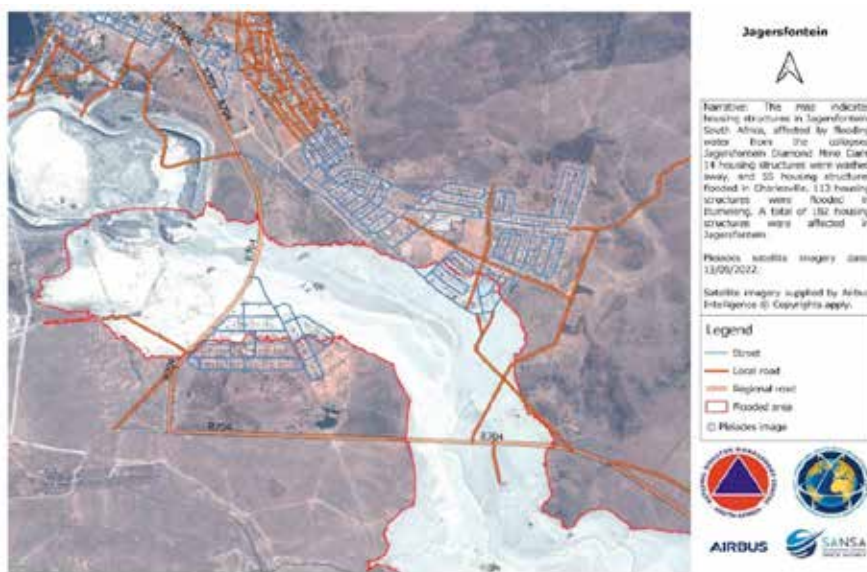


Figure 11: Satellite imagery of extent of flood and damage to housing structures.

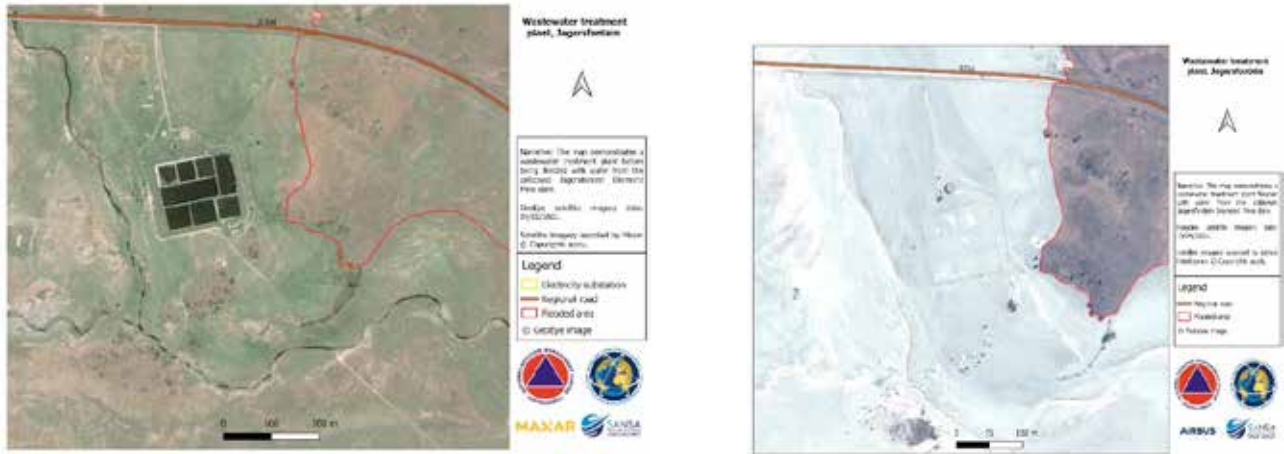


Figure 12: Satellite imagery received that showed the damage to the nearby wastewater treatment works plant (before and after).

DISASTER MANAGEMENT JOINT SPECIAL OPERATIONS COMMAND DISASTER GIS MAPPING ACTIVITIES

The directorate offers support to the Disaster Management Joint Special Operations Command (DMJSC) formally known as Disaster Operations Centre (DOC). Some of the functions of the DMJSC is to analyse, compile and consolidate reports of multi-hazard incidents that occur throughout the year and mapping of these hazard incidents. The DMJSC supports different units within the NDMC to ensure that the disaster management activities are carried out accordingly as per the Disaster Management Act.

In 2022/23 the Directorate worked within various DMJSC workstreams to manage incidents and support the spatial incident mapping and reporting of disasters in various areas. This included GIS support and reporting on the KZN Floods in April 2023 and the subsequent months thereafter; the collapse of the Jagersfontein tailing dam wall. Further incident mapping and reporting was conducted for Limpopo and Mpumalanga Provinces in terms of flooding that occurred as a result of Tropical Cyclone Freddy that occurred in February 2023, as well as Port St Johns flooding incidents that took place in March 2023.

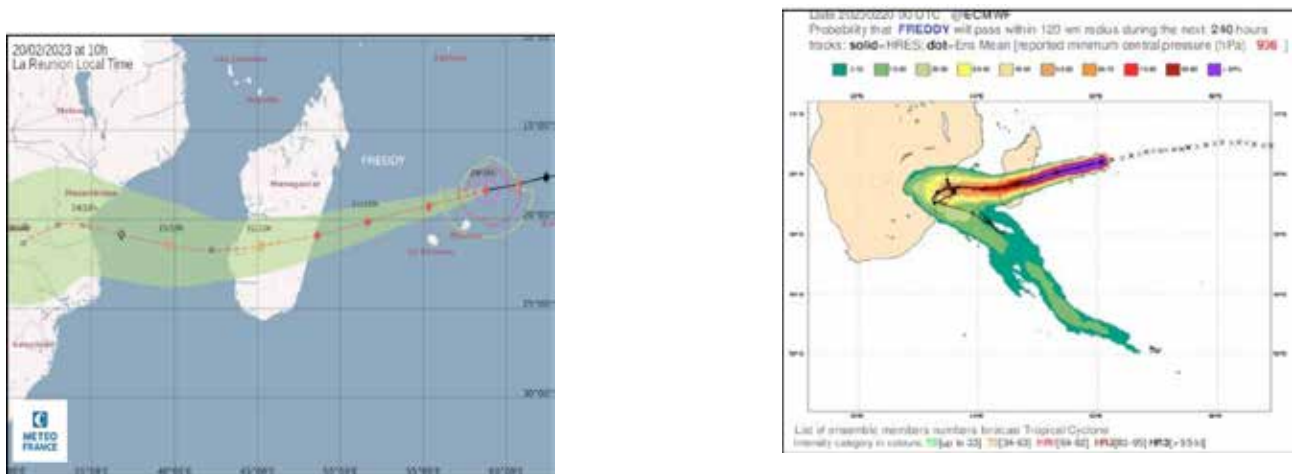


Figure 13: Tropical Cyclone Freddy tracker satellite map

Disaster Grants

The following are disaster grants managed by the National Disaster Management Centre:

Municipal Disaster Response Grant is a conditional allocation that aims to provide immediate relief for disasters classified by the NDMC as per the Disaster Management Act. Transfers are made only when a disaster has been classified and all the grant conditions have been met by the affected municipalities.

Provincial Disaster Response Grant is a conditional allocation that aims to provide immediate relief for disasters classified by the NDMC as per the Disaster Management Act. Transfers are made only when a disaster has been classified and all the grant conditions have been met by the affected provincial sector Departments.

Municipal Disaster Recovery Grant is a conditional allocation meant for the reconstruction and rehabilitation of disaster damages. Transfers are made only when a disaster has been classified as a disaster and declared as a state of disaster in terms of the Disaster Management Act.

The table below presents the outcomes, outputs, output indicators, targets and actual achievements for the APP 2022/23 FY that was tabled on 10 March 2022 and implemented till 31 March 2022.

Strategy to overcome areas of under-performance.

None. The programme achieved all the set targets.

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	*Actual Achievement 2022/23	Deviation from Planned Target	Reasons for Deviations
Outcome: Integrated planning and service delivery							
Outcome 6 Disaster Risk Reduction							
Revised disaster funding arrangements	4.1 Report on identified sector Departments supported on the implementation of disaster funding arrangements	New indicator	A model for disaster funding arrangements developed and approved by 31 March 2021	Report indicating two sector Departments supported on the implementation of disaster funding arrangements by 31 March 2023	Achieved Report indicating two sector Departments supported in the implementation of disaster funding arrangements by 31 March 2023	N/A	N/A

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	*Actual Achievement 2022/23	Deviation from Planned Target	Reasons for Deviations
	4.2 Number of municipalities in priority disaster areas supported to prevent, prepare and mitigate disaster risks through the implementation of the applicable disaster management plans	10 municipalities in priority disaster areas supported	Achieved 10 municipalities in priority disaster areas supported to prevent, prepare and mitigate disaster risks through implementation of the applicable disaster management plans i.e., Ngaka Modiri Molema; Dr Kenneth Kaunda; Dr Ruth Segomotsi Mompoti; Ehlanzeni; Vhembe; Sekhukhune; uMkhanyakude; Madibeng; uThukela; and uMzinyathi	10 municipalities and one Sector Department supported to prevent, prepare for and mitigate disaster risks through the effective implementation of applicable disaster management plans by 31 March 2023	Achieved Ten municipalities in priority disaster areas and 1 sector Department (DoH) supported to prevent, prepare and mitigate disaster risks through the implementation of applicable disaster management plans by 31 March 2023	N/A	N/A
Updated National Disaster Management Framework	4.3 Draft adjusted National Disaster Management Framework approved	Disaster Management Framework	Disaster Management Framework	Draft adjusted National Disaster Management Framework approved by 31 March 2023	Achieved Disaster Management Framework approved by 31 March 2023.	N/A	N/A

Linking performance with budgets
Sub-programme expenditure

Programme 4: National Disaster Management Centre	2022/23				2021/22	
	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	%	R'000	R'000
Sub-programme						
1. Management: Head of The National Disaster Management Centre	24 603	24 566	37	99,8%	5 864	5 850
2. Disaster Risk Reduction, Capacity Building and Intervention	18 068	9 952	8 116	55,1%	147 067	112 544
3. Legislation And Policy Management	8 011	7 094	917	88,6%	7 160	6 339
4. Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems	4 997	4 095	902	81,9%	2 536	1 368
5. Fire Services	4 371	977	3 394	22,4%	4 881	2 351
6. Information Technology, Intelligence and Information Management Systems	30 647	17 957	12 690	58,6%	31 960	30 092
7. Disaster Response Grant	861 248	516 661	344 587	60,0%	498 788	378 371
8. Municipal Disaster Recovery Grant	3 318 742	3 318 741	1	100,0%	-	-
TOTAL	4 270 687	3 900 043	370 644	91,3%	698 256	536 915
Economic classification						
Current payments	85 367	62 809	22 558	73,6%	192 123	151 294
Compensation of employees	29 773	23 154	6 619	77,8%	26 649	24 854
Goods and services	55 594	39 655	15 939	71,3%	165 474	126 440
Transfers and subsidies	4 182 196	3 837 215	344 981	91,8%	499 110	378 598
Payments for capital assets	3 105	-	3 105	-	7 006	7 006
Payment for financial assets	19	19	-	100,0%	17	17
TOTAL	4 270 687	3 900 043	370 644	91,3%	698 256	536 915

4.5 PROGRAMME 5: COMMUNITY WORK PROGRAMMEMEME

Programme purpose: To create income security and work experience for participants and promote social and economic inclusion by targeting areas of high unemployment through the provision of work opportunities in local municipalities, ensuring skills and community development.

Management: Community Work Programmeme provides strategic management and leadership to the programme.

Programme

Programme purpose: The Community Work Programmeme (CWP) is a poverty alleviation program of government that is intended to provide work opportunities to unemployed and under employed South African citizens drawn from Wards afflicted by high levels of poverty. In so doing, create income security and work experience for participants and promote social and economic inclusion simultaneously ensuring skills and community development.

Coordination

To date the CWP has achieved a participation rate of 287

292 which far exceeds the Annual Performance Plan target of 250 000. Inclusive in this target are the demographic targets relating to female, People living with disabilities as well as Youth participation. In this regard the CWP has far exceeded the 55% female participation target with a performance that currently stands at 79%, the 2.5% participation for People living with Disabilities means the 2% has been achieved. Regrettably the 55% target for Youth participation has not been achieved with current performance standing at 27%.

With regard to the 10% Training target which translates to 25 000 participants trained by 31 March 2023, the target was not achieved. The Program was able to provide training to only 15 942 Participants which translates to 64% of the Actual target. The reasons for the under performance is due to cumbersome procurement processes that caused delays with respect to the clearance of the suspense account. Therefore, prohibiting the Program from approving further procurement of training. Going forward additional capacity is required to fast track the approval processes that will ensure the desired value for money spending on the part of IAs.

The table below presents the outcomes, outputs, output indicators, targets and actual achievements for the APP 2022/23 FY that was tabled on 10 March 2022 and implemented till 31 March 2022.

Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/2023	Deviation from Planned Target	Comment on Deviations
Outcome: Integrated planning and service delivery							
Sub-programme: Programme Planning, Monitoring and Reporting							
CWP participants enrolled	5.1 Number of people participating in the programme	250 000	Achieved 250 000 people participating in the programme by 31 March 2021	250 000 people participating in the programme by 31 March 2023	Achieved 273 848 people participated in the programme by 31 March 2023	Over achievement by + 23 848 people	The overachievement is due to high demand for participation
CWP participants trained	5.2 Number of participants trained annually	25 000 participants trained	Not Achieved 13 347 CWP participants trained by 31 March 2022	25 000 CWP participants trained annually by 31 March 2023	Not Achieved 15 942 CWP participants trained by 31 March 2023.	-9 058 under-achievement	Implementing agents were advised that no procurement of goods and services including training should commence until all advances in relation to the contract period ending on 30 September 2022 were cleared. Most Implementing Agents were unable to clear all their advances within the stipulated time hence the under achievement.

Linking performance with budget

Sub-programme expenditure

Programme 5: COMMUNITY WORK PROGRAMME	2022/23				2021/22	
	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	%	R'000	R'000
Sub-programme						
1. Management: Community Work Programmeme	4 238 430	3 787 616	450 814	89,4%	4 158 993	3 523 241
2. Programme Coordination	47 527	45 644	1 883	96,0%	34 287	1 357
3. Partnerships, Norms, Standards and Innovation	15 247	835	14 412	5,5%	11 873	1 049
TOTAL	4 301 204	3 834 095	467 109	89,1%	4 205 153	3 525 647
Economic classification						
Current payments	4 265 775	3 817 678	448 097	89,5%	4 171 621	3 492 445
Compensation of employees	31 762	25 460	6 302	80,2%	32 114	31 408
Goods and services	4 234 013	3 792 218	441 795	89,6%	4 139 507	3 461 037
Transfers and subsidies	292	290	2	99,3%	85	85
Payments for capital assets	35 000	15 990	19 010	45,7%	33 447	33 117
Payment for financial assets	137	137	-	100,0%	-	-
TOTAL	4 301 204	3 834 095	467 109	89,1%	4 205 153	525 647

Strategy to overcome areas of under-performance.:

5.2: Number of participants trained annually

The training targeted as reported has not been achieved. Going forward the CWP needs to work very closely with the Provincial colleagues to facilitate the expedition of targeted training of Participants in accordance with their skills profile as determined by the Training Plans attached as part of each Site Business Plan.

5. TRANSFER PAYMENTS

5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES

Transfer payments to public entities The table below reflects transfers made to public entities by the Department during the period under review.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Municipal Demarcation Board		74,340,000	74,340,000	
Municipal Infrastructure Support Agent		400,216,000	400,216,000	
South African Local Government Association		36,280,000	36,280,000	

5.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

Transfer payments to all organisations other than public entities

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with S 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
South African Cities Network			Yes	8,508,000	8,508,000	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2021 to 31 March 2022, but no transfer payments were made

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

6. CONDITIONAL GRANTS

6.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

Conditional grants and earmarked funds paid

Conditional Grant 1:

Department/Municipality to whom the grant has been transferred	Municipalities
Purpose of the grant	To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities. To provide specific funding for the development of asset management plans for infrastructure servicing the poor.

<p>Expected outputs of the grant</p>	<p>The MIG is a schedule 5 (direct grant) to municipalities. Infrastructure include the construction of new infrastructure and the upgrading and renewal of existing infrastructure that includes:</p> <ul style="list-style-type: none"> • basic water and sanitation services • central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites • Sport and recreation facilities • street and community lighting • public facilities • municipal roads (also maintenance) <p>Also included, work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs.</p> <p>Other includes:</p> <ul style="list-style-type: none"> • Specialised vehicles for waste management servicing the poor • Repairs and refurbishment of water services infrastructure servicing the poor • Asset management planning development • Maintaining project management capacity at a municipal level to support the MIG programme and other schedule 5B grants. 												
<p>Actual outputs achieved</p>	<p>The MIG is a municipal grant, which implies funds are spent between 1 July and 30 June the next year. Municipalities have until 30 June 2023 to achieve outputs against their implementation plans. The 2022/23 MIG Annual Report in Section 10 of the Division of Revenue Act express the outputs achieved in 2022/23 which is due to National Treasury on 30 October 2023.</p>												
<p>Amount per amended DoRA</p>	<p>R16 842 001</p>												
<p>Amount transferred (R'000)</p>	<p>R16 842 001</p>												
<p>Reasons if amount as per DoRA not transferred</p>	<p>All funds were transferred municipalities.</p>												
<p>Amount spent by the Department/Municipality (R'000)</p>	<p>As at the end of March 2023, R 9 256 962 (54,96) of the MIG 2022/23 of allocation was spent.</p>												
<p>Reasons for the funds unspent by the entity</p>	<p>The MIG is a municipal grant, which implies funds are spent according to municipal financial years (between 1 July and 30 June the next year). Municipalities have until 30 June 2023 to spend the MIG funds transferred as an advance in March 2023.</p>												
<p>Monitoring mechanism by the transferring Department</p>	<p>Project monitoring is undertaken by DCoG, provinces and sector Departments through spot checks. Expenditure monitoring includes the submission of proof of payments by the municipalities on projects, verified by provinces and confirm nationally through the MIG-MIS.</p>												
<p>Municipal Disaster Recovery Grant</p> <p>Municipality to whom the grant has been transferred</p>	<p>Allocation to address the flood damages of 2019 and 2020 in KZN. Transfer to the municipality was done in tranches in July 2022 and December 2022.</p> <table border="1" data-bbox="512 1514 1430 1874"> <thead> <tr> <th>Province</th> <th>Municipality</th> <th>Purpose of allocation</th> <th>Approved and transferred amount '000</th> </tr> </thead> <tbody> <tr> <td>KZN</td> <td>uMzambe municipality</td> <td>Rehabilitate damaged municipal infrastructure from the floods of 2019 and 2020 in KZN</td> <td>R9 000</td> </tr> <tr> <td>Total</td> <td>1 municipality</td> <td></td> <td>R9 000</td> </tr> </tbody> </table>	Province	Municipality	Purpose of allocation	Approved and transferred amount '000	KZN	uMzambe municipality	Rehabilitate damaged municipal infrastructure from the floods of 2019 and 2020 in KZN	R9 000	Total	1 municipality		R9 000
Province	Municipality	Purpose of allocation	Approved and transferred amount '000										
KZN	uMzambe municipality	Rehabilitate damaged municipal infrastructure from the floods of 2019 and 2020 in KZN	R9 000										
Total	1 municipality		R9 000										

	Allocation to address the flood damages in the affected municipalities. The funds were transferred to municipalities in March 2023.																																																																																																					
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Expected outputs of the grant	Municipal infrastructure damaged by a disaster reconstructed and rehabilitated																																																																																																					
Actual outputs achieved	<ul style="list-style-type: none"> Repairs to municipal infrastructure damaged by the floods. Significant progress in the implementation of projects and expenditure was realised by realised uMzombe Municipality as the funds were transferred in tranches in July and December 2022 Not much progress was realised in the implementation of intervention measures from the other allocation as the amount of R3.3 billion was transferred to municipalities in March 2023. Implementation of projects therefore started late in March 2023. 																																																																																																					
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	Province	Municipality	Approved amount	Cumulative Expenditure R'000	Balance
	1. EC	1. Winnie Mandela	R33 806	R13 929	R19 876
	2. KZN	2. eThekweni Metro	R1 534 785	R0	R1 534 785
		3. uMhlatuze City	R34 966	R0	R34 966
		4. King Cetshwayo DM	R4 500	R0	R4 500
		5. Inkosi Langalibalele LM	R76 950	R4 382	R72 568
		6. Alfred Duma LM	R22 000	R0	R22 000
		7. iLembe DM	R14 549	R0	R14 549
		8. KwaDukuza LM	R1 271 098	R9 403	R1 261 098
		9. uMgungundlovu DM	R10 100	R1 873	R8 226
		10. Mandeni LM	R17 023	R520	R16 502
		3. WC	11. Theewaterskloof LM	R1 194	R0
	12. Swellendam LM		R3 553	R0	R3 553
	13. Breede Valley LM		R1 031	R0	R1 031
	14. Oudtshoorn LM		R26 664	R918	R25 754
	15. George LM		R237 498	R12 590	R224 907
	Total	15 municipalities	R3 318 742	R43 615	R3 245 509
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> The amount R3.3 billion was transferred to municipalities in March 2023, therefore implementation of projects started late in March 2023. 				
Monitoring mechanism by the transferring Department	<ul style="list-style-type: none"> Attends and participates in provincial project steering committee meetings. Conduct project site visits and stakeholder engagements to monitor progress. Analyse submitted reports, identify areas of concern for appropriate actions and interventions; Provide guidance and support to grant recipients in the implementation of interventions; Issue regular reminders to the grant recipients on the submission of performance and financial reports, supporting documentation as well as outstanding matters. Issuance of non-compliance letters to non-complying grant recipients. Escalation of critical areas of concern to the executive and relevant structures for interventions. 				

Conditional Grant 3: Municipal Disaster Recovery Grant

	Province	Municipalities	Allocation R'000
	Municipal Disaster Response Grant Municipality to whom the grant has been transferred	KZN	1. Msunduzi
2. Mkhambathini			R8 200
3. iLembe			R19 500
4. Inkosi Langalibalele			R48 393
5. uGu			R2 000
6. Alfred Duma			R14 354
7. Kwa-Dukuza			R109 103
8. Ray Nkonyeni			R19 100
9. e-Thekwini			R185 000
EC		10. Port St John	R13 300
		11. Ingquza Hill	R4 130
		12. Nyandeni	R2 693
		13. Umzimbuvu	R10 500
		14. Ntabankulu	R5 111
		15. Mbashe	R14 415
		16. Winnie Mandela	R12 790
		17. OR Tambo	R46 872
Total	17 municipalities	R516 748	
	<ul style="list-style-type: none"> The funds were transferred to municipalities between July -September 2022 to address damages due to floods of 2022. 		
APPurpose of the grant	To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with 2 (1)(b) of the Disaster Management Act		
Expected outputs of the grant	Emergency repair of critical infrastructure Emergency provision of critical goods and services		
Actual outputs achieved	Municipal critical infrastructure repaired to restore service delivery		
Amount per amended DoORA	Initial combined allocation for Disaster Response Grants was R516 748 000 with the breakdown as follows: Municipal Disaster Response Grant: R371 42 000 Provincial Disaster Response Grant: R145 328 000 Replenishment: MDRDG: R247 614 000. PDRG: R98 688 000		
Amount transferred (R'000) (R'000)	A total of R516 million was transferred to municipalities for the repairs of damages due to the floods of 2022.		
Reasons if amount as per DORA not transferred	An amount of R344 500 000. The NDMC received funding applications in March 2023 few days before end of financial year. After the end of financial year, unspent unallocated funds are returned to the national fiscus.		

	Province	Municipalities	Allocation R'000	Expenditure R'000 as at 18/04/2023
	Amount spent by the Department/ Municipality (R'000)	KZN	1. Msunduzi	R620
2. Mkhambathini			R8 200	R8 200
3. iLembe			R19 500	R18 674
4. Inkosi Langalibalele			R48 393	R43 655
5. uGu			R2 000	R1 980
6. Alfred Duma			R14 354	R13 792
7. Kwa-Dukuza			R109 103	R44 519
8. Ray Nkonyeni			R19 100	R19 100
9. e-Thekwini			R185 000	R98 674
EC		10. Port St John	R13 300	R8 840
		11. Ingquza Hill	R4 130	R2 067
		12. Nyandeni	R2 693	R1 904
		13. Umzimbuvu	R10 500	R8 856
		14. Ntabankulu	R5 111	R5 089
		15. Mbashe	R14 415	R11 845
		16. Winnie Mandela	R12 790	R12 790
		17. OR Tambo	R46 872	R23 822
Total	17	R516 748	R324 427	
Reasons for the funds unspent by the entity	The following reasons are reported by grant recipients: <ul style="list-style-type: none"> • challenges regarding the Supply Chain Management processes • unfavourable weather conditions for implementation of projects; • service delivery protests. • Capacity constraints within municipalities The funds were transferred between July and September 2022. Municipalities with unspent funds were granted extension until 30 June 2023 as per the grant framework.			
Monitoring mechanism by the transferring Department	<ul style="list-style-type: none"> • Attends and participates in provincial project steering committee meetings. • Conduct project site visits and stakeholder engagements to monitor progress. • Analyse submitted reports, identify areas of concern for appropriate actions and interventions; • Provide guidance and support to grant recipients in the implementation of interventions; • Issue regular reminders to the grant recipients on the submission of performance and financial reports, supporting documentation as well as outstanding matters. • Issuance of non-compliance letters to non-complying grant recipients. • Escalation of critical areas of concern to the executive and relevant structures for interventions 			

6.2 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

- The Department has not received any conditional grants.

NAME OF GRANT	GRANT ALLOCATION					SPENT					
	Division of Revenue Act/Provincial Grants	Roll Overs	DoRA Adjustments	Other Adjustments	Total Available	Amount received by Department	Amount spent by Department	Under/ (Over-spending)	% of available funds spent by Department	Division of Revenue Act	Amount spent by Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipal Infrastructure Grant	16 842 001	291 011	-	-	17 133 012	16 842 001	9 396 200	7 445 801	55,8%	15 592 748	13 992 082
Integrated Urban Development Grant	1 085 368	10 124	-	-	1 095 492	1 085 368	593 445	491 923	54,7%	1 009 068	996 397
Disaster Response Grant	516 748	-	344 500	-	861 248	861 248	301 939	559 309	35,1%	498 788	378 371
Municipal Systems Improvement Grant	140 331	-	-	-	140 331	140 331	63 544	76 787	45,3%	135 302	45 914
Municipal Disaster Recovery Grant	26 023	-	3 292 719	-	3 318 742	3 318 742	8 593	3 310 149	0,3%	-	-
TOTAL	18 610 471	301 135	3 637 219	-	22 548 825	22 247 690	10 363 721	11 883 969	46,6%	17 235 906	15 127 664

7. DONOR FUNDS

7.1 DONOR FUNDS RECEIVED

Donor Fund:

Name of donor	Southern African Development Community
Full amount of the funding	R 4 641 900 (\$ 300 000)
Period of the commitment	Not Specified
Purpose of the funding	Provide relief materials to shelters / mass care centres still in operation and where applicable to persons living in Temporary Residential Units
Expected outputs	<ul style="list-style-type: none"> • Supply & delivery of non-perishable food items, hot meals where needed and hygiene packs • Supply & delivery of chemical Toilets at mass care centres • Supply & delivery of non-perishable food items for people sheltered at churches
Actual outputs achieved	N/A
Amount received (R'000)	R 4 641 900 (\$ 300 000)
Amount spent by the Department (R'000)	R 4 641 900 (\$ 300 000)
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	NDMC to provide report to donor at next Ministerial meeting taking place in 2024.

Name of donor	Esri
Full amount of the funding	R50 000
Period of the commitment	11 to 15 July 2022
Purpose of the funding	Sponsored air travel and accommodation for attendance of the ESRI International User Conference in San Diego, California.
Expected outputs	<ul style="list-style-type: none"> • Engagement of international GIS users from various organizations. • Direct interaction with product teams, industry experts, and training personnel.
Actual outputs achieved	<ul style="list-style-type: none"> • Improve GIS skills in technical workshops and hands-on labs.
Amount received (R'000)	Procurements undertaken by sponsor.
Amount spent by the Department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

Name of donor	African Union Commission
Full amount of the funding	R40 000
Period of the commitment	29-31 August 2022
Purpose of the funding	Sponsored air travel for participation at the 4th Session of the African Union Specialised Technical Committee on Public Service, Local Governments, Urban Development and Decentralisation (AU STC No.8) in Cairo, Egypt
Expected outputs	<ul style="list-style-type: none"> • Renewal of the AU-STC No.8 Bureau • Consideration of the two-year work plan of the Bureau • Consideration of the draft Statutes of the AU High Council of Local Authorities

Actual outputs achieved	<ul style="list-style-type: none"> • Renewal of the AU-STC No.8 Bureau for a 2-year period (2022-2023) • Draft Statutes of the AU High Council of Local Authorities referred to members for amendments and further consultations.
Amount received (R'000)	Funds not received; procurement undertaken by sponsor
Amount spent by the Department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

Name of donor	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Full amount of the funding	R273 000
Period of the commitment	10 to 16 September 2022
Purpose of the funding	Sponsorship for participation in the South African-German Peer-Learning Network and the Federal National Urban Policy Congress in Germany
Expected outputs	Second South African-German Peer-Learning Network workshop
Actual outputs achieved	<ul style="list-style-type: none"> • Reporting on all living lab projects located in participating South African and German municipalities • Enhanced understanding of integrated Urban Development, equity and urban safety (especially for vulnerable groups, i.e. women or the elderly) • Peer advice and engagement • Joint participation at the Federal National Urban Policy Congress
Amount received (R'000)	No funds received, procurement undertaken by the sponsor
Amount spent by the Department (R'000)	Full amount
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

Name of donor	African Union Commission
Full amount of the funding	R20 000
Period of the commitment	20 to 24 February 2023
Purpose of the funding	Sponsored air travel and Subsistence and Travel allowance for participation at the second Continental Disaster and Risk Reduction Workshop in Dar es Salam, Tanzania
Expected outputs	Technical validation of the Africa Urban Resilience Programme (AURP)
Actual outputs achieved	The main objective of this workshop is to present the draft of the Programme document to the AU Member States and relevant stakeholders, to curate and streamline detailed discussions, feedback and recommendations that reflect the broad interests and ambitions of participants and, to facilitate initial reflections and refinements on supplementary components of programme delivery and coordination, such as financing, institutional responsibilities and mechanisms for programme advocacy and raising the agenda of urban resilience on the continent.
Amount received (R'000)	No funds received, procurement undertaken by the sponsor

Amount spent by the Department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

Name of donor	Centre for the Study of Violence and Reconciliation (CSVR)
Full amount of the funding	R40 000
Period of the commitment	3-4 November 2022
Purpose of the funding	Sponsorship of air travel and accommodation for participation in a two-day conference in Abidjan, Cote d'Ivoire
Expected outputs	Engagement with government officials from other countries involved in implementing public employment programmes.
Actual outputs achieved	Enhanced cooperation between DCOG and CSVR
Amount per amended DORA	Initial combined allocation for Disaster Response Grants was R516 748 000 with the breakdown as follows: Municipal Disaster Response Grant: R371 42 000 Provincial Disaster Response Grant: R145 328 000 Replenishment: MDRDG:R247 614 000. PDRG: R98 688 000
Amount transferred (R'000)	
Amount received (R'000)	Procurement undertaken by sponsoring organisation
Amount spent by the Department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

Name of donor	United Nations Office for Outer Space
Full amount of the funding	R30 000
Period of the commitment	20-22 February 2023
Purpose of the funding	Participation at an International training workshop
Expected outputs	Capacity development
Actual outputs achieved	Capacity development focusing on the use of Artificial Intelligence, GLOFAS and the UN-SPIDER Recommended Practices for flood management.
Amount received (R'000)	Procurement undertaken by sponsor
Amount spent by the Department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

Name of donor	African Union Commission
Full amount of the funding	R19 000
Period of the commitment	12-13 September 2022
Purpose of the funding	Participation in a workshop on the Second Biennale Report on Disaster Risk Reduction (DRR) for the SADC States in Maputo, Mozambique

Expected outputs	Data collection workshop for the development of the 2nd Biennial Report on the implementation of the Programme of Action (PoA) for the implementation of the Sendai Framework in Africa
Actual outputs achieved	Generated Disaster and Risk Reduction Report on the implementation of the POA in the SADC Region and this regional report; which feeds into the continental report.
Amount received (R'000)	Procurement undertaken by sponsoring organisation
Amount spent by the Department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A



PART C: GOVERNANCE

1. INTRODUCTION

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. The Department has put

measures in place to ensure that the good governance structures are effectively, efficiently and economically utilising state resources.

2. RISK MANAGEMENT

The Department has an approved risk management policy and strategy. An annual risk management plan is in place and the implementation thereof is monitored on an ongoing basis.

A Risk Management Committee (RMC) has been established to assist the Accounting Officer to execute his/her responsibilities on risk management and is chaired by an independent Chairperson. RMC has terms of reference, which guide its activities and areas of focus. It meets quarterly to review the effectiveness of risk management in the Department and recommended areas of improvement to the Accounting Officer. RMC reviewed the risk management and business continuity policies and frameworks during the period under review. The implementation of remedial action plans pertaining to irregular expenditure and material irregularities and provided recommendations to the Accounting Officer

Risk assessments were conducted at strategic, operational and major project levels. Emerging risks were reviewed and reported quarterly as well.

The key risks that were identified and managed for the year under review, amongst others, included the following:

- Aging/Deteriorating municipal Infrastructure.
- Municipal governance failures.
- Weak/Ineffective IGR system.
- Ineffective disaster management system.
- Organisational structure not effectively implemented.
- Cyber security vulnerabilities on ICT systems.

3. FRAUD AND CORRUPTION

The Department has adopted a zero-tolerance approach to fraud and corruption. The anti-fraud and corruption strategic approach is centred around prevention, detection, investigation, and resolution. Emphasis is also put on the promotion of ethics and integrity.

The Department maintains anti-corruption and whistleblowing policies and a strategy. Fraud risks were

identified, managed, and reported. Regular awareness campaigns were conducted through available mediums to all employees, with emphasis on whistleblowing reporting procedures as well as on prevention and detection of fraud and corruption. The reporting procedures outline and emphasise the process of reporting allegations of fraud and corruption, the investigation process and feedback mechanisms.

4. MINIMISING CONFLICT OF INTEREST

All designated employees are required to disclose their financial interests annually. This incorporates the management of the process of Remunerative Work

Outside the Public Service applications, lifestyle reviews, gifts and courtesies.

5. CODE OF CONDUCT

The Department complies with the Code of Conduct by ensuring that ethics risks are assessed, managed, and reported. The Ethics Committee continues to convene

and monitor compliance with the Code of Conduct and provides recommendations to the Accounting Officer.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

OHS Committee has been appointed, meeting quarterly and as and when required.

Health and Safety Representatives (HSR) has been appointed and trained.

HSR conduct monthly H & S inspections in building(s)

Consolidated H & S inspections reports are presented to the OHS Committee for noting and inputs.

Fire marshals and first aiders has been appointed and trained.

Emergency evacuation drills are conducted annually.

Emergency evacuation maps and OHS signage displayed in buildings.

Emergency assembly point is easily reachable from the building

7. PORTFOLIO COMMITTEES

The Department had engagements with the Portfolio Committee on Cooperative Governance and Traditional Affairs. The Portfolio Committee also had meetings with various entities including municipalities, provinces and law

enforcement agencies. The table below summarises the key activities and matters made by the Portfolio Committee during the interaction with the Department:

Committee Dates	Topic	Matters raised by the Portfolio Committee
03 May 2022	Briefing by the Department of Cooperative Governance (DCoG) on the recent floods in KZN	<ul style="list-style-type: none"> Members expressed sincere condolences to the people of KZN not forgetting the people of the Eastern Cape and Western Cape who had fallen victim to the floods. The presentation was welcomed but long overdue. The Committee indicated that government needed to take climate change seriously. Members agreed that an oversight visit to KZN needed to be prioritised. Members commented that it was an African tradition to pay respects to a grieving family by visiting the family without delay. Members reported complaints of Non-Profit Organisations (NPOs) locking away food in shelters while people were hungry. Members also reported that some people and hospitals were without water. The Minister was asked to explain how 70 water tankers had been provided to a population of four million people. Members were also concerned about the possibility of corruption. Members wanted to know whether there were instruments put in place to ensure that the Department, province, districts and municipalities pre-empted all forms of corruption. What would the Minister do to closely monitor monetary donations to ensure each cent was accounted for? The Committee also wanted to know whether there would be interventions in respect of the South African Social Security Agency (SASSA) grants. There were concerns about the status of missing persons (whether they could be legally declared deceased) and the steps families needed to take for assistance. Some members felt that more hands were needed on the ground while others acknowledged the work of the Department and Minister. One member commented that the actions of Cabinet and the Minister did not go unnoticed and they should “keep up the good work”.

Committee Dates	Topic	Matters raised by the Portfolio Committee
03 May 2022	Briefing on the 2022/23 Annual Performance Plans of the Department of Cooperative Governance (DCoG); Municipal Infrastructure Support Agent (MISA); and Department of Traditional Affairs.	<ul style="list-style-type: none"> Members expressed concern about the sustainability and effectiveness of the CWP. The concern was that a lot of money had been allocated to the programme yet many issues had been raised in respect of the programme. Members noted that consequence management had been left out of the reports. Members were concerned about the training of internal audit teams. Members wanted to know whether there was sufficient training of the internal audit teams in terms of transferring the skills from the consultants. The Committee noted that the idea of redesigning and refurbishing rural areas as smart cities/towns were challenged and linked to spatial colonialism. Members raised the issue of social cohesion, gender-based violence, conflict and determining customary laws of succession to ensure certainty and stability.
10 May 2022	The Portfolio Committee on CoGTA Budget Report	<ul style="list-style-type: none"> The Department of Cooperative Governance must conduct an evaluation and cost-benefit analysis of the Community Work Programme to assess whether it was serving its intended purpose and to determine whether the cost incurred on the programme is consistent with the benefit derived.
08 June 2022	Progress on the implementation of recommendations in the State of Local Government report.	<ul style="list-style-type: none"> The Committee expressed the need for a formal report on the details of progress made to fully understand both the challenges and progress being made. The Committee raised various issues relating to the state of local government such as financial recovery plans, relationship between the Department and treasuries, municipalities under intervention, establishment of the ward committees, service delivery, land invasions and the organograms of municipalities. Members were concerned about political interference – they said “80% of challenges in municipalities were due to political obstacles” and councils do not understand their roles.
30 August 2022	Department of Cooperative Governance briefed the Committee on the Independent Municipal Demarcation Authority Bill	<ul style="list-style-type: none"> The Committee members asked what provisions were in the Bill to avoid a merger having a devastating effect on municipalities’ finances and causing institutional disruption. They asked questions on Section 23(1)(e) on what the objectives of the determination and redetermination of boundaries should be, and on Section 23(2) that spatial justice should be accommodated in terms of the Spatial Planning and Land Use Management Act (SPLUMA). They said they could not find definitions for some of the terms used in the Bill, and Section 24(n) was very broad and vague. The Committee wanted to know if national or provincial policies would be a factor in determining municipal boundaries, as such a scenario would have a constitutional impact. Other issues raised included the regular assessment of municipalities’ capacity; the disqualification of a member of the Board when a member of the MDB was elected to a party-political position; on the prohibition of the MDB borrowing money; and the composition of the MDB which had to reflect regional diversity. The Committee wanted clarity on Section 7, which states that the Minister determines the number of members of the Board. What were the Minister’s criteria? They asked if the Board’s minutes would be made available as public records and if not, how would it be held accountable.

Committee Dates	Topic	Matters raised by the Portfolio Committee
31 August 2022	DCoG, DTA and MISA Quarter 4 2021/22 Performance (finance and non-finance) Report	<ul style="list-style-type: none"> • The Committee members raised questions about having security as an in-house function instead of outsourced to a private company. • Members asked MISA in what respect had their support improved rural municipalities and developed local industries to improve revenue and create jobs and discourage migration. • Members wanted an update on the R7 billion unspent MIG funds as at the end of the third quarter and on the criminal charges report that implicated the Chief Executive Officer (CEO) of MISA in wrongdoing and what was the status of the disciplinary processes in this regard. • Members were concerned about MISA's fruitless and wasteful expenditure interest payments to service providers. • Members said the targets to reduce the losses on electricity and water should be achieved as this was the main revenue base of municipalities. Members said people participating in the Community Work Programmeme (CWP) claim they were not paid, yet it was ticked as being achieved and that no training was conducted in this programme. • Members wanted a breakdown of the CWP numbers per province and per district, as well as that of the bursaries, learnerships, and support and training programmes per province. Members asked what the Department's remedial action in implementing the remodelled Agrarian Revolution Programme in traditional communities was. • Members questioned the underspending in disaster relief grants. Members wanted an update on MISA's engagement with Treasury to transfer rollover funds back to MISA. • Members asked what awareness campaigns the Department had done and what workshops had been conducted in villages on customary initiation and what precautionary measures were in place to curtail deaths. • Members questioned whether active participants were being paid in the CWP programme. Members raised the issue of illegal electricity sales in the Department's offices.
21 September 2022	Progress report on intervention at Mangaung Metropolitan and Enoch Mgijima Local Municipalities	<ul style="list-style-type: none"> • The Committee called for the improvements in both municipalities to be sustained, so that the municipalities could assist their citizens and become centres of excellence. • The Committee also demanded an urgent settlement of the R1.3 billion in government debt owed to the Mangaung Metropolitan Municipality, as the municipality needed that money now more than ever. • The Committee hoped that the commitment made by the Department that it would not fail in these two interventions would be met. Failure would affect the people, and the intervention was meant to save the people from a failure involving the three spheres of government. It would not only fail the people, but the country as a whole, because this was the last hope and the last line of defence for the people.
10 October 2022	CoGTA Portfolio Audit Outcomes: AGSA briefing; DCoG, DTA and MISA Annual Reports 2021/22	<ul style="list-style-type: none"> • The Committee members expressed major dissatisfaction with the engagements as important questions were not being clearly addressed. There were complaints about ongoing issues that had persisted for a long time without any resolution. • The Committee members indicated that government entities needed to understand, plan and act on the duties which they had to play within districts, municipalities and communities at large. • The key issue which seemed to persist was that of the Community Work Programmeme and members did not seem to understand why the issue was not being resolved, as there had been a remodelling at some point.

Committee Dates	Topic	Matters raised by the Portfolio Committee
20 October 2022	Budgetary Review and Recommendations Report of the Portfolio Committee on CoGTA	<ul style="list-style-type: none"> The Committee recommended that the Auditor-General and the Department of Cooperative Governance should strive to find common ground regarding the potential irregularities identified in the process of appointing the latest cohort of Implementing Agents. In the next Budgetary Review and Recommendations (BRR) reporting cycle, both the AG and DCoG should update the Portfolio Committee on how this matter has been resolved. The Portfolio Committee should, at the earliest convenience, convene a workshop with the Department of Cooperative Governance to discuss the Community Work Programmeme in more detail. The Portfolio Committee should, at the earliest convenience, engage the South African Local Government Association on the role it ought to play in the constitutional intervention process in municipalities.
20 November 2022	Engagement with DCoG; SoLG, Progress on tabling of the Monitoring, Support and Interventions Management Bill	<ul style="list-style-type: none"> The Committee raised concerns about the lack of capacity in the Department, which they believed was the root of all the problems faced. The Committee members questioned the classification of certain municipalities as either stable, high risk, medium risk or low risk, and gave examples of some whose status was at variance with what the Department had presented at the meeting. The Committee members expressed the hope that the Bill, once implemented, would help resolve many of the burning issues that had led to a hot debate after the SoLG presentation. The Committee raised concerns about the delay in implementing the Bill, which the Auditor-General had attributed to the Department's poor planning. Members felt that there was no sense of community involvement or consultation, which would have helped in raising issues from the people on how this Bill could help the communities to get better service delivery, because it needed to benefit the poor in deep rural areas and ensure what was due to them. The Committee asked the Department for a workshop or some strategic session where there would be further deliberation on the issues at hand.
28 February 2023	DCoG, DTA and MISA quarter 3 2022/23 Performance (Finance and non-finance)	<ul style="list-style-type: none"> The Committee members questioned the large underspending by DCoG with poor expenditure on the MIG budget and Disaster Response Grant budget. The members asked why municipalities such as Kareeberg Municipality, were not receiving their Local Government Equitable Share allocations. There was a concern at so much underspending yet ordinary citizens continue to live in poverty with poor infrastructure, dismal service delivery and ongoing natural disasters. Members asked for details on how the 58 dysfunctional municipalities were supported. More information was requested on the audit action plan to address the Auditor-General's findings. It was insufficient to report on numbers as the Committee sought the details on projects to properly conduct oversight. Members asked about the progress on the Intergovernmental Monitoring, Support and Intervention Bill.
07 March 2023	Briefing by AGSA: Status update on Material Irregularities in DCoG	<ul style="list-style-type: none"> The Committee members were concerned about the delays in these investigations, because the incidents being investigated had occurred in 2019. The AGSA was asked what else it could do regarding its mandate, other than to identify the financial mismanagement involved, speak to the Department, and inform the Committee that management was not dealing with the issues. Did it have the powers and provisions to identify where it was not seeing progress, and decide to take the next step? The Committee wanted to know whether the Department had created a best practice model derived from the AGSA's recommendations.

8. SCOPA RESOLUTIONS

During the 2022/23 financial year, the Department was not invited or required to appear before the Committee and there were no Committee resolutions that required implementation by the Department.

Date	Details	Response by the Department	Resolved (Yes/No)
None	None	None	None

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Qualification		
Movable Tangible Assets Insufficient appropriate audit evidence for movable tangible assets could not be provided, assets from register could not be traced to the assets on the floor and assets on the floor could not be traced to the assets register.	2018/19	The Department reconstructed the asset register including the verification of assets. The verification was completed, and asset register was submitted to Auditor General however, several findings were raised by the AG and no reliance was placed on the register. Department to procure an asset management system to improve the management of assets in the new financial year.
Goods & Services The Department could not provide accurate and complete substantiating records evidence for project management fees paid to implementing agents	2018/19	The NPO's were given till 31 March 2023 to submit all valid invoices to enable an accurate calculation of the Project management fees. Process to be finalised with the close out reports for the expired contracts.
Prepayment and Advances Duplicate invoices used to clear the implementing agents advance account.	2021/22	The Department revisited the whole population to identify the duplicate invoices and reversed the duplicate invoices on the BAS during the year 2022/23.

10. INTERNAL CONTROL UNIT

The Internal Control Unit is a management tool and facilitated to the extent possible that the Department maintains an effective, efficient, and transparent internal control system, the hosting of the Audit Steering Committee and supported by Governance and Administration Steering Committee in ensuring and monitoring that all audit matters are resolved and attended on time.

(a) Objectives

The objective of Internal Control is to provide assurance to management that adequate controls and actions put in place are effective and are working as intended to improve the operations of the Department.

(b) Activities

The main functions performed by the Internal Control Unit as follows:

- Facilitation coordination of the audit process;
- Management of the Loss Control and Asset Disposal activities;
- Safeguarding of financial documents; and
- Development and monitoring of the Post Audit Action Plans as well as consequence management on matters relating to noncompliance with policies and prescripts. Work performed.

II. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit

Objectives and Key activities of the Audit Committee

The Internal Audit Activity (IAA) is responsible for evaluating the control environment and assisting the Audit Committee (AC) to fulfil its responsibilities. During the financial year under review, the IAA also provided the AC and the Director-General (DG) with assurance on whether internal controls, risk management and governance processes are adequate and effective.

The purpose, authority and responsibility of IAA is stated in the Internal Audit Charter which is endorsed by the DG and approved by the AC. The Chief Audit Executive reports administratively to the DG and functionally to the AC.

a) Internal Audit Objective

The objective of the IAA is to provide independent, objective assurance and consulting services designed to add value and improve the Department's operations. It assists the Department to accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, internal controls and governance processes.

b) Internal Audit Key Activities

The IAA through engagements with internal stakeholders and the Audit Committee developed a comprehensive three-year rolling plan, incorporating the 2023/24 annual plan that was approved by the AC.

IAA executed the risk-based audits assignment as per the annual plan. Included in areas audited are Performance Information, Financial Statements, Procurement Processes, Assets Management, Community Work Programmememe, Information Communication Technology, Human Resource Management, Disaster Grants, Municipal Infrastructure Grants and Risk Management. The results of those audits indicated an overall control weakness and management undertook to address those identified weaknesses, through a comprehensive action plan.

IAA provides recommendations to management with regard to internal controls, risk management and governance processes. IAA also provides management advisory services when requested by management as and when necessary. IAA reports quarterly to the AC on progress against the approved annual plan.

12. AUDIT COMMITTEE REPORT

Objectives and Key activities of the Audit Committee

(a) Objectives of the Audit Committee

The primary objective of the Audit Committee is to advise the Executive Authority, the DG and the management staff of the Department in the effective discharge of their responsibilities with regard to risk management, control and governance.

(b) Key activities of the Audit Committee

- The Audit Committee is responsible for the following key activities:
- Evaluating and recommending approval of the draft Annual Financial Statements for submission to the external auditors for audit purposes, under guidance of the DG and CFO.
- Review the report of significant changes to the Institution's risk register and provide regular feedback to the DG and Executive Authority on the adequacy and effectiveness of risk management, including recommendations for improvement.
- Review the adequacy of processes to monitor the Department's system of internal controls including information technology, security and control. Review the Department's compliance with the performance management and reporting systems.

- Review whether the management of the Department have considered legal and compliance risks as part of risk assessment. Review the effectiveness of the system for monitoring compliance with laws, regulations, ethics, policies and rules concerning conflict of interest and follow-up on instances of non-compliance.
- Review and approve the Internal Audit Charter after it is submitted to the DG for recommendation or acceptance. Review and approve internal audit plans, its scope and any major changes to it, ensuring that the audit plan sufficiently address the critical risk areas of the Department and there is appropriate co-ordination with the external auditor.
- Review quarterly reports from Internal Audit in line with the approved plans. Review significant findings and recommendations by Internal Audit as well as management responses and action plans. Review implementation of Internal Audit recommendations by management.
- Review the findings and recommendations by External Audit and management responses thereof. Review implementation of external auditor's recommendations by management.

Audit Committee Members Qualifications, Appointment & Meeting Attendance

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date resigned	No. of meetings attended
Dr P Dala (chairperson)	PhD (Information Technology), Masters (Information Technology), BSc Hons (Computer Science), Bachelor of Information Technology, Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM), Certified Information Systems Security Professional (CISSP), Lead Auditor ISO 27001 (LA ISO 27001), Certified in the Governance of Enterprise Information Technology (CGEIT), Certified in Risk and Information Systems Control (CRISC), Certified Ethical Hacker (CEH) and Computer Hacking Forensic Investigator (CHFI).	External	N/A	Member appointed on 1 July 2020 Appointed Chairperson 14 May 2021	N/A	9/9

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date resigned	No. of meetings attended
Mr L. Makibinyane	Degree in Bachelor of Engineering with Honours (Chemical Engineering) – Post Graduate Certificate Management Development, Masters in Business Leadership (MBL)	External	N/A	Member appointed on 1 July 2020	N/A	9/9
Ms. Crystal Abdoll	Chartered Accountant – CA (SA) 1997, Post Graduate Diploma: Certified Internal Auditing, Certificate in the Theory of Accounting, B Compt Hons, B Com Accounting.	External	N/A	Member appointed on 14 May 2021	N/A	9/9
Sathiaseelan (Sathie) Gounden	B. Compt. Post-graduate Diploma in Accountancy (CTA) Chartered Accountant (SA) Certificate in Forensic Accounting and Fraud Examination Executive Leadership Development Institute	External	N/A	Member appointed on 14 May 2021	N/A	9/9
Noziphiwo Phumeza Lubanga	Executive Development Programme (EDP) BCom: Internal Auditing Internal Audit Quality Assessor/Validator Certificate: Internal Control and Risk Management National Diploma: Internal Auditing	External	N/A	Member appointed on 01 July 2020	N/A	9/9

AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT COMMITTEE

The Audit Committee (“the Committee”) is pleased to present its report for the financial year ended 31 March 2023.

AUDIT COMMITTEE RESPONSIBILITY

The Committee has complied with its responsibilities arising from sections 38 (1) (a) (ii), 76 (4) (d) and 77 of the Public Finance Management Act (PFMA) as well as Treasury Regulation 3.1. Furthermore, the Committee has adopted a formal terms of reference as its Charter and has regulated its affairs in compliance with this Charter as well as discharged all its responsibilities as contained therein.

EFFECTIVENESS OF INTERNAL CONTROL

An assessment of the findings identified by Internal Audit as well as the audit and management reports presented to the Committee by the Auditor-General of South Africa (AGSA), reveals that the internal control, risk management and governance processes require significant improvement. Accordingly, the Committee can report that the system of internal controls for the period under review was generally partially adequate and ineffective. As a result, the Committee has identified the following key areas of concern that should be addressed:

- Asset management;
- Community Work Programmeme (CWP);
- Combined assurance;
- Compliance monitoring;
- ICT and cyber security;
- Management culture (lack of accountability) and management override of controls;
- Procurement and contract management;
- Quality of the annual financial statements and performance information on predetermined objectives (material misstatements and material findings respectively);
- Rate of implementation of audit action plans emanating from Internal Audit and AGSA findings as well as risk mitigation measures; and
- Record keeping.

The Committee is satisfied that Internal Audit provided assurance in terms of control, risk management and governance processes as per the approved risk-based audit plan. At the end of the financial year, the following audit engagements were reported as complete as per the approved risk-based audit plan:

- Annual Financial Statements for 2021/22;
- Annual Performance Information Report Review for 2021/22;
- Annual/Interim Financial Statements Reporting Process;
- Asset Management Review;
- CWP MIS Data Input Controls Review;
- CWP Pre-payment Review;
- CWP Site Visit Review;
- Cyber Security Review;
- DDM Governance Review;
- Ethics Management Review;
- Follow-up Audits (AGSA and IA Findings);
- Governance Review;
- Human Resource Management Review;
- MSIG/LGES Review;
- Municipal Infrastructure Grant;
- NDMC Disaster Grant Review;
- Performance Reporting Process Review;
- Procurement Process (Quotations) Review;
- Strategic Planning Review (Annual Performance Plan);
- Subsistence and Travel Review;
- Transfers other than DORA Review;
- CWP AGSA Direct Assistance (Ad-hoc); and
- CWP Probity Assessment - Implementing Agents Appointment (Ad-hoc).

IN-YEAR MANAGEMENT AND MONTHLY/ QUARTERLY REPORTS

The Department has reported quarterly to the National Treasury and the Executive Authority as is required by the PFMA. The Committee as well as assurance providers provided Management with recommendations to improve the quality of quarterly financial and non-financial information reporting (performance information, information communication technology, risk management,

human resource management, legal and compliance) during the year under review.

EVALUATION OF FINANCIAL STATEMENTS AND ANNUAL PERFORMANCE REPORT

The Committee has reviewed:

- The unaudited annual financial statements, with due consideration of the independent assurance provided by Internal Audit as well as the assurance provided by Management. During the review the Committee raised specific concerns relating to the asset management processes associated with the CWP and lack of progress in addressing previous audit findings and its potential impact on the quality of the unaudited annual financial statements;
- Changes in accounting policies and practices where applicable;
- Compliance with legal and regulatory provisions;
- The basis for the going concern assumption, including any financial sustainability risks and issues;
- The unaudited annual performance information on predetermined objectives with due consideration of the independent assurance provided by Internal Audit as well as the assurance provided by Management;
- The AGSA audit and management reports, with due consideration of the responses provided by Management; and
- The audited annual financial statements as well as the annual performance information on predetermined objectives to be included in the annual report for any significant adjustments resulting from the audit and reported to the Accounting Officer.

AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) REPORT

The Committee concurs with the conclusions of the AGSA on the annual financial statements and is of the opinion that the audited annual financial statements may be read together with the audit report of the AGSA.

CONCLUSION

The Committee notes with concern the qualified audit opinion and recommended that the Department must ensure that an adequate audit action plan addressing the root causes associated with both internal and external audit findings is developed and monitored to ensure effective implementation, underpinned by a culture of

accountability, in order to achieve an improved audit outcome for the 2023/24 financial year. In addition, an end-to-end review of CWP needs to be undertaken in order to address the control deficiencies and effectively mitigate the risks associated with the programme. Furthermore, the overall quality assurance processes associated with the annual financial statements and performance information on predetermined objectives needs to be enhanced.

P. Dala

Dr. P Dala

Chairperson of the Audit Committee

Department of Cooperative Governance

Date: 9 August 2023

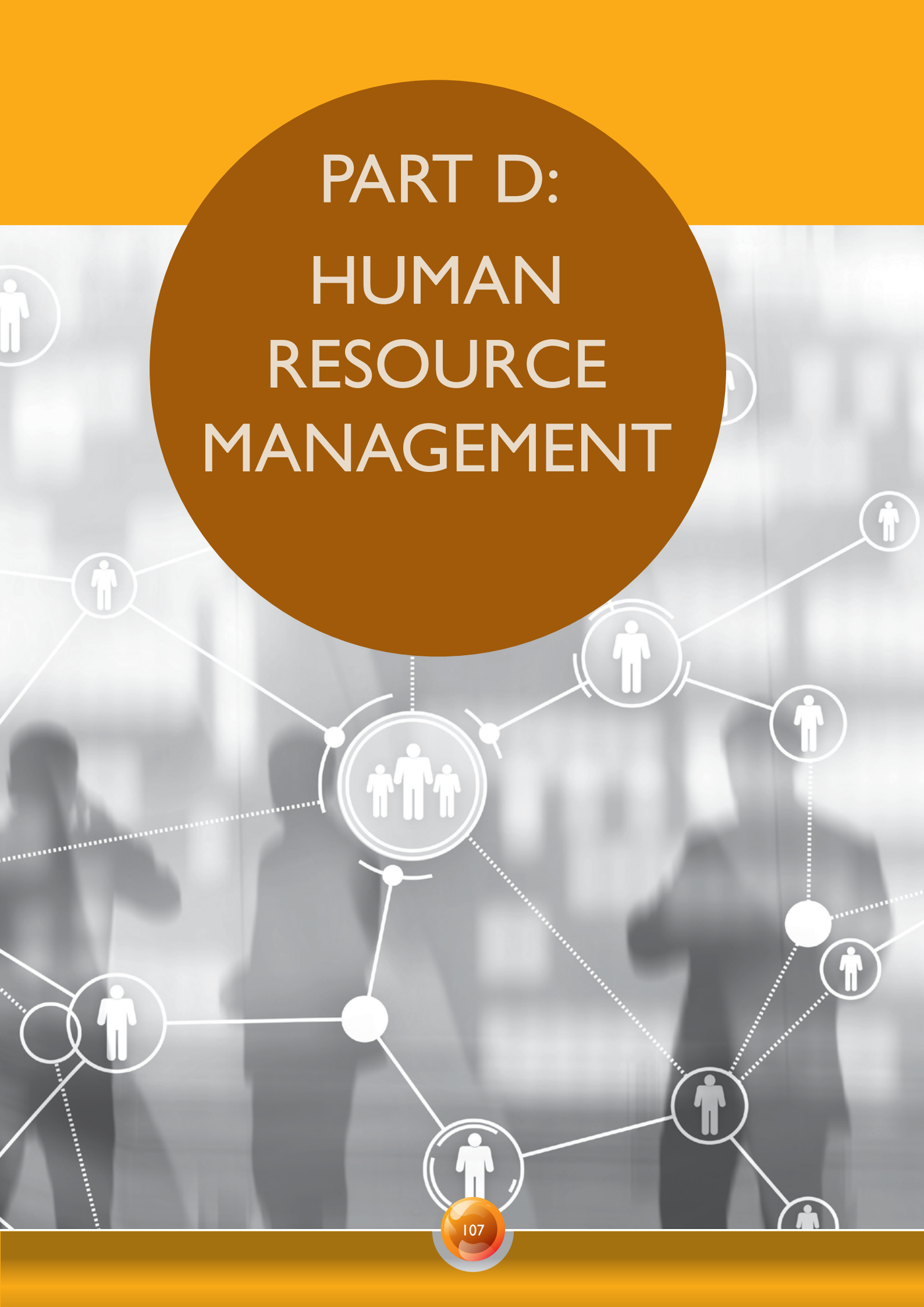
13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?		
Developing and implementing a preferential procurement policy?		
Determining qualification criteria for the sale of state-owned enterprises?		
Developing criteria for entering into partnerships with the private sector?		
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?		



PART D: HUMAN RESOURCE MANAGEMENT



I. INTRODUCTION

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

(a) Human resource priorities for the year under review and the impact of these:

Alignment of the organisational structure to the strategic plan Minister approved the revised organisational structure on 27 May 2022. The organisational structure is a product of comprehensive strategic review process as well as extensive consultations within the Department. The most notable feature of the revised organisational structure is that it provides stronger alignment of our resources to our legislative mandate, providing direction and support at provincial and local level. The Department consulted with all Senior Managers and organised labour on the implementation of the organisational structure and circulated the matching and placement process and principles to employees. The process of matching and placing of employees on the revised organisational structure was concluded in August 2022. New job descriptions were issued to employees and signed job descriptions were received from branches. All vacant funded posts were advertised internally and externally, and employees were encouraged to apply for any of the advertised posts, irrespective of their current salary level in the most suitable areas of the revised organisational structure.

Training and development: The activities highlighted relating to training and development priority, were all achieved, and these are as follows: • Automation of the Performance Development Plan (e-PDP) finalised. The variance of what was planned and implemented from the 2021/22 WSP was implemented with the challenges highlighted below under training and development. The 2022/23 WSP was submitted to the Public Service Sector Education and Training Authority (PSETA) by the due date. The planned training programmes were marketed through the Departmental media. Training sessions were scheduled according to the training plan. Quarterly Monitoring Reports were submitted to the PSETA. The budget for the 2022/23 training was R525 000 and shifting of funds was done.

Conduct Skills Audit After the restructuring process, a service provider was appointed to a conduct skills audit

for 455 staff members with specific terms of reference. The achievements were as follows: Qualifications per the job description and their major subjects were coded. Two major subjects per qualification were coded. Branch competency frameworks were approved by the Branch Heads. All participating staff members had their skills and qualifications audited. Integrated skills audit report with gap analysis was developed. Training interventions per critical and scarce skills per branch were developed. Learning and development plan for employees based on gaps was done. Three-year transition training plan to close gaps was created. Skills transfer to Human Resource Development (HRD) staff via workshops was conducted. The Skills Audit project ended on 31 March 2023 with a request for an extension of two weeks (1 April 2023-14 April 2023) to submit the close out report which was adhered to.

(b) Employee performance management:

In the 2022/23 performance cycle, staff members were assessed and subsequently moderated for the 2021/22 performance year. Effectively staff members on salary levels 1-14 were paid performance incentives in the form of a pay progression only as performance bonuses were phased out as at 2021/22 financial year. Staff members submitted their 2022/23 performance agreements.

(c) Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The Department underwent a restructuring exercise during the 2022/23 financial year to identify the requisite skills and capabilities required to execute the Department's mandate. During the reporting period, the Department filled the majority of its newly created vacancies emanating from the restructuring exercise, with a great number of staff being promoted internally. The Department also utilised its existing and growing social media presence to place advertisements to attract a wider pool of skilled and competent professionals. The recruitment process is also enhanced by in-house competency testing prior to the interview process. This testing is available for managers to utilise for all job levels, with administrative staff also subjected to excel and/or other practical tests. The pre-interview testing process has given managers a realistic preview of the incoming incumbent's technical proficiency that promoted targeted development and increased speed to productivity after on-boarding.

Unfortunately, in the last year, the Department was unable to attract persons with disabilities from the pool of applicants. Greater partnership is required with other public serving Departments who have databases of unemployed persons with disabilities to attract from. In addition to this, as the Department appoints highly capable staff who, by their profession, require registration with professional bodies, the Department has approved the payment of membership fees to these professional bodies. Being mindful of the constrained fiscus, with the increasing demand for talent in the public sector, the Department aims to leverage the access to databases of professional bodies to source and attract skilled professionals.

(d) Employee wellness programmes

The Department commissioned an in-house professional service to provide psycho-social counselling, support and therapy. The service was launched on 1 July 2022. • Wellness sessions were hosted onsite on 10 June 2022 to allow employees to do voluntary health screening. Services such as blood pressure, weight, height, circumference, blood sugar, alcohol, cholesterol and heart diseases were

offered. • A Blood Donation Drive was held at DCoG on 12 October and 08 November 2022 as well as 19 January and 23 March 2023. The Blood Donation Drive was held as an outreach project, contributing towards saving the lives of those in need of blood. The session provides an alternative opportunity for employees to know their blood type and to do health screening. • Facilitated one HIV and AIDS awareness, counselling and testing session. • Climate survey was conducted between December 2022 and January 2023 with 25% of employees participating in the survey. The purpose was to identify areas of improvement within the Department and guide efforts to create a positive and supportive workplace culture.

Challenges

- The reviewed organisational structure resulted in the phasing out of some position i.e., Admin Assistants for Directors, which created access staff to the establishment.
- The challenges presented by the implementation of the new structure affected employees to an extent that only 25% of staff participated in the survey.

2. HUMAN RESOURCES OVERSIGHT STATISTICS

4.1 PERSONNEL RELATED EXPENDITURE

The following tables summarise the final audited personnel related expenditure by programme and by salary bands. It provides an indication of the amount spent on personnel, salaries, overtime, homeowners' allowance and medical aid.

Table 4.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

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	348 080	166 990	903	6 440	48.0%	724
Local Government Support and Interventions Management	18 520 496	87 022	-	3 745	0.5%	853
Institutional Development	84 106 367	43 801	63	6 925	0.1%	695
National Disaster Management Centre	3 900 043	23 154	30	3 166	0.6%	1007
Community Work Programmeme	3 834 095	25 460	86 978	182 101	0.7%	1414
Total	110 709 081	366 212	87 974	202 377	0.3%	793

Table 4.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)				
Skilled (Levels 3-5)	17 977	5.1%	60	299 617
Highly skilled production (Levels 6-8)	50 519	14.3%	110	459 264
Highly skilled supervision (Levels 9-12)	110 862	31.3%	142	780 718
Senior and Top Management (Levels 13-16)	125 296	35.4%	93	1 347 269
Contract (Levels 1-2)	188	0.1%	1	188 000
Contract (Levels 3-5)	11 176	3.2%	11	1 016 000
Contract (Levels 6-8)	4 195	1.2%	2	2 097 500
Contract (Levels 9-12)	8 021	2.3%	8	1 002 625
Contract (Levels >=13)	20 043	5.7%	7	2 863 286
Contract Other	649	0.2%	0	0
Periodical Remuneration	401	0.1%	3	133 667
Total	349 326	98.6%	437	799 737

Table 4.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

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	144 047	84.9	3 740	2.5	2 853	3.9	4 708	10.3
Local Government Support and Interventions Management	80 043	114.6	82	0.2	1 133	2.5	2 102	4.8
Institutional Development	31 731	86.8	15	0	345	0.9	741	2.0
National Disaster Management Centre	20 275	86.5	15	0.1	257	1.1	390	1.7
Community Work Programmeme	25 213	83.3	626	2.1	647	2.1	627	2.1
Total	301 308	85.1	4 477	1.3	5 235	1.5	8 617	2.4

Table 4.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (Levels 3-5)	12 422	69	940	5.2	1 066	5.9	1 950	10.8
Highly skilled production (Levels 6-8)	38 240	75.2	1 769	3.5	1 985	3.9	3 801	7.5
Highly skilled supervision (Levels 9-12)	94 900	84.6	1 633	1.5	1 149	1.0	2 181	1.9
Senior management (Levels 13-16)	112 420	87.8	0	0	1 036	0.8	685	0.5
Contract (Levels 1-2)	188	100	0	0		0		0
Contract (Levels 3-5)	10 921	95.4	62	.5		0		0
Contract (Levels 6-8)	4 097	96.3	60	1.4		0		0
Contract (Levels 9-12)	7 956	98.5	1	0		0		0
Contract (Levels >=13)	19 520	96.7		0		0		0
Contract Other	635	95.5	12	1.8		0		0
Total	301 308	85.1	4 477	1.3	5 235	1.5	8 617	2.4

4.2 EMPLOYMENT AND VACANCIES

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

Table 4.2.1 Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Administration	279	233	16	67
Local Government Support and Interventions	84	72	14	3
Policy, Governance and Administration	111	93	16	3
National Disaster Management Centre	34	25	26	0
Total	508	423	17%	73



Table 4.2.2 Employment and vacancies by salary band as on 31 March 2022

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)	1	1	0	0
Skilled(3-5)	72	68	6%	38
Highly skilled production (Levels 6-8)	133	108	19%	21
Highly skilled supervision (Levels 9-12)	188	149	21%	7
Senior management (Levels 13-16)	114	97	15%	7
Total	508	423	17%	73

Table 4.2.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
SMS	114	97	15%	7

4.3 FILLING OF SMS POSTS

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

Table 4.3.1 SMS post information as on 31 March 2023

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	1	1	100%	0	0%
Salary Level 15	5	4	80%	1	20%
Salary Level 14	27	19	70%	8	30%
Salary Level 13	81	73	90%	8	9%
Total	114	97	85%	17	15%

Table 4.3.2 SMS post information as on 30 September 2022

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	1	1	100%	0	0
Salary Level 15	5	2	40%	3	60%
Salary Level 14	27	21	78%	6	22%
Salary Level 13	81	72	89%	9	11%
Total	114	96	84%	18	16%

Table 4.3.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

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	0	0	0
Salary Level 15	3	0	2
Salary Level 14	8	0	3
Salary Level 13	8	0	4
Total	16	0	7

Table 4.3.4 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 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
SMS posts on the re-aligned staff establishment were advertised within 6 months of becoming vacant.

Reasons for vacancies not filed within 12 months
The post of Deputy Director-General: Local Government Operations and Support was re-advertised after the nominated candidate declined the offer. The interview process with the head hunted candidates are scheduled for April 2023.
The posts of Chief Director: Local Government Operations and Support (KZN and NC) were delayed due to the restructuring and the non-suitability of female applicants for inclusion on the shortlist.
The posts of Chief Director: Office of the Director-General, Chief Director: Strategic and Executive Support and Chief Audit Executive are in the process of finalisation.
The four posts of Director: Strategic Support, Director: CWP Participation, Director: Research and Director: Corporate Secretariat are in the process of finalisation.

Table 4.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not filled within 12 months
Not applicable

Reasons for vacancies not filled within 12 months
Not applicable

4.4 JOB EVALUATION

Table 4.4.1 Job evaluation by salary band for the period 1 April 2022 and 31 March 2023

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)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	72	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	133	0	0	0	0	0	0

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
Highly skilled supervision (Levels 9-12)	188	0	0	0	0	0	0
Senior Management Service Band A	81	0	0	0	0	0	0
Senior Management Service Band B	27	0	0	0	0	0	0
Senior Management Service Band C	5	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	508	0	0	0	0	0	0

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

Table 4.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 and 31 March 2023

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

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

Table 4.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation	0	0	0	0
Percentage of total employed	0	0	0	0

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

Table 4.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

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

4.5 EMPLOYMENT CHANGES

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

Table 4.5.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period-1 April 2022	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	1	0	0	0
Skilled (Levels 3-5)	69	9	7	10
Highly skilled production (Levels 6-8)	117	6	10	9
Highly skilled supervision (Levels 9-12)	149	4	16	11
Senior Management Service Bands A	72	3	9	13
Senior Management Service Bands B	21	2	5	24
Senior Management Service Bands C	2	1	0	0
Senior Management Service Bands D	1	0	0	0
Contracts	51	81	193	378
Total	483	106	240	50%

Table 4.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2021	Appointment and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Senior Management Service	96	6	27	28%
TOTAL	96	6	27	28%

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

Table 4.5.3 Reasons why staff left the Department for the period 1 April 2022 and 31 March 2023

Termination type	Number	% of total resignations
Death	2	0.75
Resignation	29	12
Expiry of contract	193	80
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	0.4
Retirement	8	3
Transfer to other Public Service Departments	7	3
Other	0	0
Total	240	100
Total number of employees who left as a % of total employment	50%	100

Table 4.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2021	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	96	8	8%	96	8
Total	96	8	8%	96	8

Table 4.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Employees 1 April 2021	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)	1	0	0	0	0
Skilled (Levels 3-5)	69	0	0	0	0
Highly skilled production (Levels 6-8)	117	8	7%		
Highly skilled supervision (Levels 9-12)	149	15	10%		
Senior Management (Level 13-16)	96	8	8%		
Total	432	31	7%		

4.6 EMPLOYMENT EQUITY

Table 4.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	105	7	4	6	126	4	3	8	263
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	67	0	2	1	132	0	2	5	209
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	15	0	0	0	12	0	0	0	27
Total	187	7	6	7	270	4	5	13	499
Employees with disabilities	1	0	0	0	2	1	1	1	3

Table 4.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	2	0	1	2	0	1	0	8
Senior Management	37	4	4	3	43	3	1	4	99
Professionally qualified and experienced specialists and mid-management	66	1	0	2	81	1	1	4	156
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	39	0	2	1	80	0	2	5	129
Semi-skilled and discretionary decision-making	43	0	0	0	63	0	0	0	106
Unskilled and defined decision-making	0	0	0	0	1	0	0	0	1
Total	187	7	6	7	270	4	5	13	499

Table 4.6.3 Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	1	0	1	0	0	0	5
Senior Management	7	2	1	1	2	1	0	0	14
Professionally qualified and experienced specialists and mid-management	6	0	0	0	13	0	0	1	20
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	8	0	0	0	6	0	0	0	14
Semi-skilled and discretionary decision-making	4	0	0	0	4	0	0	0	8
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	28	2	2	1	26	1	0	1	62
Employees with disabilities									

Table 4.6.4 Promotions for the period 1 April 2022 and 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	1	0	0	0	0	0	2
Senior Management	3	1	1	1	0	0	0	0	6
Professionally qualified and experienced specialists and mid-management	6	0	0	0	8	0	0	1	15
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	5	0	0	0	3	0	0	0	8
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
Total	15	1	2	1	11	0	0	1	31
Employees with disabilities									

Table 4.6.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	1	0	1	0	0	0	3
Senior Management	11	2	0	1	10	0	1	2	27
Professionally qualified and experienced specialists and mid-management	11	0	0	1	12	1	0	1	26
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	14	0	0	0	30	0	1	2	47
Semi-skilled and discretionary decision-making	47				115				162
Unskilled and defined decision-making									
Total	84	2	1	2	168	1	2	5	265
Employees with disabilities									

Table 4.6.6 Disciplinary action for the period 1 April 2022 and 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Negligence	1								1
Dereliction of duty	2				1				3
Gross negligence					1				1

Table 4.6.7 Skills development for the period 1 April 2021 and 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	27	0	5	2	36	1	1	3	75
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	75	2	1	1	156	0	1	6	242
Clerks	25	0	0	0	78	3	0	3	109
Service and sales workers	3	0	0	2	4	1	0	0	10
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
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	0	0	0	0	0	0	0	0	0
Total	130	2	6	5	274	5	2	12	436
Employees with disabilities	1	0	0	0	1	0	0	1	3

4.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

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

Table 4.7.1 Signing of performance agreements by SMS members as on 31 May 2023

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/Head of Department	1	1	1	100%
Salary Level 16	0	0	0	0%
Salary Level 15	5	2	2	100%
Salary Level 14	34	21	19	90%
Salary Level 13	85	74	66	89%
Total	125	98	88	90%

Table 4.7.2 Reasons for not having concluded performance agreements for all SMS members as on 31 March 2023

- 3 SMS members were unable to sign on time due to e-PMDS related challenges.
- 1 SMS member was placed additional to the establishment because of the restructuring process.
- 1 SMS member was unable to sign due to lack of clear reporting lines.
- 2 SMS members did not sign on time and reasons were not provided.
- 3 SMS were on suspension.

Table 4.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as on 31 March 2023

No disciplinary action was taken against non-compliant SMS members who did not provide reasons.

4.8 PERFORMANCE REWARDS

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

Table 4.8.1 Performance rewards by race, gender and disability for the period 1 April 2022 and 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
Asian	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
Coloured	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
White	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
Total	0	0	0	0	0

2

Table 4.8.2 Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 and 31 March 2023

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)	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
Total	0	0	0	0	0	0

Table 4.8.3 Performance rewards by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Senior Manager *	0	0	0	0	0
Total	0	0	0	0	0

Table 4.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 and 31 March 2023

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	0	0	0	0	0	0
Band B	0	0	0	0	0	0
Band C	0	0	0	0	0	0
Band D	0	0	0	0	0	0
Total	0	0	0	0	0	0

4.9 FOREIGN WORKERS

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

Table 4.9.1 foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and Managers	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 4.9.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and Managers	0	0	0	0	0	0
Total	0	0	0	0	0	0

4.10 LEAVE UTILISATION

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

Table 4.10.1 Sick leave for the period 1 January 2022 to 31 December 2023

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)	637	76.25	90	23.40	13	582
Highly skilled production (Levels 6-8)	961	74.45	104	27.10	14	1 431
Highly skilled supervision (Levels 9 -12)	874	79.65	118	30.70	13	2 466
Top and Senior Management (Levels 13-16)	520	95.25	64	16.60	15	2 448
Total	2 992	81.40%	376	97.80	8	6 927

Table 4.10.2 Disability leave (temporary and permanent) for the period | January 2022 to 31 December 2023

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)	32	100	2	14.30	16	30
Highly skilled production (Levels 6-8)	328	100	4	28.60	56	610
Highly skilled supervision (Levels 9-12)	18	100	1	14.30	9	53
Senior Management (Levels 13-16)	0	0	0	0	0	0
Total	378	100	7	19%	27	693

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Co-ordinating Bargaining Council (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 4.10.3 Annual leave for the period | January 2022 to 31 December 2023

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	17	1	17
Skilled (Levels 3-5)	1 864	117	29
Highly skilled production (Levels 6-8)	3 387	141	33
Highly skilled supervision (Levels 9-12)	3 758	161	35
Senior Management (Levels 13-16)	2 332	105	33
Total	11 358	525	29.40

Table 4.10.4 Capped leave for the period | January 2022 to 31 December 2023

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	33
Highly skilled production (Levels 6-8)	0	0	0	9
Highly skilled supervision (Levels 9-12)	0	0	0	32
Senior Management (Levels 13-16)	0	0	0	44
Total	0	0	0	32

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

Table 4.10.5 Leave pay-outs for the period 1 April 2022 and 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual - Discounting with resignation (workdays)	1 390	59	23 559
Annual - Discounting: unused vacation credits (workdays)	455	8	56 875
Annual - Gratuity: death/retirement/medical retirement (work)	372	6	62 000
Capped - Gratuity: death/retirement/medical retirement (work)	731	5	146 200
Total	2 948	78	72 158.50

4.1 | HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 4.1.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
All employees	HIV voluntary counselling and testing, HIV and AIDS awareness raising session. Information poster on HIV prevention. Condom distribution in all bathrooms. Observation of World Aids Day.

Table 4.1.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter I of the Public Service Regulations, 2001? If so, provide her/his name and position.	x		Mr Sonwabo Shibane Position: Director
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	x		Two officials at the level of Director and Deputy Director: Budget is provided in the Chief Directorate: Human Resource Facilities and Security Management when required.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/ services of this Programme.	x		The Department has availed the following prevention programmes to its employees: <ul style="list-style-type: none"> • Monthly health promotion posters • through internal media • 24hrs telephone counselling • Face-to-face counselling. • Health screening (blood pressure, TB, cancer; glucose, eye testing ear testing and weight). • HIV and Aids awareness and voluntary testing • Financial wellness session • Blood donations

Question	Yes	No	Details, if yes
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	x		The Department has established the Human Resource Committee that address all the human capital management matters. Members of the committee are: The Chief Director: Human Capital Management as a chair, Representative from PSA and NEHAWU, and representative from each Branch of the Department.
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	x		The following policies were reviewed for inclusivity Policy on Health and Productivity and Wellness Management <ul style="list-style-type: none"> • Policy on Sexual Harassment • Policy on Human Resource Development • Policy on Occupational Health and Safety • Policy on Special Leave • Remote Working Arrangement • Policy on Working Hours and Overtime
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	x		The Department protects employees through the following measures: <ul style="list-style-type: none"> • Awareness sessions addressing HIV and AIDS stigma. • Policy on Health and Productivity and Wellness Management which prohibits discrimination on the basis of HIV status. • Policy on discipline. • Grievance process and service standards that afford employees opportunity to lodge a complaint. • 24-hours counselling for debriefing and support
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	x		The Department creates opportunity for voluntary counselling and testing during the health screening. An additional platform is created during a blood donation drive. About 83 employees were exposed to voluntary counselling and testing during the wellness sessions and 57 during blood donation sessions.
8. Has the Department developed measures/ indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		The impact of the programme is monitored through the following measures: <ul style="list-style-type: none"> • EHW annual report. • Employee Health and Wellness operational plan with annual indicators • System Monitoring Tool.

4.12 LABOUR RELATIONS

Table 4.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date
None	
Total number of Collective agreements	

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

Table 4.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling		
Verbal warning		
Written warning		
Final written warning		
Suspended without pay	1	25%
Fine		
Demotion		
Dismissal		
Not guilty	2	50%
Case withdrawn	1	25%
Total	4	100%

Table 4.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
Negligence	1	20%
Derelection of duty	3	80%
Total	4	100%

Table 4.12.4 Grievances lodged for the period between 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	1	50%
Number of grievances not resolved	1	50%
Total number of grievances lodged	2	100%

Table 4.12.5 Disputes lodged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	1	50%
Number of disputes dismissed	0	0%
Number of disputes in process	0	0%
Number of disputes withdrawn	0	0%
Number of disputes settled	1	50%
Total number of disputes lodged	2	100%

Table 4.12.6 Strike actions for the period 1 April 2022 and 31 March 2023

Total number of persons working days lost	1
Total costs working days lost	1
Amount recovered as a result of no work no pay (R'000)	R672.98

Table 4.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	5
Number of people whose suspension exceeded 30 days	5
Average number of days suspended	2 464
Cost of suspension (R'000)	R8 740 680.61

4.13 SKILLS DEVELOPMENT

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

Table 4.13.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	49	0	60	0	60
	Male	49	0	45	0	45
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	137	0	95	0	0
	Male	117	0	80	0	80
Clerks	Female	83	0	120	0	120
	Male	38	0	90	0	90
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	1	0	3	0	3
	Male	2	0	6	0	6
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub-total	Female	270	0	278	0	278
	Male	206	0	221	0	206
Total		476	0	499	0	484

Table 4.13.2 Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training (Internship)	Total
Legislators, senior officials and managers	Female	49	0	60	0	60
	Male	49	0	45	0	45
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	137	0	95	0	0
	Male	117	0	80	0	80
Clerks	Female	83	0	120	0	120
	Male	38	0	90	0	90
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	1	0	3	0	3
	Male	2	0	6	0	6
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub-total	Female	270	0	278	0	278
	Male	206	0	221	0	206
Total		476	0	499	0	484

4.14 INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 4.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023

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

4.15 UTILISATION OF CONSULTANTS

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

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

Table 4.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023

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

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

Table 4.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

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

Table 4.15.3 Report on consultant appointments using donor funds for the period 1 April 2022 and 31 March 2023

No tenders were awarded using donor funding.

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

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
None	None	None	None

Table 4.15.4 Analysis of consultant appointments using donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

No tenders were awarded using donor funding.

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

4.16 SEVERANCE PACKAGES

Table 4.16.1 Granting of employee-initiated severance packages for the period 1 April 2022 and 31 March 2023

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

PART E: PFMA COMPLIANCE REPORT



I. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

I.1 IRREGULAR EXPENDITURE

a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	3,598,176	3,355,146
Prior year error	93,265	(256,419)
	3,691,441	3,098,727
Add: Irregular expenditure relating to current year confirmed (Redefine Properties)	6,394	7,371
Add: Irregular expenditure relating to current year confirmed (Iron Mountain)	105	-
Add: - C2 PM Fees	-	128,974
Add: - C2 Procurement	-	363,104
Add: C2 (April 2018- September 2021, paid 2022/23 FY)	15,255	-
Add: - C3 PM Fees	172,369	-
Add: - C3 Procurement	281,074	-
Less: Prior year amounts condoned	(753,617)	-
Less: Current year amounts condoned	-	-
Less: Prior year amounts not condoned and removed	(7,716)	-
Less: Current year amounts not condoned and removed	-	-
Less: Amounts recoverable(current and prior year)	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	3,405,305	3,598,176

Reconciling notes

Description	2022/2023	2021/2022 ¹
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	2,836,843	3,098,727
Irregular expenditure that relates to 2021/22 and identified in 2022/23	93,265	-
Irregular expenditure for the current year	475,197	499,449
Total	3,405,305	3,598,176

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description ²	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	994,242	1,187,113
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	2,411,063	2,411,063
Total³	3,405,305	3,598,176

¹ Record amounts in the year in which it was incurred

² Group similar items

³ Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

c) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	753,617	-
Total	753,617	-

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed in terms of paragraph 57	373	-
Irregular expenditure NOT condoned and removed - wrongly classified	565	-
Irregular expenditure NOT condoned and removed - reclassified to non-compliance	6,778	-
Total	7,716	-

e) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
None
Total

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	20YY/20ZZ	20XX/20YY
	R'000	R'000
None		
Total		

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
None

1.2 FRUITLESS AND WASTEFUL EXPENDITURE

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	1,082	1,228
Add: Fruitless and wasteful expenditure confirmed	16	12
Less: Airline cancellation fees written off	(191)	(77)
Less: Interest charged on late payments written off	(14)	(71)
Less: No-show at hotels written off	(4)	(10)
Less: No-show recoverable	(1)	-
Closing balance	888	1,082

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	1,082	1,228
Fruitless and wasteful expenditure that relates to 2020/21 and identified in 2021/22	-	1
Fruitless and wasteful expenditure for the current year	16	11
Less: Fruitless and wasteful expenditure written off	(209)	(158)
Less: Fruitless and wasteful expenditure recoverable	(1)	-
Total	1,082	1,228

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description ⁴	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	862	862
Fruitless and wasteful expenditure under determination	26	220
Fruitless and wasteful expenditure under investigation	-	-
Total⁵	888	1,082

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	(1)	-
Total	(1)	-

⁴ Group similar items

⁵ Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/2023	2021/2022
	R'000	R'000
Airline cancellation fee	(191)	(77)
Interest on overdue account	(14)	(71)
No show	(4)	(10)
Total	(209)	(158)

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
None
Total

1.3 UNAUTHORISED EXPENDITURE**a) Reconciliation of unauthorised expenditure**

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	1 123	1 123
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off ⁶	-	-
Closing balance	1 123	1 123

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. The Department is still making follow ups with National Treasury.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	1 123	1 123
Unauthorised expenditure that relates to 20XX/YY and identified in 20YY/ZZ	-	-
Unauthorised expenditure for the current year	-	-
Total	1 123	1 123

⁶ This amount may only be written off against available savings

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description ⁷	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure under assessment	1 123	1 123
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total⁸	1 123	1 123

7 Group similar items

8 Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)



PART F:
FINANCIAL
INFORMATION

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 3: DEPARTMENT OF COOPERATIVE GOVERNANCE

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Department of Cooperative Governance set out on pages 153 to 243, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Department of Cooperative Governance as at 31 March 2023 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury (NT) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act No. 05 of 2022 (Dora).

Basis for qualified opinion

Movable tangible capital assets

3. I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for movable tangible capital assets and minor assets for the community work programme (CWP) implementing agents, due to the status of the accounting records. I could not trace the assets from the asset register to the floor and I could not trace assets selected from the floor to the asset register due to a lack of unique identification information. I was unable to confirm these assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to movable tangible capital assets stated at R359 862 000 (2022: R341 617 000) and minor assets stated at R70 000 000 (2022: R87 492 000) in note 26 to the financial statements.

Goods and services

4. During 2021-22, I was unable to obtain sufficient appropriate audit evidence for goods and services payments made to consultants: Business and advisory service because the department did not provide accurate and complete substantiating records for payments made for project management fees to the community work programme (CWP) implementing agents. I was unable to confirm the expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to consultants: Business and advisory service stated at R323 258 000 in note 4 to the financial statement comparative. My opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the goods and services for the current period as management did not make adjustments to the prior year misstatement.

Context for opinion

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

Emphasis of matters

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

Assets under investigation

9. With reference to disclosure note 26 to the financial statements, the department has disclosed assets under investigation to the value of R154 325 000. The ultimate outcome of the matter cannot presently be determined and therefore no provision has been made for any potential adjustment to the asset balance in the financial statements.

Unaudited supplementary schedules

10. The supplementary information set out on pages 244 to 291 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 on them.

Other matters

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

National Treasury Instruction Note No. 4 of 2022-23: PFMA Compliance and Reporting Framework

12. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular, fruitless, and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note xxx and xxx to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of the Department of Cooperative Governance. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees.
13. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury and the requirements of the PFMA and 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.
15. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

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

Report on the audit of the annual performance report

18. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

19.

Programme	Page numbers	Purpose
Programme 2: Local government support and interventions management	40-54	Provide policy analysis and development to transform local government and improve cooperative governance
Programme 3: Institutional development	55-62	Build institutional resilience in local government by supporting system development, governance, and capacity building
Programme 4: National disaster management centre	63-78	Promote an integrated and coordinated system of disaster prevention, mitigation, and risk management

20. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides the users with useful and reliable information and insights on the department's planning and delivery on its mandate and objectives.

21. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as were committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

22. I performed the procedures for the purpose of reporting material findings only, and not to express an assurance conclusion.

23. The material findings on the performance information of the selected programmes are as follows:

Programme 2: Local government support and interventions management

Various indicators

24. The indicators were included in the approved annual performance plan and strategic plan but then not clearly defined during planning processes. It was also not determined how the related targets would be measured and what evidence would be needed to support the achievements. Consequently, the information might be less useful for measuring performance.

Indicator	Reported target
2.6 Percentage of MIG allocations spent on municipal infrastructure	85% of 2021/22 MIG allocations spent on municipal infrastructure by June 2022. 60% of 2022/23 MIG allocations spent on municipal infrastructure by March 2023.
2.8 Number of small towns identified for redesign and refurbishment as smart cities/towns	Three existing towns identified and plans for redesign and refurbishment as cities/ towns developed by 31 March 2023
2.9 Number of progress reports on planned Coastal City	Three progress Reports on planned Coastal City by 31 March 2023

25. Adequate supporting evidence was not submitted to clearly explain how the indicators and targets of items listed below would contribute to achieving planned objectives and strategic goals. This is due to the lack of required content and milestones expected from the technical indicator description or internal process. It would thus be difficult to track the department's

achievement of these targets. Furthermore, the achievements listed below were reported against the targets as stated. However, the actual achievements for the indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less.

Indicator	Reported target
2.2 Guideline for mainstreaming of the GBVF in the IDPs of municipalities developed	Guideline for mainstreaming of the GBVF in the IDPs of municipalities developed by 31 March 2023
2.3 Integrated monitoring framework for DDM reporting consulted and piloted in identified districts/metros	Integrated Monitoring Framework for DDM reporting consulted and piloted in 3 Districts/ Metros 31 March 2023.
2.4 DDM IMS developed and implemented	DDM IMS developed and piloted in 1 Districts by 31 March 2023.
2.5 Number of district and metro economic recovery plans implementation monitored	44 District and 8 Metro Economic Recovery Plans implementation monitored by 31 March 2023.
2.7 Number of reports on the identified district/metros readiness to establish and operationalise the district/metro hubs	3 reports on the identified District/Metros readiness to establish and operationalise the District/ Metro Hubs by 31 March 2023.
2.10 Intergovernmental Monitoring, Support and Intervention Bill submitted in Parliament	IMSI Bill submitted in Parliament by 31 March 2023.
2.11 Number of dysfunctional municipalities supported to implement municipal support & intervention plans (MSIPs)	64 dysfunctional municipalities supported by 31 March 2023

Programme 3: Institutional development

Various indicators

26. The indicators were included in the approved annual performance plan and strategic plan but then not clearly defined during planning processes.

It was also not determined how the related targets would be measured and what evidence would be needed to support the achievements. Consequently, the information might be less useful for measuring performance.

Indicator	Reported target
3.3 Number of district stakeholder engagements held on responsible citizenry	18 district stakeholder engagements held on Responsible Citizenry by 31 March 2023
3.4 Number of provinces implementing the GovChat social media platform for community engagement and service delivery improvement	9 provinces implementing the GovChat social media platform by 31 March 2023

27. Adequate supporting evidence was not submitted to clearly explain how the indicators and targets of items listed below would contribute to achieving planned objectives and strategic goals. This is due to the lack of required content and milestones expected from the technical indicator description or internal process. It would thus be difficult to track the department's

achievement of these targets. Furthermore, the achievements listed below were reported against the targets as stated. However, the actual achievements for the indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less.

Indicator	Reported target
3.1 Number of reports on the implementation of the recommendations of the Budget Forum on the Local Government Fiscal Framework (LGFF)	Four reports by 31 March 2023
3.2 Integrated Local Government Capacity Building Strategy (LGCBS) piloted in identified districts and metros	Integrated LGCBS piloted in 2 Districts and 1 Metro by 31 March 2023
3.5 Number of provinces supported to capacitate municipalities to maintain functional ward committees	9 Provinces supported to capacitate municipalities to maintain functional ward committees by 31 March 2023
3.6 Number of MPAC functionality assessment reports developed	4 MPAC functionality assessment reports developed by 31 March 2023
3.7 Report on the implementation of actions to address issues raised by the AGSA in line with section 134 of the MFMA	Report on the implementation of actions to address issues raised by the AGSA in line with section 134 of the MFMA submitted to form part of sec 48 report/ state of local government report by 31 December 2022.

Programme 4: National disaster management centre

28. The indicator 4.2 Number of municipalities in priority disaster areas supported to prevent, prepare, and mitigate disaster risks through the implementation of the applicable disaster management plans, was included in the approved annual performance plan and strategic plan but then not clearly defined during planning processes. It was also not determined how the related target would be measured and what evidence would be needed to support the achievement. Consequently, the information might be less useful for measuring performance.

Other matters

29. I draw attention to the matter below.

Achievement of planned targets

30. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievement. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

31. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programmes 2, 3 and 4. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

32. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

33. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance conclusion.

34. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow for consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

35. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance reports and annual reports

36. The financial statements submitted for audit on 31 May 2023 were not prepared in accordance with the prescribed financial reporting framework and were not supported by full and proper records as required by sections 40(1)(a) and 40(1)(b) of the PFMA.

Expenditure management

37. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 30 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

Asset management

38. Proper control systems were not in place at the department to ensure that assets were adequately safeguarded and maintained, as required by treasury regulation 10.1.1(a). Furthermore, preventative mechanisms were not in place to eliminate loss, wastage and misuse of assets, as required by treasury regulation 10.1.1(a).

Performance management

39. Specific information systems were not implemented at the department to enable the monitoring of progress made towards achieving targets, core objectives and service delivery, as required by public service regulation 25(1)(e)(i) and (iii).

Procurement and contract management

40. Some of the goods and services were procured without obtaining at least three written price quotations as per treasury regulation 16A6.1, paragraph 3.3.1 of practice note 8 of 2007-08. and paragraph 3.2.1 of SCM instruction note 2 of 2021-22.
41. Some of the contracts were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury Regulation 16A8.3.
42. Some of the bid documentation / invitations to tender for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production and content as required by the 2017 procurement regulation 8(2).

Other information in the annual report

43. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

44. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
45. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
46. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and if I conclude that there is material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

47. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
48. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
49. Leadership did not exercise oversight of financial and performance reporting and compliance and the related internal controls.
50. Leadership did not implement effective human resource management to ensure that critical areas are capacitated.
51. Leadership did not establish and communicate policies and procedures to enable and support the understanding and execution of internal control objectives, processes and responsibilities.

52. Leadership did not perform adequate oversight of the implementation of action plans to address internal control deficiencies.
53. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.
54. The recording, review and recording and reporting processes and controls over assets recognised in the financial statements were not adequate. Management did not prepare regular, accurate and complete financial reports.
55. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.
56. Management did not adequately review and monitor compliance with applicable legislation and regulations and did not have sufficient monitoring controls to prevent irregular, fruitless and wasteful expenditure.
60. On request of the accounting officer, the internal audit units conducted an investigation to identify officials who approved the payments and to initiate consequence management. The investigation was completed during the 2020-21 financial year; disciplinary hearings were conducted and consequence management has been effected, where relevant.
61. The disciplinary action taken against the six officials who were involved in the transactions is as follows:
 62. Two officials (level 5) in Finance were given six months final warnings and two months suspension without pay.
 63. Two officials (level 8 and level 11) were dismissed.
 64. One SMS member resigned before the disciplinary hearing was held.
 65. A disciplinary hearing in terms on one SMS member was conducted and employee was not found guilty of misconduct.
 66. The Special Commercial Crimes Unit (Hawks), state attorney and the Special Investigating Unit have taken service provider who was erroneously paid in the 2019-20 financial year to court. To date the accounting officer has managed to recover R4 750 000 of the R102 991 000. The accounting officer committed to strengthen controls and I have not noted any similar incorrect payment since the notification of the material irregularity.

Material irregularities

57. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Transfer payment to incorrect recipient for municipality infrastructure grant

58. The department incorrectly made a municipal infrastructure grant (MIG) payment totalling of R183 450 000,00 to a supplier on the central payment system with a similar name in July and August 2018 as effective internal controls were not in place for the approval and processing of payments, as required by treasury regulation 8.1.1. The department is likely to incur a material financial loss of R98 241 000 as the amount was still not recovered at year-end, as disclosed in note 15.5 of the financial statements.
59. The accounting officer was notified of the material irregularity on 24 July 2019. The following actions have been taken to resolve the material irregularity:
 67. The department, through the state attorney, is in the process of drafting default judgment applications against the defendants.
 68. I will follow up during my next audit on the progress made with the recovery of the financial loss through the criminal cases arising from the outcome of the court ruling to determine whether the department can recover the balance of R98 421 000 during my next audit.

Payments for services not received – Deceased participants on CWP

69. Payments were made in 2018-19 through the CWP to deceased participants, as effective internal controls were not in place for the approval and processing of payments, as required by treasury regulation 8.1.1. The non-compliance is likely to result in a material financial loss, if the payments are not recovered.

70. The accounting officer was notified of the material irregularity on 13 August 2019. The following actions have been taken to resolve the material irregularity:
71. The accounting officer appointed a service provider on 31 October 2019 to perform an investigation and to quantify the financial loss incurred.
72. The external investigations were completed in October 2020. The investigation confirmed the non-compliance and identified officials who were responsible for the breakdown of internal controls and consequently the non-compliance. The recommendation that disciplinary action be taken against the responsible officials has been carried out.
73. The investigation resulted in four of the six officials found to be responsible for the material irregularity being acquitted, while two were found not guilty as per the conclusion of the disciplinary proceedings.
74. The current year's follow-up revealed that the number of instances has decreased significantly since the material irregularity was raised and, in addition, management has been identifying the deceased-participant instances on a consistent basis and is deducting any payments made to deceased participants from the payments due to the implementing agents on the new contract.
75. The financial losses for deceased participants were quantified and the department is in the process of recovering the losses. Five of the eight implementing agents signed the notification of debt in May 2022 in terms of payments to deceased participants. The amounts will be recovered by withholding retention fees payable to the implementing agents after the close-out processes are concluded.
76. I will follow up on the progress and the implementation of the planned actions taken during my next audit, including the recovery of the financial losses from the implementing agents.
- as required by treasury regulation 8.1.1. The non-compliance is likely to result in a material financial loss, if payments are not recovered. The accounting officer was notified of the material irregularity on 13 August 2019.
78. Four of the initial six officials found to be responsible for the material irregularity were acquitted and two were found not guilty by the disciplinary committee.
79. In the previous year, I reported that the close-out procedures were still in progress due to the reconciliation of the fixed asset registers relating to CWP assets procured by the implementing agents on behalf of the department. The reconciliation has been performed and the department was able to quantify the loss through the assets that could not be verified by the department during the verification process.
80. The department has indicated that assets worth R154 025 658 were under investigation and that attempts are being made to recover the loss from the implementing agents. Letters were issued to the implementing agents during July 2023 notifying them of the completion of the reconciliation and confirmation of retention fees.
81. In the current financial year, the department only made payments to the implementing agents after it was satisfied that there was a need to procure the goods or services. This is an improvement in the internal controls as prepayments are no longer being made using the budget and without supporting evidence.
82. The department is awaiting feedback from the implementing agents on the letters issued. I will follow up on the conclusion of the close-out processes in the next audit cycle.

Prepayment for goods and services that were not received at CWP sites

77. The department made quarterly advance payments to implementing agents on the CWP without the required evidence that previous advance payments had been spent correctly, resulting in payments being made for goods and services that were not received at the CWP sites, as effective internal controls were not in place for the approval and processing of payments

Project management fees paid to implementing agents for services not received – 2019

83. The department made a project management payment to the implementing agents for the CWP whose contract had commenced on 1 April 2018 and ended on 30 September 2021, with inadequate evidence to justify such payments. This resulted in payments for services not received, as effective internal controls were not in place for the approval and processing of payments, as required by treasury regulation 8.1.1. The non-compliance is likely to result in a material financial loss, if payments are not recovered.

84. The accounting officer was notified of the material irregularity on 26 August 2019. The following actions have been taken to resolve the material irregularity:
85. Four of the six officials found to be responsible for the material irregularity were acquitted and two were found not guilty as per the conclusion of the disciplinary proceedings.
86. In the previous year, I reported that the close-out procedures were still in progress due to the reconciliation of the fixed-asset registers relating to CWP assets procured by the implementing agents on behalf of the department, as well as reconciliation of invoices that had been submitted by the implementing agents to clear prepayments previously advanced. The reconciliation has been performed and the department was able to quantify the loss through the assets that could not be verified by the department during the verification process. Duplicate invoices were also identified, resulting in reversals of the previous clearing transactions.
87. The contract with the implementing agent has ended and the close-out process is still in progress due to the reconciliation process of the CWP asset register that was being done by the department before issuing a close-out certificate to the implementing agents. The department is currently in the process of determining the actual overpayments of project management fees attributable to the implementing agents as a result of the prepayments made for the assets under investigation totalling R1 54 025 658. The department has granted the implementing agents an opportunity to locate the said assets which could further reduce the value determined for the assets under investigation when this process is concluded. The department will only then be in a position to determine the actual project management fees paid versus the amounts payable to the implementing agents, taking into account the retention fees and any project management fees not supported in this determination.
88. I will follow up on the close-out procedure during my next audit. The design and implementation of internal controls to prevent a recurrence of similar matters will be followed up in the next audit cycle.

Payments to non-qualifying government employees on the CWP

89. Payments were made in 2018-19 through the CWP to non-qualifying government employees their respective departments where they are employed, as effective internal controls were not in place for the approval and processing of payments, as required by treasury regulation 8.1.1. The non-compliance is likely to result in a material financial loss, if payments are not recovered. The accounting officer was notified of the material irregularity on 13 August 2019.
90. I concluded that appropriate actions were being taken due to the appointment of a new accounting officer on 4 April 2020 subsequent to the material irregularity notification that was issued on 13 August 2019 and the audit report sign-off on 22 October 2019. The accounting officer was allowed time to implement actions to resolve the material irregularity with knowledge of the challenges that were presented by the nationwide lockdown restrictions. The investigation commissioned by the previous accounting officer to quantify the financial loss and identify parties that were responsible for the material irregularity, was also in progress.
91. The investigation was concluded in October 2020; however, the investigation did not quantify the financial loss as the scope was too broad and not specific to the material irregularity or the identified non-compliance. The officials who were found responsible for the non-compliance are on suspension pending the disciplinary proceedings. No evidence was provided to confirm recovery of the financial loss and the accounting officer also did not implement controls to prevent recurrence of the non-compliance. that resulted in further losses due to payments made to some of the recurring Persal participants in both 2019-20 and 2020-21; therefore, I conclude that the accounting officer did not take appropriate action.
92. I recommended that the accounting officer take the following actions to address the material irregularity, which should be implemented by 31 January 2022.
93. The financial loss relating to non-qualifying participants should be appropriately and accurately quantified.
94. Appropriate actions should be taken to recover the financial losses suffered by the department.

95. If it is determined that the department suffered the financial losses through criminal acts or possible criminal acts or omission, this should be reported to the South African Police Service as required by treasury regulation 12.5.1.
96. Appropriate and proactive internal controls that prevent payments to non-qualifying government employees should be implemented through validation of participants and removal of non-qualifying government employees from the database.
97. Government employees who are confirmed to have unduly benefited from the CWP project should be reported to their respective employers and DPSA.
98. Effective and appropriate disciplinary steps should be taken against any official(s) found to be responsible, as required by section 38(1)(h) of the PFMA and treasury regulation 9.1.3.
99. On 30 January 2022, the accounting officer's response on the implementation of the recommendations was received. The accounting officer indicated that adequate progress was made in implementing the recommendations but that not all the actions to address the material irregularity had been completed.
100. I granted the accounting officer additional time from May 2022 to end of July 2022 to complete the actions that were in progress and indicated that monthly

progress reports must be provided in respect of the progress made with the implementation of the actions.

101. The accounting officer submitted the monthly progress reports on the implementation of the recommendations, which I assessed. On 25 August 2022 I concluded that adequate progress had been made and that the material irregularity was resolved on the basis that the accounting officer had implemented the recommendations that were previously set out by the AGSA.

Auditor-General

Pretoria

31 July 2023



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit 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 department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b); PFMA 38(1)(c); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1 (a); 6.3.1 (b); 6.3.1 (c); 6.3.1 (d); 6.4.1 (b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1 (a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c) Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7;TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1 (b)(ii);16A9.1 (c); 16A 9.1 (d); 16A 9.1 (e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1 (f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Division of Revenue Act No. 5 of 2022	Section 16(1)
Public service regulation	Public service regulation 13(c) ;18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
Preferential Procurement Policy Framework Act No.5 of 2000 (PPPFA)	Section 1 (i); 2.1 (a); 2.1 (b); 2.1 (f)

Legislation	Sections or regulations
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
Preferential Procurement Regulations, 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
The State Information Technology Agency Act No. 88 of 1998 (SITA)	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
SITA Regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no.09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
PFMA SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4(a); 4.4(c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT Instruction Note 03 of 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT Instruction Note 11 of 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1; 6.2; 6.7
PFMA SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b); 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM Instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
Competition Act No 89 of 1998	Section 4(1)(b)(ii)
NT Instruction note 4 of 2015/16	Paragraph 3.4
NT SCM Instruction note 4A of 2016/17	Paragraph 6
NT Instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NT Instruction 05 of 2020/21	Paragraph 4.8; 4.9; 5.1; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2

Legislation	Sections or regulations
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
PFMA SCM Instruction Note 01 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)

TABLE OF CONTENTS

Appropriation Statement	153
Notes to the Appropriation Statement.....	163
Statement of Financial Performance.....	166
Statement of Financial Position	167
Statement of Changes in Net Assets	169
Cash Flow Statement.....	170
Notes to the Annual Financial Statements (including Accounting Policies).....	171
Annexures	244

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Appropriation per programme											
2022/23										2021/22	
Programme	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
1. Administration	317 624	-	31 084	348 708	348 080	628	99,8%	338 875	332 293		
2. Local Government Support and Intervention Management	18 537 711	-	(2 640)	18 535 071	18 520 496	14 575	99,9%	17 418 275	17 403 184		
3. Institutional Development	87 580 212	-	(8 444)	87 571 768	84 106 367	3 465 401	96,0%	78 599 372	76 645 019		
4. National Disaster Management Centre	4 290 687	-	(20 000)	4 270 687	3 900 043	370 644	91,3%	698 256	536 915		
5. Community Work Programme	4 301 204	-	-	4 301 204	3 834 095	467 109	89,1%	4 205 153	3 525 647		
Subtotal	115 027 438	-	-	115 027 438	110 709 081	4 318 357	96,2%	101 259 931	98 443 058		
TOTAL											
Reconciliation with statement of financial performance											
ADD											
Departmental receipts				9 449				18 634			
NRF Receipts											
Aid assistance				4 642				-			
Actual amounts per statement of financial performance (total revenue)				115 041 529				101 278 565			
ADD											
Aid assistance					4 642						
Prior year unauthorised expenditure approved without funding											
Actual amounts per statement of financial performance (total expenditure)				110 713 723				98 443 058			

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	Appropriation per economic classification									
	2022/23					2021/22				
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Economic classification										
Current payments	5 021 961	(674)	(1 690)	5 019 597	4 454 375	565 222	88,7%	5 011 236	4 166 697	
Compensation of employees	366 212	-	-	366 212	346 427	19 785	94,6%	358 126	337 454	
Goods and services	4 655 749	(674)	(1 694)	4 653 381	4 107 944	545 437	88,3%	4 653 110	3 829 243	
Interest and rent on land	-	-	4	4	4	-	100,0%	-	-	
Transfers and subsidies	109 963 424	-	1 690	109 965 114	106 234 171	3 730 943	96,6%	96 203 531	94 231 527	
Provinces and municipalities	109 418 974	-	9	109 418 983	105 700 565	3 718 418	96,6%	95 099 776	93 148 805	
Departmental agencies and accounts	510 836	-	-	510 836	510 836	-	100,0%	734 834	734 834	
Higher education institutions	-	-	-	-	-	-	-	-	-	
Foreign governments and international organisations	2 236	(98)	-	2 138	336	1 802	15,7%	2 178	316	
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	
Non-profit institutions	15 005	-	-	15 005	8 508	6 497	56,7%	14 495	8 161	
Households	16 373	98	1 681	18 152	13 926	4 226	76,7%	352 248	339 411	
Payments for capital assets	42 053	74	-	42 127	19 936	22 191	47,3%	45 092	44 762	
Buildings and other fixed structures	-	684	-	684	684	-	100,0%	7 437	7 437	
Machinery and equipment	42 053	(624)	-	41 429	19 238	22 191	46,4%	36 036	35 706	
Heritage assets	-	-	-	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	1 619	1 619	
Land and subsoil assets	-	-	-	-	-	-	-	-	-	
Intangible assets	-	14	-	14	14	-	100,0%	-	-	
Payments for financial assets	-	600	-	600	599	1	99,8%	72	72	
Total	115 027 438	-	-	115 027 438	110 709 081	4 318 357	96,2%	101 259 931	98 443 058	

APPROPRIATION STATEMENT

for the year ended 31 March 2023

	Programme I: Administration									
	2022/23					2021/22				
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Sub programme										
1. Ministry	32 435	(983)	8 427	39 879	39 736	143	99,6%	33 909	29 771	
2. Management	21 098	4 477	2 548	28 123	27 890	233	99,2%	21 306	21 306	
3. Corporate Services	145 864	1 869	11 840	159 573	159 468	105	99,9%	160 594	160 231	
4. Financial Services	52 251	(2 287)	4 673	54 637	54 539	98	99,8%	50 866	49 674	
5. Internal Audit and Risk Management	14 907	(3 076)	-	11 831	11 782	49	99,6%	10 573	9 684	
6. Office Accommodation	51 069	-	3 596	54 665	54 665	-	100%	61 627	61 627	
Total for sub programmes	317 624	-	31 084	348 708	348 080	628	99,8%	338 875	332 293	
Economic classification										
Current payments	311 558	(284)	30 332	341 606	341 383	223	99,9%	333 038	326 457	
Compensation of employees	164 551	-	2 600	167 151	166 990	161	99,9%	164 721	158 615	
Goods and services	147 007	(284)	27 728	174 451	174 389	62	100,0%	168 317	167 842	
Interest and rent on land	-	-	4	4	4	-	100,0%	-	-	
Transfers and subsidies	2 118	-	752	2 870	2 540	330	88,5%	1 336	1 335	
Provinces and municipalities	122	-	-	122	24	98	19,7%	30	30	
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	
Higher education institutions	-	-	-	-	-	-	-	-	-	
Foreign governments and international organisations	666	(98)	-	568	336	232	59,2%	-	-	
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	
Non-profit institutions	1 330	98	752	2 180	2 180	-	100,0%	1 306	1 305	
Households	-	-	-	-	-	-	-	-	-	

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 1: Administration									
2022/23					2021/22				
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	3 948	-	-	3 948	3 873	75	98,1%	4 450	4 450
Buildings and other fixed structures									
Machinery and equipment	3 948	-	-	3 948	3 873	75	98,1%	4 450	4 450
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets	-	284	-	284	284	-	100,0%	51	51
Total	3 17 624	-	3 1 084	3 48 708	3 48 080	628	99,8%	3 38 875	3 32 293

Programme 2: Local Government Support and Intervention Management									
2022/23					2021/22				
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management: Local Government Support and intervention Management	7 433	(2 027)	-	5 406	4 215	1 191	78,0%	4 688	3 007
2. Performance Monitoring	12 059	4 791	-	16 850	16 197	653	96,1%	15 293	13 585
3. Local Government Improvement Programme	26 142	2 1738	-	47 880	47 880	-	100,0%	25 894	21 810
4. Municipal Infrastructure grant Administration	49 551	(24 256)	(2 640)	22 655	19 994	2 661	88,3%	34 744	32 405

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 2: Local Government Support and Intervention Management									
2022/23									
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5. Urban Development Planning	10 042	477	-	10 519	10 519	-	100,0%	8 595	6 572
6. Integrated District and Regional Spatial Planning	11 655	(723)	-	10 932	8 629	2 303	78,9%	11 211	11 210
7. Intergovernmental Policy and Practice	10 396	-	-	10 396	2 629	7 767	25,3%	8 408	5 153
8. Integrated Urban Development Grant	1 085 368	-	-	1 085 368	1 085 368	-	100,0%	1 009 068	1 009 068
9. Municipal Demarcation Board	74 340	-	-	74 340	74 340	-	100,0%	70 601	70 601
10. South African Cities Network	8 508	-	-	8 508	8 508	-	100,0%	8 161	8 161
11. Municipal Infrastructure Grant	16 842 001	-	-	16 842 001	16 842 001	-	100,0%	15 592 748	15 592 748
12. Municipal Infrastructure Support Grant	400 216	-	-	400 216	400 216	-	100,0%	628 864	628 864
Total for sub programmes	18 537 711	-	(2 640)	18 535 071	18 520 496	14 575	99,9%	17 418 275	17 403 184
Economic classification									
Current payments	127 278	(141)	(3 227)	123 910	109 336	14 574	88,2%	108 338	93 247
Compensation of employees	96 361	-	(2 640)	93 721	87 022	6 699	92,9%	90 764	81 439
Goods and services	30 917	(141)	(587)	30 189	22 314	7 875	73,9%	17 574	11 808
Interest and rent on land									
Transfers and subsidies	18 410 433	-	587	18 411 020	18 411 020	-	100,0%	17 309 817	17 309 817
Provinces and municipalities	17 927 369	-	-	17 927 369	17 927 369	-	100,0%	16 601 816	16 601 816
Departmental agencies and accounts	474 556	-	-	474 556	474 556	-	100,0%	699 465	699 465
Non-profit institutions	8 508	-	-	8 508	8 508	-	100,0%	8 161	8 161
Households									
Payments for capital assets	-	64	-	64	63	1	98,4%	116	116
Buildings and other fixed structures									
Machinery and equipment									

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 2: Local Government Support and Intervention Management									
2022/23					2021/22				
Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure	Actual expenditure
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
-	77	-	77	77	-	100,0%	4	4	4
18 537 711	-	(2 640)	18 535 071	18 520 496	14 575	99,9%	17 418 275	17 403 184	17 403 184
Payments for financial assets									
Total									

Programme 3: Institutional Development									
2022/23					2021/22				
Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure	Actual expenditure
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
3 532	(17)	-	3 515	2 791	724	79,4%	2 190	1 199	1 199
10 574	5 736	40	16 350	16 271	79	99,5%	15 366	12 296	12 296
25 004	3 888	(8 476)	20 416	20 416	-	100,0%	21 837	19 770	19 770
7 237	(2 780)	(37)	4 420	3 991	429	90,3%	9 093	6 316	6 316
6 827	(4 618)	29	2 238	2 238	-	100,0%	6 549	4 825	4 825
12 140	(5 485)	-	6 655	5 714	941	85,9%	10 059	9 648	9 648
18 821	3 276	-	22 097	17 361	4 736	78,6%	356 703	341 101	341 101
87 311 493	-	-	87 311 493	83 937 761	3 373 732	96,1%	77 999 135	76 168 581	76 168 581
36 280	-	-	36 280	36 280	-	100,0%	35 369	35 369	35 369
7 973	-	-	7 973	-	7 973	-	7 769	-	-
140 331	-	-	140 331	63 544	76 787	45,3%	135 302	45 914	45 914
Sub programme									
1. Management Institution Development									
2. Municipal Human Resource Management System									
3. Municipal Revenue Enhance and Audit Outcomes									
4. Citizen Engagement									
5. Anti-Corruption and Good Governance									
6. Municipal Property Rates									
7. Municipal Governance									
8. Local Government Equitable Share									
9. South African Local Government Association									
10. United Cities and Local Government of Africa									
11. Municipal Systems Improvement Grant									

APPROPRIATION STATEMENT

for the year ended 31 March 2023

		Programme 3: Institutional Development						2021/22	
		2022/23						Final Budget	Actual expenditure
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Total for sub programmes	87 580 212	-	(8 444)	87 571 768	84 106 367	3 465 401	96,0%	78 599 372	76 645 019
Economic classification									
Current payments	2 11 552	(93)	(8 520)	202 939	123 169	79 770	60,7%	206 116	103 254
Compensation of employees	43 765	-	40	43 805	43 801	4	100,0%	43 878	41 138
Goods and services	167 787	(93)	(8 560)	159 134	79 368	79 766	49,9%	162 238	62 116
Interest and rent on land									
Transfers and subsidies	87 368 660	-	76	87 368 736	83 983 106	3 385 630	96,1%	78 393 183	76 541 692
Provinces and municipalities	87 311 493	-	-	87 311 493	83 937 761	3 373 732	96,1%	77 999 135	76 168 581
Departmental agencies and accounts	36 280	-	-	36 280	36 280	-	100,0%	35 369	35 369
Higher education institutions									
Foreign governments and international organisations	1 570	-	-	1 570	-	1 570	-	2 178	316
Public corporations and private enterprises									
Non-profit institutions	6 403	-	-	6 403	-	6 403	-	6 239	-
Households	12 914	-	76	12 990	9 065	3 925	69,8%	350 262	337 426
Payments for capital assets	-	10	-	10	10	-	100,0%	73	73
Buildings and other fixed structures									
Machinery and equipment	-	10	-	10	10	-	100,0%	73	73
Payments for financial assets	-	83	-	83	82	1	98,8%	-	-
Total	87 580 212	-	(8 444)	87 571 768	84 106 367	3 465 401	96,0%	78 599 372	76 645 019

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 4: National Disaster Management Centre									
2022/23									
2021/22									
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management: Head of the National Disaster Management Centre	4 100	20 503	-	24 603	24 566	37	99,8%	5 864	5 850
2. Disaster Risk Reduction, Capacity Building and intervention	58 611	(20 543)	(20 000)	18 068	9 952	8 116	55,1%	147 067	112 544
3. Legislation and Policy Management	6 962	1 049	-	8 011	7 094	917	88,6%	7 160	6 339
4. Integrated Provincial Disaster Management Support, Monitoring and Evaluation	4 927	70	-	4 997	4 095	902	81,9%	2 536	1 368
5. Fire Services	5 450	(1 079)	-	4 371	977	3 394	22,4%	4 881	2 351
6. Information Technology, Intelligence and Information Management System	30 647	-	-	30 647	17 957	12 690	58,6%	31 960	30 092
7. Disaster Response Grant	861 248	-	-	861 248	516 661	344 587	60,0%	498 788	378 371
8. Municipal Disaster Recovery Grant	3 318 742	-	-	3 318 742	3 318 741	1	100,0%	-	-
Total for sub programmes	4 290 687	-	(20 000)	4 270 687	3 900 043	370 644	91,3%	698 256	536 915
Economic classification									
Current payments	105 386	(19)	(20 000)	85 367	62 809	22 558	73,6%	192 123	151 294
Compensation of employees	29 773	-	-	29 773	23 154	6 619	77,8%	26 649	24 854
Goods and services	75 613	(19)	(20 000)	55 594	39 655	15 939	71,3%	165 474	126 440
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 182 196	-	-	4 182 196	3 837 215	344 981	91,8%	499 110	378 598
Provinces and municipalities	4 179 990	-	-	4 179 990	3 835 402	344 588	91,8%	498 794	378 377
Non-profit institutions	94	-	-	94	-	94	-	95	-
Households	2 112	-	-	2 112	1 813	299	85,8%	221	221
Payments for capital assets	3 105	-	-	3 105	-	3 105	-	7 006	7 006

APPROPRIATION STATEMENT

for the year ended 31 March 2023

Programme 4: National Disaster Management Centre									
2022/23					2021/22				
Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Buildings and other fixed structures									
Machinery and equipment	3 105	-	3 105	-	3 105	-	7 006	7 006	
Heritage assets	-	-	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	
Land and subsoil assets	-	-	-	-	-	-	-	-	
Intangible assets	-	-	-	-	-	-	-	-	
Payments for financial assets	-	19	-	19	-	100,0%	17	17	17
Total	4 290 687	-	4 270 687	3 900 043	370 644	91,3%	698 256	536 915	536 915

Programme 5: Community Work Programme									
2022/23					2021/22				
Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Sub programme									
1. Management Community Work Programme	4 237 772	658	-	4 238 430	450 814	89,4%	4 158 993	3 523 241	
2. Programme Coordination	48 185	(658)	-	47 527	1 883	96,0%	34 287	1 357	
3. Partnerships, Standards and Innovation	15 247	-	-	15 247	14 412	5,5%	11 873	1 049	
Total for sub programmes	4 301 204	-	-	4 301 204	467 109	89,1%	4 205 153	3 525 647	
Economic classification									
Current payments	4 266 187	(137)	(275)	3 817 678	448 097	89,5%	4 171 621	3 492 445	

APPROPRIATION STATEMENT

for the year ended 31 March 2023

		Programme 5: Community Work Programme						2021/22	
		2022/23		2021/22		2021/22			
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Compensation of employees	31 762	-	-	31 762	25 460	6 302	80,2%	32 114	31 408
Goods and services	4 234 425	(137)	(275)	4 234 013	3 792 218	441 795	89,6%	4 139 507	3 461 037
Interest and rent on land									
Transfers and subsidies	17	-	275	292	290	2	99,3%	85	85
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	17	-	266	283	281	2	99,3%	84	84
Payments for capital assets	35 000	-	-	35 000	15 990	19 010	45,7%	33 447	33 117
Buildings and other fixed structures	-	684	-	684	684	-	100,0%	7 437	7 437
Machinery and equipment	35 000	(698)	-	34 302	-	-	-	-	-
Heritage assets									
Specialised military assets									1 619
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets	-	137	-	137	137	-	100,0%	-	-
Total	4 301 204	-	-	4 301 204	3 834 095	467 109	89,1%	4 205 153	3 525 647

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

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 IA-H of the Annual Financial Statements.

2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT)

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

3. DETAIL ON PAYMENTS FOR FINANCIAL ASSETS

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

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

4.1 PER PROGRAMME

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	348 708	348 080	628	0%
Local Government Support and Intervention Management	18 535 071	18 520 496	14 575	0%
Institutional Development	87 571 768	84 106 367	3 465 401	4%
National Disaster Management Centre	4 270 687	3 900 043	370 644	9%
Community Work Programme	4 301 204	3 834 095	467 109	11%
Total	115 027 438	110 709 227	4 318 211	4,8%

4.2 PER ECONOMIC CLASSIFICATION

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments	5 019 593	3 353 908	1 665 685	33%
Compensation of employees	366 212	257 694	108 518	30%
Goods and services	4 653 381	3 096 214	1 557 167	33%
Interest and rent on land				
Transfers and subsidies	109 965 114	106 234 171	3 730 943	3%
Provinces and municipalities	109 418 983	105 700 565	3 718 418	3%
Departmental agencies and accounts	510 836	510 836	-	0%
Higher education institutions	-	-	-	-
Public corporations and private enterprises				
Foreign governments and international organisations	2 138	336	1 802	84%

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Non-profit institutions	15 005	8 508	6 497	43%
Households	18 152	13 926	4 226	23%
Payments for capital assets	42 727	20 535	22 192	52%
Buildings and other fixed structures	684	684	-	-
Machinery and equipment	41 429	19 238	22 192	54%
Heritage assets	-	-	-	-
Specialised military assets	-	-	-	-
Biological assets	-	-	-	-
Land and subsoil assets	-	-	-	-
Intangible assets	14	14	-	-
Payments for financial assets	600	599	1	0%
Total	115 027 438	110 709 227	4 318 211	

COMPENSATION OF EMPLOYEES:

The lower than anticipated spending is due to delays in the filling of vacant funded posts because of staff turnover.

GOODS AND SERVICES: Delays in the start of the implementation of the annual departmental Procurement Plan and recording of expenditure incurred by the Non-profit Institutions for the Community Works Programme once invoices are submitted on the procurement that has already started.

TRANSFERS:

- Municipal Systems Improvement Grant:
- Municipal Systems Improvement Grant:

Municipal Systems Infrastructure procurement plan not started.

- Municipal Infrastructure Grant

The Grants transfer to Municipalities withhold due to non-compliance of DORA act.

- Disaster Relief Grant

The grants are only paid/transferred when the disaster occurs, an assessment of the damage in KZN is underway, including determining the amount of assistance that should be offered to the province to cope with the catastrophe that befell KwaZulu-Natal.

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2023

4.3 PER CONDITIONAL GRANT

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
Municipal Infrastructure Grant	16 842 001	16 842 001	-	0%
Integrated Urban Development Grant	1 085 368	1 085 368	-	0%
Disaster Response/Relief Grant	861 248	516 661	344 587	40%
Disaster Recovery Grant	3 318 742	3 318 741	1	0%
Municipal System Improvement Grant	140 331	63 544	76 787	55%
Total	22 247 690	21 826 315	421 375	19%

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
REVENUE			
Annual appropriation	1	115 027 438	101 259 931
Departmental revenue	2	9 449	18 634
NRF Receipts			
Aid assistance		4 642	-
TOTAL REVENUE		115 041 529	101 278 565
EXPENDITURE			
Current expenditure		4 454 375	4 166 697
Compensation of employees	3	346 427	337 454
Goods and services	4	4 107 944	3 829 243
Interest and rent on land	5	4	-
Aid assistance		-	-
Transfers and subsidies		106 238 813	94 231 527
Transfers and subsidies	7	106 234 171	94 231 527
Aid assistance		4 642	-
Expenditure for capital assets		19 936	44 762
Tangible assets	8	19 922	44 762
Intangible assets	8	14	-
Unauthorised expenditure approved without funding		-	-
Payments for financial assets	6	599	72
TOTAL EXPENDITURE		110 713 723	98 443 058
SURPLUS FOR THE YEAR		4 327 806	2 835 507

Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		4 318 357	2 816 873
Annual appropriation		3 896 982	2 696 456
Statutory appropriation		-	-
Conditional grants		421 375	120 417
Departmental revenue and NRF receipts	13	9 449	18 634
SURPLUS/(DEFICIT) FOR THE YEAR		4 327 806	2 835 507

STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
ASSETS			
Current assets		4 336 793	2 855 603
Cash and cash equivalents	9	4 207 272	2 717 764
Other financial assets		-	-
Prepayments and advances	10	25 280	31 545
Receivables	11	104 241	106 294
Non-current assets			11
Investments	15	-	-
Prepayments and advances	13	-	-
Receivables	14	-	11
TOTAL ASSETS		4 336 647	2 855 614
LIABILITIES			
Current liabilities		4 337 916	2 856 737
Voted funds to be surrendered to the Revenue Fund	12	4 318 357	2 817 111
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	5 541	16 969
Payables	14	14 018	22 657
Non-current liabilities			
Payables			
TOTAL LIABILITIES		4 337 916	2 856 737
NET ASSETS		(1 123)	(1 123)

		2022/23	2021/22
	Note	R'000	R'000
Represented by:			
Unauthorised expenditure		(1 123)	(1 123)
TOTAL		(1 123)	(1 123)

STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
Unauthorised expenditure			
Opening balance		(1 123)	(1 123)
Unauthorised expenditure - current year		-	-
Closing Balance		(1 123)	(1 123)
TOTAL		(1 123)	(1 123)

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
Capitalisation reserves			
Opening balance			
Transfers			
Movement in equity			
Movement in operational funds			
Other movements			
Closing balance			
Recoverable revenue			
Opening balance			
Transfers:			
Irrecoverable amounts written off	8.3		
Debts revised			
Debts recovered (included in departmental revenue)			
Debts raised			
Closing balance			
Retained funds			
Opening balance			
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)			
Utilised during the year			
Other transfers			
Closing balance			
Revaluation reserve			
Opening balance			
Revaluation adjustment (Human Settlements departments)			
Transfers			
Other			
Closing balance			
Unauthorised expenditure			
Opening balance		(1 123)	(1 123)
Unauthorised expenditure - current year		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Less: Amounts recoverable		-	-
Less: Amounts written off		-	-
Closing Balance		(1 123)	(1 123)
TOTAL		(1 123)	(1 123)

CASH FLOW STATEMENT

for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		115 041 529	101 278 193
Annual appropriation funds received	1.1	115 027 438	101 259 931
Statutory appropriation funds received		-	-
Departmental revenue received		8 093	17 401
Interest received	2.3	1 356	861
NRF receipts		-	-
Aid assistance received	4	4 642	-
Net (increase)/decrease in net working capital		(321)	114 708
Surrendered to Revenue Fund		(2 837 988)	(3 670 725)
Surrendered to RDP Fund/Donor		-	-
Current payments		(4 454 371)	(4 166 697)
Interest paid	7	(4)	-
Payments for financial assets		(599)	(72)
Transfers and subsidies paid		(106 238 813)	(94 231 527)
Net cash flow available from operating activities		1 509 433	(676 120)
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	10	(19 936)	(44 762)
Proceeds from sale of capital assets	3.4	-	372
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	14	11	(4)
Net cash flow available from investing activities		(19 925)	(44 394)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		-	-
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		1 489 508	(720 514)
Cash and cash equivalents at beginning of period		2 717 764	3 438 278
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period		4 207 272	2 717 764

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies	
<p>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.</p> <p>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.</p> <p>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.</p>	
1.	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2.	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3.	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department</p>
4.	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5.	<p>Foreign currency translation</p> <p>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.</p>
6.	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>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.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7.	<p>Revenue</p>
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>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.</p> <p>Appropriated funds are measured at the amounts receivable.</p> <p>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.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Departmental revenue is measured at the cash amount received.</p> <p>In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • 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. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
8.	<p>Expenditure</p>
8.1	<p>Compensation of employees</p>
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>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.</p>
8.2	<p>Other expenditure</p> <p>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.</p> <p>Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.</p>
8.4	<p>Leases</p>
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • 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.	<p>Aid assistance</p>
9.1	<p>Aid assistance received.</p> <p>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.</p> <p>CARA Funds are recognised when receivable and measured at the amount's receivable.</p> <p>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.</p>
9.2	<p>Aid assistance paid.</p> <p>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.</p>
10.	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
11.	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments and advances are expensed when invoices for expenditure are received.</p>
12.	<p>Loans and receivables</p> <p>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.</p>
13.	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14.	<p>Financial assets</p>
14.1	<p>Financial assets</p> <p>A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>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.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

14.2	<p>Impairment of financial assets</p> <p>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.</p>
15.	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16.	<p>Capital assets</p>
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>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.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible capital assets</p> <p>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.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

17.	Provisions and contingents
17.1	<p>Provisions</p> <p>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.</p>
17.2	<p>Contingent liabilities</p> <p>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.</p>
17.3	<p>Contingent assets</p> <p>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.</p>
17.4	<p>Capital commitments.</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
18.	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p> <p>Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • 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. <p>Unauthorised expenditure recorded in the notes to the financial statements comprise of</p> <ul style="list-style-type: none"> • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised incurred in the current year.
19.	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of .</p> <p>fruitless and wasteful expenditure that was under assessment in the previous financial year;</p> <p>fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and</p> <p>fruitless and wasteful expenditure incurred in the current year.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

20.	<p>Irregular expenditure</p> <p>Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.</p> <p>Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises:</p> <ul style="list-style-type: none"> • irregular expenditure that was under assessment in the previous financial year; • irregular expenditure relating to previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.
21.	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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.</p>
22.	<p>Events after the reporting date</p> <p>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.</p>
23.	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement, <i>The Department appointed Implementing Agents under the Community Works Programme to assist in creating job opportunities for participants who are involved in useful work in all municipalities in the country on behalf of the Department.</i></p> <p><i>The Department has also entered into an agreement with the Development Bank of Southern Africa to assist in providing District Development Model (DDM) and Integrated Urban Development Framework (IUDF) programme management services on behalf of the Department as well as capacity building for the National Disaster Management Centre.</i></p> <p>Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24.	<p>Departures from the MCS requirements</p> <p>The management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard.</p>
25.	<p>Capitalisation reserve</p> <p>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.</p>
26.	<p>Recoverable revenue</p> <p>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.</p>
27.	<p>Related party transactions</p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The full compensation of key management personnel is recorded in the notes to the financial statements.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

<p>28.</p>	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
<p>29.</p>	<p>Public-Private Partnerships</p> <p>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.</p> <p>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.</p>
<p>30.</p>	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.</p> <p>Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.</p> <p>The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<p>31.</p>	<p>Transfer of functions</p> <p>Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.</p> <p>Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>
<p>32.</p>	<p>Mergers</p> <p>Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.</p> <p>Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

PART B: EXPLANATORY NOTES

I. ANNUAL APPROPRIATION

I.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:

	2022/23			2021/22		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
Programmes	R'000	R'000	R'000	R'000	R'000	R'000
Administration	348 708	348 708	-	338 875	338 875	-
Local Government Support and Intervention Management	18 535 071	18 535 071	-	17 418 275	17 418 275	-
Institutional Development	87 571 768	87 571 768	-	78 599 372	78 599 372	-
National Disaster Management Centre	4 270 687	4 270 687	-	698 256	698 256	-
Community Work Programme	4 301 204	4 301 204	-	4 205 153	4 205 153	-
Total	115 027 438	115 027 438	-	101 259 931	101 259 931	-

I.2 CONDITIONAL GRANTS

	Note	2022/23	2021/22
		R'000	R'000
Total grants received	45	22 247 690	17 100 604
Provincial grants included in total grants received		96 914	140 277

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

2. DEPARTMENTAL REVENUE

		2022/23	2021/22
	Note	R'000	R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	200	274
Interest, dividends and rent on land	2.2	1 356	861
Sales of capital assets	2.3	-	372
Transactions in financial assets and liabilities	2.4	7 893	17 127
Total revenue collected		9 449	18 634
Less: Own revenue included in appropriation	18	-	-
Total		9 449	18 634

The DCoG does not primarily generate revenue. However, during the year under review, there was a decrease in revenue due to accurate invoicing by implementing agents, in contrast to the previous year (2021/22), where the department had to rectify duplicate invoices.

Increase in the interest received is due to higher favourable bank account balance which accumulated interest during the year.

2.1 SALES OF GOODS AND SERVICES OTHER THAN CAPITAL ASSETS

		2022/23	2021/22
	Note	R'000	R'000
Sales of goods and services produced by the department		200	274
Sales by market establishment		101	172
Administrative fees		-	-
Other sales		99	102
Sales of scrap, waste and other used current goods		-	-
Total	2	200	274

2.2 INTEREST, DIVIDENDS AND RENT ON LAND

		2022/23	2021/22
	Note	R'000	R'000
Interest		1 356	861
Dividends			
Rent on land			
Total	2	1 356	861

Interest due to higher bank balance account during this year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

2.3 SALES OF CAPITAL ASSETS

	Note	2022/23 R'000	2021/22 R'000
Tangible capital assets		-	372
Machinery and equipment		-	372
Total	3	-	372

2.4 TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES

	Note	2022/23 R'000	2021/22 R'000
Loans and advances		-	-
Receivables		347	152
Forex gain		-	-
Other receipts including Recoverable Revenue		7 546	16 975
Gains on GFECRA		-	-
Total	2	7 893	17 127

During the year under review, there was a decrease in revenue due to accurate invoicing by implementing agents, in contrast to the previous year (2021/22), where the department had to rectify duplicate invoices

2.5 TRANSFERS RECEIVED

2.5.1 DONATIONS RECEIVED IN-KIND (NOT INCLUDED IN THE MAIN NOTE OR SUB NOTE)

	Note	2022/23 R'000	2021/22 R'000
List in-kind donations received			
Marce Fire Fighting Technology PTY(LTD)		-	52
United Nations Development Programme		-	396
United Nations Development Programme		-	750
United Nations Development Programme		-	450
Commonwealth Local Government Forum		-	400
Commonwealth Local Government Forum		-	400
UN Habitat		40	-
German IZ		273	-
African Union Commission		19	-
Esri South Africa		50	-
Centre for the Study of Violence & Recon		40	-
UN Office for Outer Space Training Workshop		30	-
Two Continental Workshop-Disaster Risk Reduction		20	-
Total		472	2 448

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

2.6 AID ASSISTANCE EXPENDITURE PER ECONOMIC CLASSIFICATION

	Note	2022/23 R'000	2021/22 R'000
Current			
Capital	10		
Transfers and subsidies		4 642	
Total aid assistance expenditure		4 642	

Aid assistance received from SADC for KZN Floods Disaster Relief.

3. COMPENSATION OF EMPLOYEES

3.1 SALARIES AND WAGES

	Note	2022/23 R'000	2021/22 R'000
Basic salary		227 761	221 244
Performance award		258	1 483
Service based		730	686
Compensative/circumstantial		7 638	6 045
Periodic payments		-	-
Other non-pensionable allowances		75 240	73 000
Total		311 557	302 458

Performance awards expenditure lower in the current year because of the 2019 incentive policy framework for employees in the Public Service, the expenditure incurred was for prior years arrears paid during this year:

The compensative circumstantial/ slightly higher as more official were paid acting allowance for acting in higher positions during the financial year.

3.2 SOCIAL CONTRIBUTIONS

	Note	2022/23 R'000	2021/22 R'000
Employer contributions			
Pension		26 148	26 344
Medical		8 665	8 599
Bargaining council		57	53
Total		34 870	34 996
Total compensation of employees		346 427	337 454
Average number of employees		496	483

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

4. GOODS AND SERVICES

		2022/23	2021/22
	Note	R'000	R'000
Administrative fees		32 788	27 831
Advertising		6 239	11 474
Minor assets	4.1	9 520	12 280
Bursaries (employees)		532	3 406
Catering		8 747	6 345
Communication		9 290	8 021
Computer services	4.2	47 261	52 465
Consultants: Business and advisory services	4.9	202 377	323 258
Infrastructure and planning services		-	-
Laboratory services		-	-
Scientific and technological services		-	-
Legal services		21 367	13 590
Contractors		3 289 578	2 875 402
Agency and support / outsourced services		73 511	59 531
Entertainment		-	-
Audit cost - external	4.3	17 891	16 135
Fleet services		2 396	2 837
Inventories	4.4	-	-
Consumables	4.5	163 693	249 778
Housing		-	-
Operating leases		50 724	47 111
Property payments	4.6	27 365	31 745
Rental and hiring		2 810	80
Transport provided as part of the departmental activities		-	-
Travel and subsistence	4.7	46 873	22 689
Venues and facilities		3 837	1 295
Training and development		87 974	58 735
Other operating expenditure	4.8	3 171	5 235
Total		4 107 944	3 829 243

4.1 MINOR ASSETS

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		9 520	12 269
Buildings and other fixed structures			
Machinery and equipment		7 422	10 270
Biological assets		2 098	1 999
Intangible capital assets			11
Software		-	11
Services and operating rights			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
Total	4	9 520	12 280

4.2 COMPUTER SERVICES

		2022/23	2021/22
	Note	R'000	R'000
SITA computer services		15 526	24 599
External computer service providers		31 735	27 866
Total	4	47 261	52 465

4.3 AUDIT COST - EXTERNAL

		2022/23	2021/22
	Note	R'000	R'000
Regularity audits		17 891	16 135
Computer audits		-	-
Total	4	17 891	16 135

4.4 CONSUMABLES

		2022/23	2021/22
	Note	R'000	R'000
Consumable supplies		160 976	245 355
Uniform and clothing		92 933	138 879
Household supplies		14 714	28 470
Building material and supplies		46 980	48 743
Communication accessories		18	176
IT consumables		469	103
Other consumables		5 862	28 984
Stationery, printing and office supplies		2 717	4 423
Total	4	163 693	249 778

Procurement by other IA's could not be completed during the year due to non-compliance issues

4.5 PROPERTY PAYMENTS

		2022/23	2021/22
	Note	R'000	R'000
Municipal services		13 235	20 162
Property management fees		-	31
Property maintenance and repairs		-	-
Other		14 130	11 552
Total	4	27 365	31 745

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

4.6 TRAVEL AND SUBSISTENCE

		2022/23	2021/22
	Note	R'000	R'000
Local		43 813	22 489
Foreign		3 060	200
Total	4	46 873	22 689

The increase in travel expenses can be attributed to the relaxation of COVID-19 lockdown regulations, allowing for more movement, as well as an increase in CWP participants expenditure for attending training sessions.

4.7 OTHER OPERATING EXPENDITURE

		2022/23	2021/22
	Note	R'000	R'000
Professional bodies, membership and subscription fees		965	1 983
Resettlement costs		27	-
Other		2 179	3 252
Total	4	3 171	5 235

4.8 REMUNERATION OF MEMBERS OF A COMMISSION OR COMMITTEE OF INQUIRY (INCLUDED IN CONSULTANTS: BUSINESS AND ADVISORY SERVICES)

		2022/23	2021/22
Name of Commission / Committee of Inquiry	Note	R'000	R'000
Audit Committee	6	749	814
Risk Management Committee		56	74
Total		805	888

The committees adhered to the predetermined timelines for conducting meetings in the current financial year, demonstrating improved compliance compared to the previous year.

5. INTEREST AND RENT ON LAND

		2022/23	2021/22
	Note	R'000	R'000
Interest paid		4	-
Rent on land		-	-
Total		4	-

Interest charged on late payments of invoices.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

6. PAYMENTS FOR FINANCIAL ASSETS

		2022/23	2021/22
	Note	R'000	R'000
Extension of loans for policy purposes			
Other material losses written off	6.1	569	72
Debts written off	6.2	30	-
Forex losses	6.3	-	-
Total		599	72

The Expenditure written off in relation to damages on hired cars by officials and irrecoverable debts written off in line with debt policies.

6.1 OTHER MATERIAL LOSSES WRITTEN OFF

		2022/23	2021/22
Nature of losses	Note	R'000	R'000
Group major categories, but list material items			
Car Damages		569	72
		-	-
Total	8	569	72

The Expenditure incurred written off in relation to damages on hired cars by officials and irrecoverable debts written off in line in with debt policies

6.2 DEBTS WRITTEN OFF

		2022/23	2021/22
Nature of debts written off	Note	R'000	R'000
Other debt written off			
Staff Debt		30	-
Total		30	-
Total debt written off	6	30	-

The irrecoverable claims from former officials classified as debts written off in line with the debt policy

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

7. TRANSFERS AND SUBSIDIES

		2022/23	2021/22
	Note	R'000	R'000
Provinces and municipalities	46,47	105 700 565	93 148 804
Departmental agencies and accounts	Annex IB	510 836	734 834
Higher education institutions	Annex IC	-	-
Foreign governments and international organisations	Annex IE	336	316
Public corporations and private enterprises	Annex ID	-	-
Non-profit institutions	Annex IF	8 508	8 161
Households	Annex IG	13 926	339 412
Total		106 234 171	94 231 527

The expenditure of households decreased compared to the 2021/22 financial year, primarily due to the inclusion of expenditure to pay once-off gratuity to non-returning councillors following the local government elections.

8. EXPENDITURE FOR CAPITAL ASSETS

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		19 922	44 762
Buildings and other fixed structures	39	684	7 437
Machinery and equipment	37	19 238	35 706
Heritage assets	37,39	-	-
Specialised military assets	37	-	-
Land and subsoil assets	39	-	-
Biological assets	37	-	1 619
Intangible capital assets		14	-
Software	38	14	-
Total		19 936	44 762

The expenditure of households decreased compared to the 2021/22 financial year, primarily due to the inclusion of expenditure to pay once-off gratuity to non-returning councillors following the local government elections.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

8.1 ANALYSIS OF FUNDS UTILISED TO ACQUIRE CAPITAL ASSETS - CURRENT YEAR

Name of entity	2022/23		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	19 922		19 922
Buildings and other fixed structures	684	-	684
Machinery and equipment	19 238	-	19 238
Heritage assets	-	-	-
Biological assets	-	-	-
Intangible capital assets	14	-	14
Software	14	-	14
Services and operating rights			
Total	19 936	-	19 936

8.2 ANALYSIS OF FUNDS UTILISED TO ACQUIRE CAPITAL ASSETS - PRIOR YEAR.

Name of entity	2021/22		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	44 762	-	44 762
Buildings and other fixed structures	7 437	-	7 437
Machinery and equipment	35 706	-	35 706
Biological assets	1 619	-	1 619
Intangible capital assets			
Software	-	-	-
Total	44 762	-	44 762

8.3 FINANCE LEASE EXPENDITURE INCLUDED IN EXPENDITURE FOR CAPITAL ASSETS

	Note	2022/23	2021/22
		R'000	R'000
Tangible capital assets			
Buildings and other fixed structures		-	-
Machinery and equipment		576	1 438
Heritage assets		-	-
Biological assets		-	-
Total		576	1 438

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

9. CASH AND CASH EQUIVALENTS

		2022/23	2021/22
	Note	R'000	R'000
Consolidated Paymaster General Account		4 207 242	2 717 734
Cash receipts		-	-
Disbursements		-	-
Cash on hand		30	30
Total		4 207 272	2 717 764

Consolidated bank account includes the Standard bank account balance for the CWP wages for the participants

10. PREPAYMENTS AND ADVANCES

		2022/23	2021/22
	Note	R'000	R'000
Staff advances		-	-
Travel and subsistence		24	35
Prepayments (Not expensed)	10.2	24 857	18 601
Advances paid (Not expensed)	10.1	399	12 909
SOCPEN advances		-	-
Total		25 280	31 545

Analysis of Total Prepayments and advances			
Current Prepayments and advances		25 280	31 545
Non-current Prepayments and advances		-	-
Total		25 280	31 545

10.1 ADVANCES PAID (NOT EXPENSED)

	Note	2022/23				
		Amount as at 1 April 2022	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2023
		R'000	R'000	R'000	R'000	R'000
National departments		9 240	(9 691)	-	500	49
Provincial departments		-	-	-	-	-
Public entities		3 669	(56 680)	-	53 042	31
Other entities		-	(2 681)	-	3000	319
Total	10	12 909	(69 052)	-	56 542	399

Closing balances on advances account not cleared at year end include DIRCO, Sanral and Tshwane Municipality

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

		2021/22				
		Amount as at 1 April 20XX	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 20YY
	Note	R'000	R'000	R'000	R'000	R'000
National departments		20 436	(11 196)	-	-	9 240
Provincial departments		-	-	-	-	-
Public entities		38 959	(38 641)	-	3 351	3 669
Other entities		-	-	-	-	-
Total	10	59 395	(49 837)	-	3 351	12 909

10.2 PREPAYMENTS (NOT EXPENSED)

		2022/23				
		Amount as at 1 April 2022	Less: Amounts expensed in current year	Add / Less: Other	Add Current year prepayments	Amount as at 31 March 2023
	Note	R'000	R'000	R'000	R'000	R'000
Goods and services		18 601	(292 527)	1 747	297 036	24 857
Interest and rent on land		-	-	-	-	-
Transfers and subsidies		-	-	-	-	-
Capital assets		-	-	-	-	-
Other		-	-	-	-	-
Total	10	18 601	(292 527)	1 747	297 036	24 857

The closing balance is for the CWP Implementing Agencies advances not cleared by year end.

		2021/22				
		Amount as at 1 April 2021	Less: Amounts expensed in current year	Add / Less: Other	Add Current year prepayments	Amount as at 31 March 2022
	Note	R'000	R'000	R'000	R'000	R'000
Goods and services		65 853	(477 132)	-	429 880	18 601
Interest and rent on land		-	-	-	-	-
Transfers and subsidies		-	-	-	-	-
Capital assets		-	-	-	-	-
Other		-	-	-	-	-
Total	10	65 853	(477 132)	-	429 880	18 601

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

II. RECEIVABLES

	Note	2022/23			2021/22		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	2 419	-	2 419	3 815	-	3 815
Trade receivables	11.2	-	-	-	-	-	-
Recoverable expenditure	11.3	2 185	-	2 185	2 599	-	2 599
Staff debt	11.4	1 075	-	1 075	1 327	11	1 338
Other receivables	11.5	98 562	-	98 562	98 553	-	98 553
Total		104 241	-	104 241	106 294	11	106 305

II.1 CLAIMS RECOVERABLE.

	Note	2022/23	2021/22
		R'000	R'000
National departments		2 063	3 525
Provincial departments		66	-
Public entities		290	290
Local governments		-	-
Total	11	2 419	3 815

The balances include interdepartmental claims with National, provincial and other state entities.

II.2 RECOVERABLE EXPENDITURE

	Note	2022/23	2021/22
		R'000	R'000
Group major categories, but list material items			
Disallowance: Miscellaneous		13	-
Disallowance: Damages and Losses		2 172	2 599
Total	11	2 185	2 599

A large portion of recoverable expenditure is for disallowance for damages and Losses relates to car accidents and lost assets that are still under investigation to determine liability.

II.3 STAFF DEBT

	Note	2022/23	2021/22
		R'000	R'000
Group major categories, but list material items			
Debt Account		1 075	1 338
Total	14	1 075	1 338

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

Included in the staff Debts are debts relating to previous year's salary overpayments, cell phone accounts and bursary debts due to breach of bursary contracts by staff members

11.4 OTHER RECEIVABLES

	Note	2022/23 R'000	2021/22 R'000
Group major categories, but list material items			
Vat Input Account		266	266
Wrongful Payment		98 241	98 241
Ex councillor's gratuity overpayments		55	46
Total	11	98 562	98 553

In July and August 2018, the department mistakenly made a payment of the Municipality Infrastructure Grant to a supplier whose name closely resembled the intended recipient. Subsequently, efforts were made to recall some of the funds from the bank. In response, disciplinary actions were initiated against six officials involved in the incident.

Furthermore, the Special Commercial Crimes Unit (HAWKS) and State Attorney have taken legal action against the supplier to rectify and recover the erroneous payment. Over the past year, an amount of R4.7 million has been successfully recovered. The department anticipates further recovery of 98.4 million through the ongoing court proceedings.

11.5 IMPAIRMENT OF RECEIVABLES

	Note	2022/23 R'000	2021/22 R'000
Estimate of impairment of receivables		4 652	5 401
Total		4 652	5 401

The impairment amount estimated at accounts receivable balances that are 3 years and over plus R90 000 non recoverable from FNB related to the Sekhukhune matter.

12. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	Note	2022/23 R'000	2021/22 R'000
Opening balance		2 817 111	3 658 563
Prior period error	12.2		
As restated		2 817 111	3 658 563
Transferred from statement of financial performance (as restated)		4 318 357	2 816 873
Paid during the year		(2 817 111)	(3 658 325)
Closing balance		4 318 357	2 817 111

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

13. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

		2022/23	2021/22
	Note	R'000	R'000
Opening balance		16 969	10 735
Prior period error	18.1		(1 202)
As restated		16 969	9 533
Transferred from statement of financial performance (as restated)		9 449	18 634
Paid during the year		(20 877)	(11 198)
Closing balance		5 541	16 969

13.1 PRIOR PERIOD ERROR

Nature of prior period error	Note	2021/22
		R'000
Relating to 2021/22		(1 202)
Funds returned by National Treasury during 2022		(1 202)
Total prior period errors		(1 202)

Re-instatement of the prior year opening balance. Funds refunded by National Treasury during 2022.

14. PAYABLES - CURRENT

		2022/23	2021/22
	Note	R'000	R'000
Amounts owing to other entities		-	-
Advances received	14.1	447	71
Clearing accounts	14.2	319	3 150
Other payables	14.3	13 252	19 436
Total		14 018	22 657

14.1 ADVANCES RECEIVED

		2022/23	2021/22
	Note	R'000	R'000
National departments		-	-
Provincial departments		-	-
Public entities		447	71
Other institutions		-	-
Total	14	447	71

Remaining amount from LGSETA funds received for training.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

14.2 CLEARING ACCOUNTS

Description	Note	2022/23	2021/22
		R'000	R'000
<i>Identify major categories, but list material items</i>			
Sal:GEHS Refund Control Account		-	104
Sal: Income Tax		268	1 272
Disallowance Miscellaneous		-	1 772
Sal:Pension Fund		51	2
Total	14	319	3 150

The above balances are the late run deductions interface for official's tax and pension cleared in April 2023.

14.3 OTHER PAYABLES

Description	Note	2022/23	2021/22
		R'000	R'000
<i>Identify major categories, but list material items</i>			
Debt Receivable Interest		40	113
Debt Receivable Income		656	808
CWP Payables		12 556	18 515
Total	14	13 252	19 436

15. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	Note	2022/23	2021/22
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		4 327 806	2 835 507
Add back non-cash/cash movements not deemed operating activities		(2 818 373)	(3 511 627)
(Increase)/decrease in receivables		2	6 039
(Increase)/decrease in prepayments and advances		6 265	93 785
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables - current		(8 639)	14 884
Proceeds from sale of capital assets		-	(372)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		19 936	44 762
Surrenders to Revenue Fund		(2 837 988)	(3 670 725)
Surrenders to RDP Fund/Donors		-	-
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generating		1 509 433	(676 120)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

16. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	Note	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General account		4 207 242	2 717 734
Fund requisition account		-	-
Cash on hand		30	30
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		4 207 272	2 717 764

17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

17.1 CONTINGENT LIABILITIES

Liable to	Nature	Note	2022/23 R'000	2021/22 R'000
Claims against the department		Annex 3B	9 092	5 006
Intergovernmental payables		Annex 5	3 372	-
Total			12 464	5 006

The claims against the department relate to claim for retention fees by a former NPO, Service providers and former councillor's gratuity paid case opened due to suspicion of fraud.

Money paid to a former councillor under investigation due to suspicion of fraud, uncertain due to a pending case under investigation by SAPS,

Unconfirmed claims from government departments & entities due disputes.

17.2 CONTINGENT ASSETS

Nature of contingent asset	Note	2022/23 R'000	2021/22 R'000
Maphalala NR		58	58
Total		58	58

Money paid to a former councillor under investigation due to suspicion of fraud, uncertain due to a pending case under investigation by SAPS,

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

18. CAPITAL COMMITMENTS

		2022/23	2021/22
	Note	R'000	R'000
Buildings and other fixed structures		-	-
Heritage assets		-	-
Machinery and equipment		2 555	502
Total		2 555	502

The increase is due to motor vehicles procured but not delivered by reporting date.

19. ACCRUALS AND PAYABLES NOT RECOGNISED

19.1 ACCRUALS

		2022/23			2021/22
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		14 786	1 679	16 465	24 515
Interest and rent on land		-	-	-	-
Transfers and subsidies		-	538	538	4 881
Capital assets		-	-	-	-
Other		-	-	-	-
Total		14 786	2 217	17 003	29 096

		2022/23	2021/22
Listed by programme level	Note	R'000	R'000
Administration		7 650	15 805
Local Government Support & Intervention		1 417	325
Institutional Development		1 071	5 108
National Disaster Management		691	246
Community Work Programme		6 174	7 612
Total		17 003	29 096

19.2 PAYABLES NOT RECOGNISED

		2022/23			2021/22
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		28 993	40 346	68 138	98 275
Interest and rent on land		-	-	-	-
Transfers and subsidies		-	-	-	1 428
Capital assets		1 377	266	1 643	
Other					
Total		30 370	40 612	70 982	99 703

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

		2022/23	2021/22
Listed by programme level	Note	R'000	R'000
Programme 1 :Administration		5 795	1 321
Local Government Support and Intervention		450	76
Institutional Development		13	1 428
National Disaster Management Centre		1	-
Community Works Programme		64 723	96 878
Total		70 982	99 703

		2022/23	2021/22
Included in the above totals are the following:	Note	R'000	R'000
Confirmed balances with other departments	Annex 5	5 880	12 465
Confirmed balances with other government entities	Annex 5	851	2 493
Total		6 731	14 958

20. EMPLOYEE BENEFITS

		2022/23	2021/22
	Note	R'000	R'000
Leave entitlement		14 414	16 848
Service bonus		7 610	7 309
Performance awards		-	258
Capped leave		4 411	5 223
Other		76	163
Total		26 511	29 801

Other includes long service awards for R76 293,00 and included in the leave entitlement balance is a negative leave amount of R401 731.63 as a result of leave days used before, they were accrued.

The comparative amount for performance awards reinstated to R258 355.

21. LEASE COMMITMENTS

21.1 OPERATING LEASES

	2022/23				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	2 847	294	3 141
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than 5 years	-	-	-	-	-
Total lease commitments	-	-	2 847	294	3 141

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

	2021/22				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	22 052	351	22 403
Later than 1 year and not later than 5 years	-	-	2 640	294	2 934
Later than 5 years	-	-	-	-	-
Total lease commitments	-	-	24 692	645	25 337

departmental Operating leases relates to rental of G-Fleet Vehicles, Office Building and Parking Space.	The Operating lease contract for some of Office Buildings has expired and are now on a month-to-month basis
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21.2 FINANCE LEASES **

	2022/23				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	338	338
Later than 1 year and not later than 5 years	-	-	-	26	26
Later than 5 years	-	-	-	-	-
Total lease commitments	-	-	-	364	364

	2021/22				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	701	701
Later than 1 year and not later than 5 years	-	-	-	354	354
Later than 5 years	-	-	-	-	-
Total lease commitments	-	-	-	1 055	1 055

Finance Leases relates to rented photocopier machines.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

22. UNAUTHORISED, IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

	Note	2022/23 R'000	2021/22 R'000
Unauthorised expenditure - current year		-	-
Irregular expenditure - current year		475 199	592 714
Fruitless and wasteful expenditure - current year		16	12
Total		475 215	592 726

Included in the irregular expenditure is the expenditure for the CWP contract for IA's and expenditure incurred without a valid contract which is a recurring expenditure from previous years contract was confirmed during the year and a service provider was hired to investigate.

Fruitless and wasteful expenditure was confirmed during the year.

23. RELATED PARTY TRANSACTIONS

Entity	Mandate	Relationship
Department of Traditional Affairs	Develop and monitor the implementation of national policy and legislation seeking to transform and strengthen key institutions and mechanism of governance to fulfil their developmental role.	The relationship is that we report to one Minister; DCoG performs some of the corporate functions through a signed MoU by the two Accounting Officers.
Municipal Infrastructure Support Agency	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.	There were no related party transactions with MISA, however; it suffices to state that we share a Minister.
Municipal Demarcation Board	Is responsible for determining municipal boundaries, declare district management areas, delimit wards for local elections and assess the capacity of municipalities to perform their functions.	There were no related party transactions with MISA, however; suffice to state that we share a Minister.
SALGA (South African Local Government Association)	Transforms local government to enable it to fulfil its developmental mandate. SALGA essentially protects and represents the interest of local government and acts as an employer body for its municipal members.	There were no related party transactions with SALGA, however; it suffices to state that we share a Minister.

24. KEY MANAGEMENT PERSONNEL

	Note	2022/23 R'000	2021/22 R'000
Political office bearers (provide detail below)		4 724	3 704
Officials:		-	-
Level 15 to 16		14 337	14 514
Level 14 (including CFO if at a lower level)		1 900	2 889
Family members of key management personnel		-	-
Total		20 961	21 107

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

25. PROVISIONS

		2022/23	2021/22
	Note	R'000	R'000
<i>Please specify</i>			
Retention & Close Out Costs - Old CWP Contracts		34 265	44 049
Retention Costs-New Cwp Contracts		12 643	3 974
Total		46 908	48 023

Two provisions for retention fees for two contracts, with the IA's

25.1 RECONCILIATION OF MOVEMENT IN PROVISIONS - CURRENT YEAR

	2022/23				
	Provision 1	Provision 2	Provision 3	Total provisions	
	R'000	R'000	R'000	R'000	
Opening balance	44 049	3 974	-	48 023	
Increase in provision	-	8 669	-	8 669	
Settlement of provision					
Unused amount reversed					
Reimbursement expected from third party					
Change in provision due to change in estimation of inputs	(9 784)			(9 784)	
Closing balance	34 265	12 643	-	46 908	

Reconciliation of movement in provisions - Prior year

	2021/22				
	Provision 1	Provision 2	Provision 3	Total provisions	
	R'000	R'000	R'000	R'000	
Opening balance	52 189	-	-	52 189	
Increase in provision		3 974	-	3 974	
Settlement of provision	-	-	-	-	
Change in provision due to change in estimation of inputs	(8 140)	-	-	(8 140)	
Closing balance	44 049	3 974	-	48 023	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

26. MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	137	-	-	-	137
Heritage assets	137	-	-	-	137
MACHINERY AND EQUIPMENT	338 396	-	18 927	(682)	356 641
Transport assets	27 036	-	-	-	27 036
Computer equipment	87 136	-	6 252	(25)	93 363
Furniture and office equipment	22 223	-	732	(52)	22 903
Other machinery and equipment	202 001	-	11 943	(605)	213 339
SPECIALISED MILITARY ASSETS					
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	3 084	-	-	-	3 084
Biological assets	3 084	-	-	-	3 084
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	341 617	-	18 927	(682)	359 862

Movable Tangible Capital Assets under investigation	Note	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Heritage assets			
Machinery and equipment		2 979	143 012
Specialised military assets			
Biological assets		177	3 085
Total		3 156	146 097

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

26.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	137	-	-	-	137
Heritage assets	137	-	-	-	137
MACHINERY AND EQUIPMENT	319 995	(11 684)	34 268	(4 183)	338 396
Transport assets	18 673	6 658	1 879	(174)	27 036
Computer equipment	85 615	(7 384)	12 592	(3 687)	87 136
Furniture and office equipment	27 078	(7 875)	3 116	(96)	22 223
Other machinery and equipment	188 629	(3 083)	16 681	(226)	202 001
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	1 245	220	1 619	-	3 084
Biological assets	1 245	220	1 619	-	3 084
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	321 377	(11 464)	35 887	(4 183)	341 617

26.1.1 PRIOR PERIOD ERROR

Nature of prior period error	Note	2021/22
		R'000
Relating to 2021/22 [affecting the opening balance]		
Correction of overstatement of Assets		(11 464)
Relating to 2021/22		
Total prior period errors		(11 464)

Re-instatement of the prior year balance for major assets

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

26.2 MINOR ASSETS

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	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	-	112	53	61 374	5 045	66 584
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	7 089	2 098	9 187
Disposals	-	-	-	(5771)	-	(5 771)
Total Minor assets	-	112	53	62 692	7 143	70 000

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of RI minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	-	-	-
Total number of minor assets	-	-	-	-	-	-

Minor capital assets under investigation

	Note	Number	Value R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:			
Specialised military assets			
Intangible assets		40	113
Heritage assets			
Machinery and equipment		4 707	4 052
Biological assets		601	3 973

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	2021/22					
	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	-	100	574	38 851	3 304	42 830
Prior period error	-	1	(521)	12 579	(218)	11 841
Additions	-	11	-	10 273	1 959	12 269
Disposals	-	-	-	(329)	-	(329)
Total Minor assets	-	112	53	61 374	5 045	66 584

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of RI minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	-	-	-	-	-
Total number of minor assets	-	-	-	-	-	-

Re-instatement of the prior year balance for minor assets.

26.2.1 PRIOR PERIOD ERROR

Nature of prior period error	Note	2021/22
		R'000
Correction of understatement of assets		11 841
Relating to 2021/22		
Correction of understatement of assets		2 244
Total prior period errors		14 085

Re-instatement of the prior year balance for minor assets

26.3 MOVABLE TANGIBLE CAPITAL ASSETS WRITTEN OFF

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	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
Assets written off				967		967
Total movable assets written off				967		967

27. INTANGIBLE CAPITAL ASSETS

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	781	14	-	795
TOTAL INTANGIBLE CAPITAL ASSETS	781	14	-	795

Re-instatement of the prior year balance for intangible assets

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

Intangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the intangible capital assets per the asset register that are under investigation:			
Software		9	122
Mastheads and publishing titles			
Patents, licences, copyright, brand names, trademarks			
Recipes, formulae, prototypes, designs, models			
Services and operating rights			

27.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 20YY

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	837	(56)	-	-	781
TOTAL INTANGIBLE CAPITAL ASSETS	837	(56)	-	-	781

27.1.1 PRIOR PERIOD ERROR

Nature of prior period error	Note	2021/22
		R'000
Correction of overstatement		(56)
Relating to 2021/22		
Total prior period errors		(56)

Re-instatement of the prior year balance for intangible assets

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

28. IMMOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	15 501	684	-	16 185
Dwellings	-	-	-	-
Non-residential buildings	-	-	-	-
Other fixed structures	15 501	684	-	16 185
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	15 501	684	-	16 185

Re-instatement of the prior year balance for immovable assets

Immovable Tangible Capital Assets under investigation

	Note	Number	Value
			R'000
Included in the above total of the immovable tangible capital assets per the asset register that are under investigation:			
Buildings and other fixed structures		89	10 941
Heritage assets			
Land and subsoil assets			
Total		89	10 941

Provide reasons why assets are under investigation and actions being taken to resolve the matters.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

28.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	6 252	1 813	7 436	-	15 501
Dwellings	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
Other fixed structures	6 252	1 813	7 436	-	15 501
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	6 252	1 813	7 436	-	15 501

Include discussion here where deemed relevant.

28.1.1 PRIOR PERIOD ERRORS

Nature of prior period error	Note	2021/22
		R'000
Correction of understatement of assets		1 813
Relating to 2021/22		1 813
Total prior period errors		1 813

Re-instatement of the prior year balance for immovable assets

29. PRINCIPAL-AGENT ARRANGEMENTS

29.1 DEPARTMENT ACTING AS THE PRINCIPAL

	Note	2022/23	2021/22
		R'000	R'000
CWP Implementing Agents		172 690	207 079
Development Bank of Southern Africa		443	229
Total		173 133	207 308

The Department has appointed Implementing Agents under the Community Works Programme (CWP) to assist in managing the sites and creating job opportunities for participants who are involved in useful work in all municipalities in the country on behalf of the Department.

The Department has also entered into an agreement with the Development Bank of Southern Africa to assist in providing DDM, IUDF programme management services on behalf of the Department

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

30. PRIOR PERIOD ERRORS

30.1 CORRECTION OF PRIOR PERIOD ERRORS

	Note	2021/22		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Revenue: (E.g. Annual appropriation, Departmental revenue, Aid assistance, etc.)				
Aid Assistance	4	2 448	(2 448)	-
Revenue to be surrendered for 2021/22	3	-	2 448	2 448
Net effect		2 448	-	2 448

	Note	2021/22		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, movable tangible capital assets etc.)				
Movable Capital Tangible Assets		353 081	(11 464)	341 617
Movements in Minor Assets		80 669	(14 085)	66 584
Movement in Intangible Assets		837	(56)	781
Movement in Immovable Capital Assets		13 688	1 813	15 501
Net effect		448 275	(23 792)	424 483

Re-instatement of the prior year balance for employee benefits, revenue and contingent liabilities.

	Note	2021/22		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Revenue to be surrendered for 2021/22	18	(12 400)	1 202	(11 198)
Contingent liability	24	2 909	2 097	5 006
Employee benefits	27	29 543	258	29 801
Net effect		20 252	3 557	23 609

Re-instatement of the prior year balance for employee benefits, revenue and contingent liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

		2021/22		
		Amount bef error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
Other: (E.g. Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
Irregular Expenditure	30	499 449	93 265	592 714
Net effect		499 449	93 265	592 714

Re-instatement of the irregular expenditure relating to prior years but paid in the FY 2021/22

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

STATEMENT OF CONDITIONAL GRANTS RECEIVED.

		2022/23						2021/22			
		GRANT ALLOCATION				SPENT					
	Division of Revenue Act / Provincial grants	Roll overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under- / (Overspending)	% of available funds spent by department	Division of Revenue Act / Provincial grants	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Name of grant											
Municipal Infrastructure Grant	1 684 001	-	-	-	1 684 200	1 684 200	1 684 200	-	100%	15 592 748	15 592 748
Integrated Urban Development Grant	1 085 368	-	-	-	1 085 368	1 085 368	1 085 368	-	100%	1 009 068	1 009 068
Disaster Response/ Relief Grant	516 748	-	-	344 500	861 248	861 248	516 661	344 587	60%	498 788	378 371
Disaster Recovery Grant	26 023	-	-	3 292 719	3 318 742	3 318 742	3 318 741	1	100%	-	-
Municipal System Improvement Grant	140 331	-	-	-	140 331	140 331	63 544	76 787	45%	-	-
TOTAL	18 610 471	-	-	3 637 219	22 247 690	22 247 690	21 826 315	421 375		17 100 604	16 980 187

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES.

		2022/23										2021/22			
Name of Province / Grant	GRANT ALLOCATION					TRANSFER					SPENT				
	Division of Revenue Act	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act / Provincial grants	Actual transfers		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000		
Summary by province	-	-	-	-	-	-	-	-	-	-	-	-	-		
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-		
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-		
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-		
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-		
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-		
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-		
Northwest	-	-	-	-	-	-	-	-	-	-	-	-	-		
Western Cape	-	-	-	-	-	-	-	-	-	-	-	48 100	48 100		
TOTAL	-	-	-	-	-	-	-	-	-	-	-	48 100	48 100		
Summary by grant															
Disaster Relief Grant	-	-	-	-	-	-	-	-	-	-	-	48 100	48 100		
TOTAL	-	-	-	-	-	-	-	-	-	-	-	48 100	48 100		
I. Disaster Relief Grant															
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

		2022/23						2021/22					
		GRANT ALLOCATION			TRANSFER			SPENT					
Name of Province / Grant	Division of Revenue Act	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act / Provincial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
North West	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-	-	48 100	48 100
TOTAL	-	-	-	-	-	-	-	-	-	-	-	48 100	48 100
2. [Grant name]	-	-	-	-	-	-	-	-	-	-	-	-	-
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
North West	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-
3. [Grant name]	-	-	-	-	-	-	-	-	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

		2022/23						2021/22					
Name of Province / Grant	GRANT ALLOCATION			TRANSFER			SPENT						
	Division of Revenue Act	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury or National department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act / Provincial grants	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-	-	-	-
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
North West	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer:

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION			TRANSFER		GRANT ALLOCATION			TRANSFER	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
IUDG GRANT										
GT481 MOGALE CITY	156 361	-	(12 130)	144 231	144 231	-	-	142 974	142 974	
KZN216 RAY NKONYENI	81 360	-	-	81 360	81 360	-	-	76 131	76 131	
KZN282 UMHATHUZE LOCAL MUN	147 172	-	62 130	209 302	209 302	-	62 130	134 750	134 750	
LIM354 POLOKWANE LOCAL MUN	426 044	-	(50 000)	376 044	376 044	-	-	397 532	397 532	
MP313 STEVETSHWETE	76 305	-	-	76 305	76 305	-	-	75 218	75 218	
NC091 SOL PLAATJIE	70 390	-	-	70 390	70 390	-	-	66 266	66 266	
WC023 DRAKENSTEIN	61 989	-	-	61 989	61 989	-	-	59 256	59 256	
WC024 STELLENBOSCH	65 747	-	-	65 747	65 747	-	-	56 941	56 941	
TOTAL IUDG GRANT	1 085 368	-	-	1 085 368	1 085 368	-	62 130	1 009 068	1 009 068	
DISASTER RESPONSE GRANT										
NMA NELSON MANDELA BAY	-	-	-	-	-	-	-	-	-	
ECI01 DR BEYERS NAUDE LOCAL MUN	-	-	-	-	-	-	-	57 829	57 829	
ECI02 BLUE CRANE ROUTE	-	-	-	-	-	-	-	6 057	6 057	
ECI04 MAKANA	-	-	-	-	-	-	-	-	-	
ECI05 NIDLAMBE	-	-	-	-	-	-	-	2 200	2 200	
ECI06 SUNDAYS RIVER VALLEY	-	-	-	-	-	-	-	15 229	15 229	
ECI08 KOUGA	-	-	-	-	-	-	-	7 580	7 580	
								12 500	12 500	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22			
	GRANT ALLOCATION					TRANSFER			
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
EC109 KOUKAMA	-	-	-	-	-	-	-	6 380	6 380
DC12 AMATOLE DIST MUNICIPALITY	-	-	-	-	-	-	-	13 207	13 207
DC13 CHRIS HANI DIST MUNICIPALIT	-	-	-	-	-	-	-	5 000	5 000
EC121 MBHASHE	-	-	14 415	14 415	14 415	-	-	-	-
EC153 NGOUZA HILL	-	-	4 130	4 130	4 130	-	-	-	-
EC154 PORT ST JOHNS	-	-	13 300	13 300	13 300	-	-	-	-
EC155 NYANDENI	-	-	2 693	2 693	2 693	-	-	-	-
DC15 OR TAMBO DIST MUNICIPALITY	-	-	46 872	46 872	46 872	-	-	-	-
EC442 UMZIMVUBU	-	-	10 500	10 500	10 500	-	-	-	-
EC443 MBIZANA	-	-	12 790	12 790	12 790	-	-	-	-
EC444 NTABANKULU	-	-	5 111	5 111	5 111	-	-	-	-
ETH ETHEKWINI	-	-	185 000	185 000	185 000	-	-	-	-
KZN213 UMZUMBE	6 300	-	-	6 300	-	-	-	-	-
KZN216 RAY NKONYENI	19 100	-	-	19 100	19 100	-	-	-	-
DC21 UGU DISTRICT MUNICIPALITY	2 000	-	-	2 000	2 000	-	-	-	-
KZN225 MSUNDUZI	620	-	-	620	620	-	-	-	-
KZN226 MKHAMBATHINI	8 200	-	-	8 200	8 200	-	-	-	-
KZN237 INKOSI ILANGALIBALELE	48 950	-	-	48 950	48 950	-	-	-	-
KZN238 ALFRED DUMA	14 414	-	-	14 414	14 414	-	-	31 937	31 937
KZN292 KWADUKUZA	109 043	-	-	109 043	109 043	-	-	-	-
DC29 ILEMBE DISTRICT MUNICIPAL	19 523	-	-	19 523	19 523	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22			
	GRANT ALLOCATION					TRANSFER			
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
LIM343 THULAMELA LOCAL MUN	-	-	-	-	-	-	-	13 000	13 000
LIM344 MAKHADO	-	-	-	-	-	-	-	26 000	26 000
LIM345 NEW LOCAL MUNICIPALITY	-	-	-	-	-	-	-	26 000	26 000
DC34 VHEMBE DIST MUNICIPALITY	-	-	-	-	-	-	-	-	-
LIM351 BLOUBERG LOCAL MUN	-	-	-	-	-	-	-	12 900	12 900
LIM353 MOLEMOLE LOCAL MUN	-	-	-	-	-	-	-	1 000	1 000
LIM354 POLOKWANE LOCAL MUN	-	-	-	-	-	-	-	2 600	2 600
LIM355 LEPellenKUMPI	-	-	-	-	-	-	-	5 625	5 625
NC453 GAMAGARA	-	-	-	-	-	-	-	7 000	7 000
NC086 KGATELOPELE	-	-	-	-	-	-	-	1 839	1 839
NC091 SOL PLAATJIE	-	-	-	-	-	-	-	1 015	1 015
NC093 MAGARENG	-	-	-	-	-	-	-	6 440	6 440
NC094 PHOKWANE	-	-	-	-	-	-	-	6 457	6 457
NW392 NALEDI	-	-	-	-	-	-	-	4 394	4 394
NW396 LEKWATEEMANE	-	-	-	-	-	-	-	4 570	4 570
NW397 MOLOPOKAGISANO	-	-	-	-	-	-	-	6 362	6 362
WC045 OUDTSHOORN	-	-	-	-	-	-	-	47 150	47 150
UNALLOCATED	143 270	-	2 707 944	2 851 214	-	-	-	-	-
DISASTER RESPONSE GRANT	371 420	-	3 002 755	3 374 175	516 661	-	-	330 271	330 271
-	-	-	-	-	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23						2021/22			
	GRANT ALLOCATION			TRANSFER			DoRA and other transfers	DoRA and other transfers	R'000	
	DoRA and other transfers	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	R'000	R'000	R'000	
MUNICIPAL INFRASTRUCTURE GRANTMIG)	-	-	-	-	-	-	-	-	-	-
EASTERN CAPE	-	-	-	-	-	-	-	-	-	-
ECI01 DR BEYERS NAUDE LOCAL MUN	23 010	-	10 000	33 010	33 010	-	10 000	28 564	28 564	28 564
ECI02 BLUE CRANE ROUTE	15 755	-	-	15 755	15 755	-	-	14 892	14 892	14 892
ECI04 MAKANA	27 386	-	(4 588)	22 798	22 798	-	(4 588)	40 590	40 590	40 590
ECI05 NDLAMBE	30 727	-	-	30 727	30 727	-	-	28 663	28 663	28 663
ECI06 SUNDAYS RIVER VALLEY	28 785	-	10 000	38 785	38 785	-	10 000	34 876	34 876	34 876
ECI08 KOUGA	35 891	-	-	35 891	35 891	-	-	33 413	33 413	33 413
ECI09 KOUKAMA	24 997	-	-	24 997	24 997	-	-	16 034	16 034	16 034
ECI21 MBHASHE	68 458	-	-	68 458	68 458	-	-	67 367	67 367	67 367
ECI22 MNQUMA	71 478	-	5 000	76 478	76 478	-	5 000	66 145	66 145	66 145
ECI23 GREAT KEI	22 215	-	-	22 215	22 215	-	-	11 636	11 636	11 636
ECI24 AMAHLATI	31 701	-	-	31 701	31 701	-	-	29 558	29 558	29 558
ECI26 NGQUSHWA	35 198	-	-	35 198	35 198	-	-	23 578	23 578	23 578
ECI29 RAYMOND MHLABA	44 503	-	9 500	54 003	54 003	-	9 500	41 333	41 333	41 333
DCI2 AMATOLE DIST MUNICIPALITY	493 661	-	(98 121)	395 540	395 540	-	(98 121)	454 461	454 461	454 461
ECI131 INXUBA YETHEMBA	17 813	-	7 000	24 813	24 813	-	7 000	16 785	16 785	16 785
ECI135 INTSIKA YETHU	48 873	-	-	48 873	48 873	-	-	45 353	45 353	45 353
ECI136 EMALAHLENI	47 916	-	-	47 916	47 916	-	-	35 275	35 275	35 275
ECI137 ENGCOBO	43 687	-	13 500	57 187	57 187	-	13 500	62 582	62 582	62 582

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
ECI38 SAKHISIZWE	20 231	-	-	20 231	20 231	-	-	19 009	19 009	
ECI39 ENOCH MGJIMA LOCAL MUN	61 673	-	(14 345)	47 328	47 328	-	(14 345)	54 126	54 126	
DCI3 CHRIS HANI DIST MUNICIPALIT	330 451	-	120 000	450 451	450 451	-	120 000	304 343	304 343	
ECI41 ELUNDINI	44 175	-	(3 500)	40 675	40 675	-	(3 500)	41 031	41 031	
ECI42 SENQU	43 640	-	(6 255)	37 385	37 385	-	(6 255)	38 464	38 464	
ECI45 WALTER SIZULU	21 008	-	-	21 008	21 008	-	-	13 830	13 830	
DCI4 JOE DISTR MUNICIPALITY	180 246	-	-	180 246	180 246	-	-	166 188	166 188	
ECI53 NGOUZA HILL	62 127	-	-	62 127	62 127	-	-	57 544	57 544	
ECI54 PORT ST JOHNS	38 862	-	-	38 862	38 862	-	-	40 146	40 146	
ECI55 NYANDENI	69 440	-	-	69 440	69 440	-	-	73 270	73 270	
ECI56 MHLONTLO	50 293	-	-	50 293	50 293	-	-	66 659	66 659	
ECI57 KI SABATA DALINDYEBO	98 791	-	-	98 791	98 791	-	-	91 267	91 267	
DCI5 OR TAMBO DIST MUNICIPALITY	730 131	-	(80 000)	650 131	650 131	-	(80 000)	529 438	529 438	
EC442 UMZIMVUBU	52 786	-	-	52 786	52 786	-	-	48 951	48 951	
EC441 MATATIELE	56 068	-	(3 345)	52 723	52 723	-	(3 345)	51 023	51 023	
EC443 MBIZANA	55 038	-	(4 356)	50 682	50 682	-	(4 356)	76 971	76 971	
EC444 NTABANKULU	30 576	-	16 767	47 343	47 343	-	16 767	28 524	28 524	
DC44 ALFRED NZO DIST MUNICIPAL	433 122	-	-	433 122	433 122	-	-	398 778	398 778	
TOTAL EASTERN CAPE	3 490 712	-	(22 743)	3 467 969	3 467 969	-	(22 743)	3 150 667	3 150 667	
FREE STATE	-	-	-	-	-	-	-	-	-	
FS161 LETSEMENG	19 019	-	(1 060)	17 959	17 959	-	(1 060)	17 894	17 894	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
FS162 KOPANONG	22 932	-	(3 048)	19 884	19 884	-	(3 048)	21 494	21 494	
FS163 MOHOKARE	19 991	-	(9 000)	10 991	10 991	-	(9 000)	18 788	18 788	
FS181 MASILONYANA	28 257	-	(4 600)	23 657	23 657	-	(4 600)	24 552	24 552	
FS182 TOKOLOGO	28 332	-	(2 476)	25 856	25 856	-	(2 476)	17 262	17 262	
FS183 TSWELOPELE	18 256	-	10 800	29 056	29 056	-	10 800	17 192	17 192	
FS184 MATJHABENG	136 630	-	(36 976)	99 654	99 654	-	(36 976)	133 069	133 069	
FS185 NALA	33 439	-	-	33 439	33 439	-	-	31 157	31 157	
FS191 SETSOTO	53 700	-	-	53 700	53 700	-	-	49 792	49 792	
FS192 DIHLABENG	43 828	-	(4 500)	39 328	39 328	-	(4 500)	40 712	40 712	
FS193 NKETOANA	28 508	-	-	28 508	28 508	-	-	26 621	26 621	
FS194 MALUTIAPHOFUNG	187 049	-	-	187 049	187 049	-	-	182 445	182 445	
FS195 PHUMELELA	23 519	-	-	23 519	23 519	-	-	20 309	20 309	
FS196 MATSOPA	32 275	-	-	32 275	32 275	-	-	20 889	20 889	
FS201 MOQHAKA	45 594	-	-	45 594	45 594	-	-	42 336	42 336	
FS203 NGWATHE	47 663	-	(4 766)	42 897	42 897	-	(4 766)	44 240	44 240	
FS204 METSIMAHOLO	50 756	-	-	50 756	50 756	-	-	47 085	47 085	
FS205 MAFUBE	25 129	-	(1 200)	23 929	23 929	-	(1 200)	23 515	23 515	
TOTAL FREE STATE	844 877	-	(56 826)	788 051	788 051	-	(56 826)	779 352	779 352	
GAUTENG	-	-	-	-	-	-	-	-	-	
GT421 EMFULENI	194 208	-	(40 000)	154 208	154 208	-	(40 000)	59 030	59 030	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
GT422 MIDVAAL	35 909	-	-	35 909	35 909	-	-	33 429	33 429	
GT423 LESEDI	29 698	-	-	29 698	29 698	-	-	22 716	22 716	
GT484 MERAFOONG CITY	85 708	-	(10 000)	75 708	75 708	-	(10 000)	70 035	70 035	
GT485 RAND WEST CITY	104 417	-	-	104 417	104 417	-	-	96 442	96 442	
TOTAL GAUTENG	449 940	-	(50 000)	399 940	399 940	-	(50 000)	281 652	281 652	
KWAZULU NATAL	-	-	-	-	-	-	-	-	-	
KZN212 UMDONI LOCAL MUNICIPALITY	44 631	-	-	44 631	44 631	-	-	32 253	32 253	
KZN213 UMZUMBE	38 552	-	-	38 552	38 552	-	-	35 861	35 861	
KZN214 UMUZIWABANTU	26 163	-	-	26 163	26 163	-	-	32 464	32 464	
DC21 UGU DISTRICT MUNICIPALITY	277 374	-	-	277 374	277 374	-	-	255 524	255 524	
KZN221 UMSHWATHI	31 069	-	-	31 069	31 069	-	-	33 977	33 977	
KZN222 UMINGENI	25 816	-	5 000	30 816	30 816	-	5 000	24 146	24 146	
KZN223 MPOFANA	13 114	-	-	13 114	13 114	-	-	17 463	17 463	
KZN224 IMPENDLE	12 753	-	-	12 753	12 753	-	-	20 130	20 130	
KZN225 MSUNDUZI	227 153	-	-	227 153	227 153	-	-	209 331	209 331	
KZN226 MKHAMBATHINI	17 781	-	10 100	27 881	27 881	-	10 100	31 755	31 755	
KZN227 RICHMOND	20 511	-	-	20 511	20 511	-	-	27 266	27 266	
DC22 UMGUNGUNDLOVU DIST MUN	116 867	-	68 974	185 841	185 841	-	68 974	132 893	132 893	
KZN235 OKHAHLAMBA	31 891	-	15 900	47 791	47 791	-	15 900	37 734	37 734	
KZN237 INKOSI ILANGALIBALELE	42 690	-	-	42 690	42 690	-	-	39 665	39 665	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23						2021/22			
	GRANT ALLOCATION			TRANSFER			DoRA and other transfers	DoRA and other transfers	Actual Transfer	R'000
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld				
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
KZN238 ALFRED DUMA	70 409	-	-	70 409	70 409	-	-	70 161	70 161	70 161
DC23 UTHUKELA DIST MUNICIPALITY	211 484	-	(40 000)	171 484	171 484	-	(40 000)	194 919	194 919	194 919
KZN241 UNDUMENI	16 782	-	-	16 782	16 782	-	-	15 836	15 836	15 836
KZN242 NQUTHU	35 231	-	-	35 231	35 231	-	-	36 806	36 806	36 806
KZN244 MSINGA	42 414	-	17 000	59 414	59 414	-	17 000	48 412	48 412	48 412
KZN245 UMWOTI	33 620	-	14 500	48 120	48 120	-	14 500	41 323	41 323	41 323
DC24 UMZINYATHI DIST MUNICIPAL	216 735	-	-	216 735	216 735	-	-	206 904	206 904	206 904
KZN252 NEWCASTLE	129 141	-	-	129 141	129 141	-	-	119 182	119 182	119 182
KZN253 EMADLANGENI	10 010	-	-	10 010	10 010	-	-	4 807	4 807	4 807
KZN254 DANNHAUSER	24 347	-	(5 000)	19 347	19 347	-	(5 000)	34 794	34 794	34 794
DC25 AMAJUBA DIST MUNICIPALITY	46 587	-	(1 900)	44 687	44 687	-	(1 900)	43 250	43 250	43 250
KZN261 EDUMBE	20 055	-	9 000	29 055	29 055	-	9 000	24 847	24 847	24 847
KZN262 UPHONGOLO	31 889	-	-	31 889	31 889	-	-	34 732	34 732	34 732
KZN263 ABAQULUSI	42 083	-	-	42 083	42 083	-	-	39 107	39 107	39 107
KZN265 NONGOMA	36 009	-	20 000	56 009	56 009	-	20 000	33 521	33 521	33 521
KZN266 ULUNDI	44 888	-	30 000	74 888	74 888	-	30 000	52 489	52 489	52 489
DC26 ZULULAND DIST MUNICIPALITY	259 530	-	-	259 530	259 530	-	-	269 111	269 111	269 111
KZN271 UMHABUYALINGANA	39 523	-	-	39 523	39 523	-	-	36 754	36 754	36 754
KZN272 JOZINI	42 381	-	22 000	64 381	64 381	-	22 000	51 381	51 381	51 381
KZN275 MTUBATUBA	35 867	-	-	35 867	35 867	-	-	33 391	33 391	33 391
KZN276 BIG FIVE/HLABISA LOC MUN	23 874	-	(1 374)	22 500	22 500	-	(1 374)	22 360	22 360	22 360

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
DC27 UMKHANYAKUDE DIST MUNICIPAL	247 281	-	(30 000)	217 281	217 281	-	(30 000)	163 844	163 844	
KZN281 MFOLOZI	29 491	-	15 000	44 491	44 491	-	15 000	42 526	42 526	
KZN284 UMHLAZI	45 827	-	-	45 827	45 827	-	-	42 551	42 551	
KZN285 MTHONJANENI LOCAL MUN	30 039	-	18 500	48 539	48 539	-	18 500	28 832	28 832	
KZN286 NKANDLA	25 579	-	-	25 579	25 579	-	-	29 929	29 929	
DC28 UTHUNGULU DIST MUNICIPALIKING CETSWAYO	196 344	-	-	196 344	196 344	-	-	180 995	180 995	
KZN291 MANDENI	40 044	-	-	40 044	40 044	-	-	42 232	42 232	
KZN292 KWADUKUZA	68 871	-	-	68 871	68 871	-	-	61 549	61 549	
KZN293 NDWEDWE	33 627	-	8 000	41 627	41 627	-	8 000	40 331	40 331	
KZN294 MAPHUMULO	24 986	-	-	24 986	24 986	-	-	31 382	31 382	
DC29 ILEMBE DISTRICT MUNICIPAL	221 475	-	-	221 475	221 475	-	-	217 109	217 109	
KZN433 GRAETER KOKSTAD	19 214	-	-	19 214	19 214	-	-	18 073	18 073	
KZN434 UBUIHLEBEZWE	30 291	-	-	30 291	30 291	-	-	32 262	32 262	
KZN435 UMZIMKHULU	49 281	-	-	49 281	49 281	-	-	45 728	45 728	
KZN436 DR NKOSAZANA DLAMINI ZUMA	30 558	-	-	30 558	30 558	-	-	42 508	42 508	
DC43 HARRY GWALA DISTRICT MUN	231 011	-	-	231 011	231 011	-	-	220 880	220 880	
TOTAL KWAZULU NATAL	3 663 143	-	175 700	3 838 843	3 838 843	-	175 700	3 585 280	3 585 280	
LIMPOPO	-	-	-	-	-	-	-	-	-	
LIM471 EMPRAIM MOGALE	37 821	-	19 000	56 821	56 821	-	19 000	30 189	30 189	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
LIM473 MAKHUDUTHAMAGA	70 915	-	24 000	94 915	94 915	-	24 000	61 777	61 777	
LIM472 ELIAS MOTSOALEDI	62 606	-	32 000	94 606	94 606	-	32 000	57 984	57 984	
LIM476 GRTR TUBATSE/FETAKGOMO	96 588	-	30 000	126 588	126 588	-	30 000	74 240	74 240	
DC47 GREATER SEKHUKHUNE DIST MUN	547 578	-	(73 578)	474 000	474 000	-	(73 578)	454 052	454 052	
LIM331 GREATER GIYANI	69 261	-	(2 500)	66 761	66 761	-	(2 500)	64 105	64 105	
LIM332 GREATER LETABA	65 707	-	15 000	80 707	80 707	-	15 000	60 836	60 836	
LIM333 GREATER TZANEEN	119 004	-	-	119 004	119 004	-	-	161 741	161 741	
LIM334 BAPHALABORWA	36 186	-	-	36 186	36 186	-	-	31 748	31 748	
LIM335 MARULENG	30 170	-	35 000	65 170	65 170	-	35 000	48 709	48 709	
DC33 MOPANI DIST MUNICIPALITY	523 460	-	(42 431)	481 029	481 029	-	(42 431)	436 797	436 797	
LIM341 MUSINA LOCAL MUNICIPALITY	32 713	-	-	32 713	32 713	-	-	36 988	36 988	
LIM343 THULAMELA LOCAL MUN	113 912	-	30 000	143 912	143 912	-	30 000	111 174	111 174	
LIM344 MAKHADO	102 597	-	-	102 597	102 597	-	-	110 768	110 768	
LIM345 NEW LOCAL MUNICIPALITY/ COLLINS CHABANE	93 889	-	45 000	138 889	138 889	-	45 000	114 758	114 758	
DC34 VHEMBE DIST MUNICIPALITY	593 243	-	-	593 243	593 243	-	-	546 054	546 054	
LIM351 BLOUBERG LOCAL MUN	50 408	-	21 290	71 698	71 698	-	21 290	80 764	80 764	
LIM353 MOLEMOLE LOCAL MUN	39 792	-	-	39 792	39 792	-	-	37 000	37 000	
LIM355 LEPELLENKUMPI	61 628	-	(12 000)	49 628	49 628	-	(12 000)	57 085	57 085	
DC35 CAPRICORN DIST MUNICIPALITY	265 547	-	(22 000)	243 547	243 547	-	(22 000)	244 646	244 646	
LIM361 THABAZIMBI	37 573	-	(15 029)	22 544	22 544	-	(15 029)	34 960	34 960	
LIM362 LEPHALELE	59 592	-	(8 415)	51 177	51 177	-	(8 415)	46 014	46 014	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
LIM366 BELA BELA	29 130	-	-	29 130	29 130	-	-	27 194	27 194	
LIM367 MOGALAKWENA	179 727	-	-	179 727	179 727	-	-	130 622	130 622	
LIM368 MODIMOLLE/MOOKGOPONG L MN	43 725	-	-	43 725	43 725	-	-	40 617	40 617	
TOTAL LIMPOPO	3 362 772	-	75 337	3 438 109	3 438 109	-	75 337	3 100 822	3 100 822	
MPUMALANGA	-	-	-	-	-	-	-	-	-	
MP301 ALBERT LUTHULI	99 706	-	-	99 706	99 706	-	-	92 108	92 108	
MP302 MSUKALINGWA	60 055	-	-	60 055	60 055	-	-	55 638	55 638	
MP303 MKHONDO	89 625	-	-	89 625	89 625	-	-	92 836	92 836	
MP304 PIXLEY KA SEME	29 722	-	-	29 722	29 722	-	-	25 238	25 238	
MP305 LEKWA	32 514	-	-	32 514	32 514	-	-	50 307	50 307	
MP306 DIPALESENG	20 943	-	-	20 943	20 943	-	-	27 417	27 417	
MP307 GOVAN MBEKI	65 932	-	-	65 932	65 932	-	-	51 526	51 526	
MP311 VICTOR KHANYE	27 976	-	-	27 976	27 976	-	-	26 134	26 134	
MP312 EMALAHLENI	137 675	-	-	137 675	137 675	-	-	127 032	127 032	
MP314 EMAKHAZENI	20 272	-	-	20 272	20 272	-	-	19 046	19 046	
MP315 THEMBSILE	141 661	-	-	141 661	141 661	-	-	130 698	130 698	
MP316 DR JS MOROKA	153 660	-	-	153 660	153 660	-	-	132 482	132 482	
MP321 THABA CHWEU	53 907	-	-	53 907	53 907	-	-	49 982	49 982	
MP324 NKOMAZI	258 939	-	65 000	323 939	323 939	-	65 000	258 568	258 568	
MP325 BUSHBUCKRIDGE	430 851	-	-	430 851	430 851	-	-	396 689	396 689	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
MP326 MBOMBELAWUMJINDI LOC MUN	384 362	-	-	384 362	384 362	-	-	-	353 929	353 929
TOTAL MPUMALANGA	2 007 800	-	65 000	2 072 800	2 072 800	-	65 000	1 889 630	1 889 630	
NORTHERN CAPE	-	-	-	-	-	-	-	-	-	-
NC451 JOE MOROLONG	68 496	-	-	84 959	84 959	-	-	6 161	6 161	-
NC452 GASEGONYANA	60 738	-	15 000	75 738	75 738	-	15 000	10 017	10 017	-
NC453 GAMAGARA	12 908	-	(3 450)	9 458	9 458	-	(3 450)	13 708	13 708	-
NC061 RICHTERSVELD	7 697	-	-	7 697	7 697	-	-	10 051	10 051	-
NC062 NAMA KHOI	16 070	-	(5 165)	10 905	10 905	-	(5 165)	14 276	14 276	-
NC064 KAMIESBERG	7 945	-	-	7 945	7 945	-	-	14 942	14 942	-
NC065 HANTAM	10 493	-	-	10 493	10 493	-	-	6 274	6 274	-
NC066 KAROO HOOGLAND	17 562	-	-	17 562	17 562	-	-	16 887	16 887	-
NC067 KHAIMA	8 200	-	(6 200)	2 000	2 000	-	(6 200)	10 096	10 096	-
NC071 UBUNTU	10 735	-	5 000	15 735	15 735	-	5 000	5 224	5 224	-
NC072 UMSOBOMVU	21 988	-	(7 000)	14 988	14 988	-	(7 000)	3 000	3 000	-
NC073 EMTHANJENI	22 759	-	(3 759)	19 000	19 000	-	(3 759)	7 222	7 222	-
NC074 KAREEBERG	19 506	-	(16 506)	3 000	3 000	-	(16 506)	26 110	26 110	-
NC075 RENOSTERBERG	7 862	-	8 000	15 862	15 862	-	8 000	10 020	10 020	-
NC076 THEMBELIHLE	10 134	-	-	10 134	10 134	-	-	18 485	18 485	-
NC077 SNATHEMBA	10 572	-	(2 572)	8 000	8 000	-	(2 572)	11 040	11 040	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23						2021/22			
	GRANT ALLOCATION			TRANSFER			DoRA and other transfers	DoRA and other transfers	R'000	
	DoRA and other transfers	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	R'000	R'000	R'000	
NC078 SIYANCUMA	18 395	-	(13 395)	5 000	5 000	-	(13 395)	28 187	28 187	28 187
NC082 IKAI ! GARIB	25 097	-	(20 097)	5 000	5 000	-	(20 097)	44 227	44 227	44 227
NC084 IKHEIS	11 567	-	-	11 567	11 567	-	-	26 323	26 323	26 323
NC085 TSANTSABANE	17 165	-	(5 165)	12 000	12 000	-	(5 165)	21 370	21 370	21 370
NC086 KGATELOPELE	8 510	-	40 000	48 510	48 510	-	40 000	9 041	9 041	9 041
NC087 DAWID KRUIPER	28 183	-	-	28 183	28 183	-	-	13 069	13 069	13 069
NC092 DIKGATLONG	21 763	-	-	21 763	21 763	-	-	85 401	85 401	85 401
NC093 MAGARENG	18 612	-	-	18 612	18 612	-	-	56 267	56 267	56 267
NC094 PHOKWANE	29 538	-	-	29 538	29 538	-	-	4 750	4 750	4 750
TOTAL NORTHERN CAPE	492 495	-	1 154	493 649	493 649	-	1 154	472 148	472 148	472 148
-	-	-	-	-	-	-	-	-	-	-
NORTH WEST	-	-	-	-	-	-	-	-	-	-
NW371 MORETELE	131 680	-	-	131 680	131 680	-	-	121 516	121 516	121 516
NW372 MADIBENG	324 408	-	(120 408)	204 000	204 000	-	(120 408)	294 785	294 785	294 785
NW373 RUSTENBURG	270 530	-	(39 341)	231 189	231 189	-	(39 341)	249 229	249 229	249 229
NW374 KGETLENGRIVIER	29 056	-	-	29 056	29 056	-	-	24 126	24 126	24 126
NW375 MOSES KOTANE	171 967	-	(18 134)	153 833	153 833	-	(18 134)	147 571	147 571	147 571
NW381 RATLOU	33 155	-	(9 262)	23 893	23 893	-	(9 262)	25 197	25 197	25 197
NW382 TSWAING	33 010	-	10 000	43 010	43 010	-	10 000	22 763	22 763	22 763
NW383 MAFIKENG	80 187	-	40 000	120 187	120 187	-	40 000	84 679	84 679	84 679
NW384 DITSOBOTLA	41 395	-	(8 720)	32 675	32 675	-	(8 720)	38 475	38 475	38 475

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23						2021/22			
	GRANT ALLOCATION			TRANSFER			Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	R'000
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld				
NW385 RAMOTSHERE MOILOA	42 105	-	-	42 105	42 105	-	-	59 127	59 127	
DC38 NGAKA MODIRI MOLEMA DIST MU	344 835	-	-	344 835	344 835	-	-	317 573	317 573	
NW392 NALEDI	18 823	-	25 000	43 823	43 823	-	25 000	33 914	33 914	
NW393 NAMUSA	17 342	-	(2 300)	15 042	15 042	-	(2 300)	16 351	16 351	
NW394 GREATER TAUNG	54 163	-	-	54 163	54 163	-	-	40 218	40 218	
NW396 LEKWATEEMANE	16 300	-	-	16 300	16 300	-	-	15 394	15 394	
NW397 MOLOPOKAGISANO	33 926	-	-	33 926	33 926	-	-	41 114	41 114	
DC39 DR RUTH SEGOMTSI MUN	158 928	-	-	158 928	158 928	-	-	146 579	146 579	
NW403 CITY OF MATLOSANA	100 187	-	(11 000)	89 187	89 187	-	(11 000)	97 551	97 551	
NW404 MAQUASSI HILLS	31 782	-	-	31 782	31 782	-	-	39 632	39 632	
NW405 VENTERSDORP/TLOKWE LOC MN	76 186	-	(28 871)	47 315	47 315	-	(28 871)	62 975	62 975	
TOTAL NORTH WEST	2 009 965	-	(163 036)	1 846 929	1 846 929	-	(163 036)	1 878 769	1 878 769	1 878 769
WESTERN CAPE	-	-	-	-	-	-	-	-	-	-
WC011 MATZIKAMA	23 817	-	-	23 817	23 817	-	-	22 308	22 308	
WC012 CEDERBERG	17 309	-	(5 200)	12 109	12 109	-	(5 200)	16 320	16 320	
WC013 BERGRIVIER	16 017	-	-	16 017	16 017	-	-	15 134	15 134	
WC014 SALDANIHA BAY	21 634	-	(2 266)	19 368	19 368	-	(2 266)	20 299	20 299	
WC015 SWARTLAND	33 810	-	-	33 810	33 810	-	-	26 301	26 301	
WC022 WITZENBERG	25 091	-	-	25 091	25 091	-	-	24 980	24 980	
WC025 BREEDEVALLEY	44 987	-	-	44 987	44 987	-	-	36 260	36 260	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23						2021/22		
	GRANT ALLOCATION			TRANSFER			DoRA and other transfers	DoRA and other transfers	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld			
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
WC026 LANGEBERG	24 597	-	-	24 597	24 597	-	-	23 025	23 025
WC031 THEEWATERSKLOOF	29 728	-	-	29 728	29 728	-	-	25 602	25 602
WC032 OVERSTRAND	24 628	-	-	24 628	24 628	-	-	21 053	21 053
WC033 CAPE AGULHAS	11 929	-	-	11 929	11 929	-	-	11 373	11 373
WC034 SWELLENIDAM	13 005	-	-	13 005	13 005	-	-	12 362	12 362
WC041 KANNALAND	11 083	-	(1 920)	9 163	9 163	-	(1 920)	10 594	10 594
WC042 HESSEQUA	24 982	-	-	24 982	24 982	-	-	14 181	14 181
WC043 MOSSEL BAY	27 046	-	-	27 046	27 046	-	-	25 277	25 277
WC044 GEORGE	45 508	-	-	45 508	45 508	-	-	42 262	42 262
WC045 OUDTSHOORN	33 325	-	-	33 325	33 325	-	-	22 775	22 775
WC047 BITOU	22 508	-	-	22 508	22 508	-	-	30 104	30 104
WC048 KNYSNA	39 114	-	(9 400)	29 714	29 714	-	(9 400)	24 460	24 460
WC051 LAINGSBURG	6 870	-	-	6 870	6 870	-	-	5 519	5 519
WC052 PRINCE ALBERT	7 956	-	-	7 956	7 956	-	-	9 718	9 718
WC053 BEAUFORT WEST	15 353	-	(5 800)	9 553	9 553	-	(5 800)	14 521	14 521
TOTAL WESTERN CAPE	520 297	-	(24 586)	495 711	495 711	-	(24 586)	454 428	454 428
-	-	-	-	-	-	-	-	-	-
TOTAL MIG	16 842 001	-	-	16 842 001	16 842 001	-	-	15 592 748	15 592 748
-	-	-	-	-	-	-	-	-	-
LOCAL GOVERNMENT EQUITABLE SHARE GRANT	-	-	-	-	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
M 004 EC: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	-
TOTAL M 006 BUF BUFFALO CITY	1 045 448	-	-	1 045 448	1 045 448	-	-	936 811	936 811	-
TOTAL M 006 NMA NELSON MANDELA BAY	1 288 228	-	-	1 288 228	1 045 975	-	-	1 143 807	1 089 614	-
EC101 DR BEYERS NAUDE LOCAL MUN	107 059	-	-	107 059	107 059	-	-	99 316	99 316	-
EC102 BLUE CRANE ROUTE	63 385	-	-	63 385	58 385	-	-	58 178	53 863	-
EC104 MAKANA	113 634	-	-	113 634	113 634	-	-	103 061	103 061	-
EC105 NDLAMBE	119 231	-	-	119 231	119 231	-	-	107 582	107 582	-
EC106 SUNDAYS RIVER VALLEY	101 270	-	-	101 270	95 989	-	-	90 418	90 418	-
EC108 KOUGA	163 292	-	-	163 292	163 292	-	-	143 774	143 774	-
EC109 KOUKAMA	60 474	-	-	60 474	60 474	-	-	54 362	54 362	-
DC10 SARAH BAARTMAN DISTRICT MUN	104 576	-	-	104 576	102 564	-	-	100 709	100 540	-
EC121 MBHASHE	294 923	-	-	294 923	294 923	-	-	271 935	270 297	-
EC122 MNQUMA	307 329	-	-	307 329	307 329	-	-	282 161	280 299	-
EC123 GREAT KEI	50 186	-	-	50 186	50 186	-	-	46 595	46 102	-
EC124 AMAHLATI	124 987	-	-	124 987	124 987	-	-	115 504	115 504	-
EC126 NGQUSHWA	97 609	-	-	97 609	97 609	-	-	90 290	83 407	-
EC129 RAYMOND MHLABA	204 622	-	-	204 622	204 622	-	-	189 927	189 927	-
DC12 AMATOLE DIST MUNICIPALITY	1 025 616	-	-	1 025 616	959 327	-	-	939 262	939 262	-
EC131 INXUBA YETHEMBA	50 744	-	-	50 744	50 744	-	-	46 699	46 699	-
EC135 INTSIKA YETHU	187 928	-	-	187 928	181 639	-	-	173 443	170 913	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
EC136 EMALAHLENI	146 186	-	-	146 186	146 186	-	-	135 035	132 913	
EC137 ENGCOBO	175 143	-	-	175 143	163 170	-	-	161 714	161 333	
EC138 SAKHISIZWE	80 323	-	-	80 323	79 757	-	-	74 331	65 898	
EC139 ENOCH MGJIJIMA LOCAL MUN	215 409	-	-	215 409	215 409	-	-	196 899	196 899	
DC13 CHRIS HANI DIST MUNICIPALIT	654 460	-	-	654 460	638 328	-	-	600 621	600 569	
EC141 ELUNDINI	180 384	-	-	180 384	179 453	-	-	166 231	166 231	
EC142 SENQU	177 125	-	-	177 125	177 125	-	-	163 362	147 485	
EC145 WALTER SIZULU	70 586	-	-	70 586	70 586	-	-	64 368	64 368	
DC14 JOE DISTR MUNICIPALITY	334 540	-	-	334 540	332 307	-	-	302 992	298 000	
EC153 NGOUZA HILL	310 567	-	-	310 567	300 175	-	-	283 556	283 556	
EC154 PORT ST JOHNS	182 985	-	-	182 985	179 967	-	-	168 140	163 475	
EC155 NYANDENI	313 293	-	-	313 293	313 293	-	-	286 893	286 893	
EC156 MHLONTLO	217 727	-	-	217 727	198 109	-	-	200 960	200 960	
EC157 KI SABATA DALINDYEBO	404 115	-	-	404 115	404 115	-	-	365 575	365 575	
DC15 OR TAMBO DIST MUNICIPALITY	1 051 671	-	-	1 051 671	863 440	-	-	950 456	554 829	
EC442 UMZIMVUBU	260 936	-	-	260 936	260 936	-	-	238 026	238 026	
EC441 MATATIELE	286 308	-	-	286 308	286 308	-	-	258 826	258 826	
EC443 MBIZANA	320 095	-	-	320 095	320 095	-	-	289 620	289 620	
EC444 NTABANKULU	149 587	-	-	149 587	149 587	-	-	133 703	133 703	
DC44 ALFRED NZO DIST MUNICIPAL	686 652	-	-	686 652	686 652	-	-	618 487	618 487	
TOTAL M 004 EC: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
M 004 FS: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
MANI MANGAUNG	938 383	-	-	938 383	646 683	-	-	830 046	811 667	
FSI 61 LETSEMENG	79 028	-	-	79 028	65 028	-	-	70 307	62 629	
FSI 62 KOPANONG	103 546	-	-	103 546	78 546	-	-	93 005	74 995	
FSI 63 MOHOKARE	86 952	-	-	86 952	61 246	-	-	76 781	58 172	
DC16 XHARIEP DISTRICT MUNICIPAL	49 161	-	-	49 161	49 161	-	-	47 192	47 192	
FSI 81 MASILONYANA	147 095	-	-	147 095	137 087	-	-	133 179	128 151	
FSI 82 TOKOLOGO	70 432	-	-	70 432	68 502	-	-	59 970	55 996	
FSI 83 TSWELOPELE	91 219	-	-	91 219	91 219	-	-	81 535	81 535	
FSI 84 MATJHABENG	628 523	-	-	628 523	553 423	-	-	561 595	536 595	
FSI 85 NALA	144 920	-	-	144 920	142 632	-	-	132 571	129 932	
DC18 LEJWELEPUTSWA DIST MUNICIPAL	144 044	-	-	144 044	144 044	-	-	138 217	138 020	
FSI 91 SETSOTO	234 466	-	-	234 466	182 624	-	-	212 318	179 539	
FSI 92 DIHLABENG	210 193	-	-	210 193	190 193	-	-	186 348	186 348	
FSI 93 NKETOANA	120 870	-	-	120 870	112 693	-	-	108 738	102 128	
FSI 94 MALUTIAPHOFUNG	744 441	-	-	744 441	743 235	-	-	668 457	630 835	
FSI 95 PHUMELELA	93 052	-	-	93 052	87 052	-	-	83 614	83 614	
FSI 96 MATSOPA	102 426	-	-	102 426	88 862	-	-	91 947	87 186	
DC19 THABO MOFUTSANYANE DIST MUN	130 459	-	-	130 459	130 459	-	-	126 106	125 196	
FS201 MOQHAKA	257 433	-	-	257 433	257 433	-	-	230 417	220 958	
FS203 NGWATHE	241 451	-	-	241 451	192 374	-	-	215 960	190 904	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
FS204 METSIMAHOLO	246 748	-	-	246 748	242 194	-	-	214 398	214 398	
FS205 MAFUBE	118 903	-	-	118 903	106 903	-	-	107 146	96 227	
DC20 FEZILE DABI DIST MUNICIPAL	168 576	-	-	168 576	168 576	-	-	164 035	162 540	
TOTAL M 004 FS: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
M 004 GP: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
EKU EKURHULENI METRO	4 606 943	-	-	4 606 943	4 604 030	-	-	4 026 213	4 026 213	
JHB CITY OF JOHANNESBURG	6 279 400	-	-	6 279 400	5 643 542	-	-	5 467 766	5 381 548	
TSH CITY OF TSHWANE	3 551 250	-	-	3 551 250	3 366 807	-	-	3 088 576	3 003 279	
GT421 EMFULENI	971 061	-	-	971 061	954 712	-	-	863 908	807 327	
GT422 MIDVAAL	143 164	-	-	143 164	140 751	-	-	124 899	124 899	
GT423 LESEDI	181 382	-	-	181 382	181 319	-	-	157 951	154 785	
DC42 SEDIBENG DISTRICT MUNICIPAL	293 991	-	-	293 991	293 186	-	-	285 545	283 971	
GT481 MOGALE CITY	539 525	-	-	539 525	539 525	-	-	471 790	471 790	
GT484 MERAFOG CITY	259 031	-	-	259 031	259 007	-	-	229 859	220 510	
GT485 NEW LOC	393 139	-	-	393 139	388 113	-	-	346 639	343 039	
MUN(RNDFNTN&WSTNR)										
DC48 WEST RAND DIST MUNICIPALITY	230 252	-	-	230 252	230 252	-	-	222 589	222 589	
TOTAL M 004 GP: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
M 004 KZN: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
ETH ETHEKWINI	4 057 189	-	-	4 057 189	3 994 457	-	-	3 580 447	3 564 753	
KZN212 UMDONI LOCAL MUNICIPALITY	162 218	-	-	162 218	162 218	-	-	147 611	147 611	
KZN213 UMZUMBE	154 862	-	-	154 862	154 780	-	-	143 164	132 764	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
KZN214 UMJIZWABANTU	110 541	-	-	110 541	110 541	-	-	100 390	100 390	
KZN216 RAY NKONYENI	260 646	-	-	260 646	257 607	-	-	233 214	233 153	
DC21 UGU DISTRICT MUNICIPALITY	585 146	-	-	585 146	585 146	-	-	524 364	524 364	
KZN221 UMSHWATHI	123 847	-	-	123 847	123 847	-	-	113 010	113 010	
KZN222 UMINGENI	88 389	-	-	88 389	88 389	-	-	77 509	77 509	
KZN223 MPOFANA	43 460	-	-	43 460	43 460	-	-	39 181	39 181	
KZN224 IMPENDLE	45 621	-	-	45 621	45 621	-	-	38 934	38 934	
KZN225 MSUNDUZI	696 056	-	-	696 056	695 966	-	-	616 262	615 793	
KZN226 MKHAMBATHINI	77 519	-	-	77 519	77 519	-	-	70 470	70 470	
KZN227 RICHMOND	86 421	-	-	86 421	86 378	-	-	78 424	78 306	
DC22 UMGJUNGUNDLOVU DIST MUN	669 855	-	-	669 855	669 855	-	-	608 552	608 437	
KZN235 OKHAHLAMBA	149 733	-	-	149 733	149 733	-	-	137 472	137 472	
KZN237 INKOSI ILANGALIBALELE	218 092	-	-	218 092	218 092	-	-	197 401	197 401	
KZN238 ALFRED DUMA	285 377	-	-	285 377	283 515	-	-	258 163	258 163	
DC23 UTHUKELA DIST MUNICIPALITY	539 912	-	-	539 912	527 936	-	-	485 156	484 901	
KZN241 UNIDUMENI	60 247	-	-	60 247	59 991	-	-	53 751	53 751	
KZN242 NQUTHU	169 636	-	-	169 636	169 636	-	-	151 247	150 195	
KZN244 MSINGA	206 533	-	-	206 533	206 533	-	-	182 530	182 530	
KZN245 UMOVOTI	162 289	-	-	162 289	162 289	-	-	145 819	145 819	
DC24 UMZINYATHI DIST MUNICIPAL	453 007	-	-	453 007	444 304	-	-	402 121	395 011	
KZN252 NEWCASTLE	466 902	-	-	466 902	457 761	-	-	417 790	403 334	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22			
	GRANT ALLOCATION					TRANSFER			
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
KZN253 EMADLANGENI	36 076	-	-	36 076	36 076	-	-	33 467	33 467
KZN254 DANNHAUSER	108 935	-	-	108 935	108 935	-	-	100 522	100 522
DC25 AMAJUBA DIST MUNICIPALITY	201 814	-	-	201 814	181 764	-	-	184 017	181 692
KZN261 EDUMBE	93 423	-	-	93 423	93 029	-	-	82 382	82 382
KZN262 UPHONGOLO	169 597	-	-	169 597	169 597	-	-	153 601	153 601
KZN263 ABAQULUSI	187 494	-	-	187 494	187 494	-	-	167 845	167 581
KZN265 NONGOMA	189 932	-	-	189 932	189 932	-	-	170 818	170 818
KZN266 ULUNDI	196 348	-	-	196 348	196 348	-	-	180 263	180 263
DC26 ZULULAND DIST MUNICIPALITY	586 391	-	-	586 391	585 622	-	-	524 645	524 645
KZN271 UHLABUYALINGANA	213 526	-	-	213 526	211 832	-	-	188 289	188 289
KZN272 JOZINI	230 520	-	-	230 520	230 520	-	-	203 877	203 877
KZN275 MTUBATUBA	215 419	-	-	215 419	215 419	-	-	188 307	183 333
KZN276 BIG FIVE/HLABISA LOC MUN	137 249	-	-	137 249	137 238	-	-	122 043	122 043
DC27 UMKHANYAKUDE DIST MUNICIPALIP	537 398	-	-	537 398	499 595	-	-	473 222	426 022
KZN281 MFOLOZI	165 314	-	-	165 314	165 314	-	-	147 696	147 350
KZN282 UHLATHUZE LOCAL MUN	471 939	-	-	471 939	471 939	-	-	416 124	416 124
KZN284 UHLAZI	226 733	-	-	226 733	226 654	-	-	206 125	206 125
KZN285 MTHONJANENI LOCAL MUN	93 695	-	-	93 695	93 695	-	-	86 810	85 080
KZN286 NIKANDLA	114 409	-	-	114 409	114 409	-	-	105 809	105 809
DC28 UTHUNGULU DIST MUNICIPAL	647 196	-	-	647 196	644 612	-	-	590 849	590 849
KZN291 MANDENI	212 818	-	-	212 818	209 944	-	-	191 149	189 110

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
KZN292 KWADUKUZA	228 012	-	-	228 012	228 012	-	-	198 138	193 198	
KZN293 NIDWEDWE	181 613	-	-	181 613	181 613	-	-	165 366	165 366	
KZN294 MAPHUMULO	108 314	-	-	108 314	108 314	-	-	98 940	98 940	
DC29 ILEMBE DISTRICT MUNICIPAL	680 949	-	-	680 949	680 949	-	-	600 260	600 260	
KZN433 GRAETER KOKSTAD	75 091	-	-	75 091	75 091	-	-	68 350	68 350	
KZN434 UBUHLEBEZWE	131 712	-	-	131 712	131 712	-	-	121 143	118 257	
KZN435 UMZIMKHULU	230 678	-	-	230 678	190 811	-	-	210 352	210 352	
KZN436 DR NKOSAZANA DLAMINI ZUMA	152 466	-	-	152 466	152 466	-	-	139 476	139 476	
DC43 HARRY GWALA DISTRICT MUN	432 161	-	-	432 161	432 161	-	-	387 013	387 013	
TOTAL M 004 KZNI:MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
M 004 LP:MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
LIM471 EMPRAIM MOGALE	178 826	-	-	178 826	178 826	-	-	162 471	162 471	
LIM473 MAKHUDUTHAMAGA	324 200	-	-	324 200	324 200	-	-	296 332	296 332	
LIM472 ELIAS MOTSOALEDI	334 260	-	-	334 260	328 803	-	-	302 788	302 788	
LIM476 GRTR TUBATSE/FETAKGOMO	537 000	-	-	537 000	518 024	-	-	478 597	478 498	
DC47 GREATER SEKHUKHUNE DIST MUN	989 172	-	-	989 172	947 647	-	-	878 832	853 912	
LIM331 GREATER GIYANI	352 203	-	-	352 203	352 203	-	-	320 318	320 318	
LIM332 GREATER LETABA	341 960	-	-	341 960	341 960	-	-	310 748	310 748	
LIM333 GREATER TZANEEN	481 161	-	-	481 161	479 694	-	-	432 618	431 330	
LIM334 BAPHALABORWA	189 853	-	-	189 853	188 935	-	-	171 127	169 872	
LIM335 MARULENG	153 904	-	-	153 904	150 102	-	-	139 743	139 743	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
DC33 MOPANI DIST MUNICIPALITY	1 170 419	-	-	1 170 419	1 130 419	-	-	1 044 405	1 024 326	
LIM341 MUSINA LOCAL MUNICIPALITY	193 793	-	-	193 793	192 995	-	-	169 864	169 864	
LIM343 THULAMELA LOCAL MUN	547 969	-	-	547 969	547 969	-	-	495 781	485 142	
LIM344 MAKHADO	445 889	-	-	445 889	445 889	-	-	401 747	401 747	
LIM345 NEW LOCAL MUNICIPALITY	454 043	-	-	454 043	454 043	-	-	412 284	412 284	
DC34 VHEMBE DIST MUNICIPALITY	1 276 805	-	-	1 276 805	1 267 108	-	-	1 134 436	1 043 210	
LIM351 BLOUBERG LOCAL MUN	221 256	-	-	221 256	221 076	-	-	203 615	203 356	
LIM353 MOLEMOLE LOCAL MUN	168 761	-	-	168 761	168 571	-	-	155 513	154 884	
LIM354 POLOKWANE LOCAL MUN	1 196 549	-	-	1 196 549	1 060 551	-	-	1 055 884	998 407	
LIM355 LEP EllenKUMPI	301 329	-	-	301 329	295 205	-	-	275 926	260 924	
DC35 CAPRICORN DIST MUNICIPALITY	730 232	-	-	730 232	729 959	-	-	666 269	664 205	
LIM361 THABAZIMBI	122 061	-	-	122 061	107 300	-	-	107 453	101 653	
LIM362 LEPhALALE	202 071	-	-	202 071	202 071	-	-	174 746	174 648	
LIM366 BELA BELA	117 909	-	-	117 909	117 695	-	-	104 441	94 601	
LIM367 MOGALAKWENA	535 476	-	-	535 476	473 198	-	-	483 337	478 637	
LIM368 MODIMOLLE/MOOKGOPONG L MN	134 343	-	-	134 343	132 643	-	-	121 136	117 663	
DC36 WATERBERG DIST MUNICIPALITY	145 500	-	-	145 500	145 500	-	-	140 217	140 217	
TOTAL M 004 LP:MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
M 004 MP:MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
MP301 ALBERT LUTHULI	388 235	-	-	388 235	388 235	-	-	349 235	349 235	
MP302 MSUKALINGWA	227 520	-	-	227 520	227 019	-	-	199 442	198 537	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22			
	GRANT ALLOCATION					TRANSFER			
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
MP303 MKHONDO	303 974	-	-	303 974	296 920	-	-	269 849	246 587
MP304 PIXLEY KA SEME	146 850	-	-	146 850	121 769	-	-	132 763	110 818
MP305 LEKWA	152 423	-	-	152 423	152 423	-	-	134 933	134 297
MP306 DIPALESENG	91 860	-	-	91 860	88 067	-	-	82 053	69 602
MP307 GOVAN MBEKI	380 023	-	-	380 023	337 678	-	-	331 028	319 638
DC30 GERT SIBANDE DIST MUNICIPAL	317 655	-	-	317 655	317 655	-	-	309 408	309 408
MP311 VICTOR KHANYE	127 094	-	-	127 094	127 094	-	-	111 897	100 987
MP312 EMALAHLENI	493 518	-	-	493 518	493 518	-	-	426 204	426 204
MP313 STEVE TSHWETE	284 669	-	-	284 669	284 669	-	-	242 978	242 978
MP314 EMAKHAZENI	80 242	-	-	80 242	80 242	-	-	71 791	67 214
MP315 THEMBSILE	513 707	-	-	513 707	513 707	-	-	458 200	458 200
MP316 DR JS MOROKA	461 561	-	-	461 561	461 561	-	-	419 133	419 133
DC31 NKANGALA DIST MUNICIPALITY	388 810	-	-	388 810	388 810	-	-	378 547	378 547
MP321 THABA CHWEU	187 934	-	-	187 934	187 838	-	-	165 565	163 238
MP324 NKOMAZI	725 681	-	-	725 681	723 672	-	-	646 530	644 874
MP325 BUSHBUCKRIDGE	979 294	-	-	979 294	979 294	-	-	879 945	879 945
MP326 MBOMBELA/UMJINDI LOC MUN	948 458	-	-	948 458	888 406	-	-	834 510	834 510
DC32 EHLANZENI DIST MUNICIPALITY	284 129	-	-	284 129	284 129	-	-	274 698	274 698
TOTAL M 004 MP: MUNICIPALITIES	-	-	-	-	-	-	-	-	-
M 004 NC: MUNICIPALITIES	-	-	-	-	-	-	-	-	-
NC061 RICHTERSVELD	23 414	-	-	23 414	169 246	-	-	19 237	14 662

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
NC062 NAMA KHOI	58 610	-	-	58 610	203 103	-	-	52 966	39 764	
NC064 KAMIESBERG	30 608	-	-	30 608	47 226	-	-	25 023	20 294	
NC065 HANTAM	31 566	-	-	31 566	102 257	-	-	27 160	24 734	
NC066 KAROO HOOGLAND	30 429	-	-	30 429	23 085	-	-	25 231	21 231	
NC067 KHAIMA	25 674	-	-	25 674	43 629	-	-	21 156	20 011	
DC6 NAMAKWA DISTRICT MUNICIPALIT	55 849	-	-	55 849	25 925	-	-	52 385	52 385	
NC071 UBUNTU	46 240	-	-	46 240	31 566	-	-	38 741	31 024	
NC072 UMSOBOMVU	64 182	-	-	64 182	30 429	-	-	56 140	51 295	
NC073 EMTJANJENI	55 218	-	-	55 218	19 486	-	-	49 935	36 827	
NC074 KAREEBERG	33 449	-	-	33 449	55 849	-	-	27 308	11 378	
NC075 RENOSTERBERG	31 992	-	-	31 992	45 697	-	-	27 568	24 999	
NC076 THEMBELIHLE	33 949	-	-	33 949	63 686	-	-	28 135	27 023	
NC077 SYATHEMBA	42 278	-	-	42 278	45 940	-	-	36 942	27 109	
NC078 SIYANCUMA	58 828	-	-	58 828	-	-	-	54 012	42 495	
DC7 PIXLEY KA SEME DISTRICT MUN	59 758	-	-	59 758	29 856	-	-	55 175	55 175	
NC082 IKAI ! GARIB	108 332	-	-	108 332	33 433	-	-	96 170	87 936	
NC084 !KHEIS	33 197	-	-	33 197	38 858	-	-	27 602	19 758	
NC085 TSANTSABANE	50 271	-	-	50 271	39 520	-	-	44 676	41 578	
NC086 KGATELOPELE	30 490	-	-	30 490	59 758	-	-	25 503	25 405	
NC087 DAWID KRUIPER	106 741	-	-	106 741	104 332	-	-	95 002	72 802	
DC8 Z.F. MQCAWU DISTRICT MUN	78 618	-	-	78 618	28 497	-	-	74 698	74 698	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22			
	GRANT ALLOCATION					TRANSFER			
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
NC091 SOL PLAATJIE	239 158	-	-	239 158	37 690	-	-	212 328	207 016
NC092 DIKGATLONG	108 029	-	-	108 029	30 490	-	-	95 491	90 589
NC093 MAGARENG	57 991	-	-	57 991	106 741	-	-	51 086	44 380
NC094 PHOKWANE	126 099	-	-	126 099	78 618	-	-	114 939	94 939
DC9 FRANCES BAARD DIST MUNICIPAL	132 171	-	-	132 171	232 560	-	-	128 076	128 076
NC451 JOE MOROLONG	170 407	-	-	170 407	102 507	-	-	155 937	155 937
NC452 GASEGONYANA	210 902	-	-	210 902	52 567	-	-	185 019	183 985
NC453 GAMAGARA	53 715	-	-	53 715	105 488	-	-	45 435	26 466
DC45 JOHN TAOLO GAETSWewe MUN	102 257	-	-	102 257	132 171	-	-	95 976	95 976
TOTAL M 004 NC: MUNICIPALITIES	-	-	-	-	-	-	-	-	-
M 004 NW: MUNICIPALITIES	-	-	-	-	-	-	-	-	-
NW371 MORETELE	415 351	-	-	415 351	402 160	-	-	376 690	376 501
NW372 MADIBENG	941 456	-	-	941 456	941 331	-	-	818 913	813 257
NW373 RUSTENBURG	941 352	-	-	941 352	815 802	-	-	808 419	762 188
NW374 KGETLENGRIVIER	117 740	-	-	117 740	107 680	-	-	105 336	97 363
NW375 MOSES KOTANE	528 602	-	-	528 602	527 985	-	-	476 855	464 043
DC37 BOJANALA PLATINUM DIST MUN	381 952	-	-	381 952	381 750	-	-	366 729	365 334
NW381 RATLOU	150 626	-	-	150 626	148 997	-	-	138 974	138 609
NW382 TSWAING	140 780	-	-	140 780	140 548	-	-	128 758	128 758
NW383 MAFIKENG	327 788	-	-	327 788	327 788	-	-	292 733	292 733
NW384 DITSOBOTLA	159 232	-	-	159 232	145 608	-	-	143 161	140 762

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

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	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
NW385 RAMOTSHERE MOILOA	215 223	-	-	215 223	215 223	-	-	195 823	195 727	
DC38 NGAKA MODIRI MOLEMA DIST MU	974 124	-	-	974 124	973 665	-	-	873 573	873 573	
NW392 NALEDI	63 233	-	-	63 233	62 576	-	-	58 600	46 627	
NW393 NAMUSA	66 849	-	-	66 849	59 307	-	-	62 550	62 550	
NW394 GREATER TAUNG	231 374	-	-	231 374	231 014	-	-	212 988	212 445	
NW396 LEKWATEEMANE	60 204	-	-	60 204	54 690	-	-	56 063	52 042	
NW397 MOLOPOKAGISANO	144 818	-	-	144 818	144 765	-	-	133 289	112 044	
DC39 DR RUTH SEGOMTSI MUN	448 060	-	-	448 060	200 056	-	-	404 182	404 182	
NW403 CITY OF MATLOSANA	545 300	-	-	545 300	538 013	-	-	484 096	473 766	
NW404 MAQUASSI HILLS	159 404	-	-	159 404	159 404	-	-	143 541	142 819	
NW405 VENTERSDORP/TLOKWE LOC MIN	343 436	-	-	343 436	343 436	-	-	299 881	294 814	
DC40 DR KENNETH KAUNDA MUN	206 714	-	-	206 714	206 714	-	-	200 130	200 130	
TOTAL M 004 NW: MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
M 004 WC MUNICIPALITIES	-	-	-	-	-	-	-	-	-	
CPT CITY OF CAPETOWN	3 656 394	-	-	3 656 394	3 656 394	-	-	3 215 174	3 215 174	
WC011 MATZIKAMA	69 892	-	-	69 892	59 995	-	-	62 693	45 804	
WC012 CEDERBERG	61 451	-	-	61 451	60 377	-	-	55 044	55 044	
WC013 BERGRIVIER	57 506	-	-	57 506	55 840	-	-	50 990	50 990	
WC014 SALDANHA BAY	115 943	-	-	115 943	115 943	-	-	101 876	101 876	
WC015 SWARTLAND	126 228	-	-	126 228	126 228	-	-	108 796	108 796	
DC1 WEST COAST DISTRICT MUNICIPAL	103 374	-	-	103 374	103 374	-	-	99 472	99 263	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22				
	GRANT ALLOCATION					TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
WC022 WITZENBERG	121 668	-	-	121 668	116 521	-	-	106 666	96 326	
WC023 DRAKENSTEIN	194 355	-	-	194 355	194 355	-	-	171 259	171 259	
WC024 STELLENBOSCH	179 634	-	-	179 634	179 634	-	-	157 136	157 136	
WC025 BREEDE VALLEY	147 822	-	-	147 822	147 822	-	-	131 552	131 552	
WC026 LANGE BERG	97 528	-	-	97 528	97 528	-	-	87 617	87 617	
DC2 CAPE WINELANDS DIST MUNICIPAL	251 295	-	-	251 295	251 295	-	-	245 208	245 208	
WC031 THEEWATERSKLOOF	120 101	-	-	120 101	110 527	-	-	106 976	101 629	
WC032 OVERSTRAND	141 896	-	-	141 896	141 896	-	-	123 897	123 897	
WC033 CAPE AGULHAS	37 037	-	-	37 037	36 727	-	-	33 290	23 497	
WC034 SWELLENIDAM	39 675	-	-	39 675	39 675	-	-	35 471	35 471	
DC3 OVERBERG DISTRICT MUNICIPAL	81 486	-	-	81 486	81 486	-	-	77 375	74 719	
WC041 KANNALAND	33 259	-	-	33 259	27 223	-	-	30 553	17 067	
WC042 HESSEQUA	54 287	-	-	54 287	54 287	-	-	48 843	48 843	
WC043 MOSSEL BAY	119 020	-	-	119 020	119 020	-	-	105 409	105 409	
WC044 GEORGE	193 460	-	-	193 460	193 460	-	-	170 498	170 188	
WC045 OUDTSHOORN	89 431	-	-	89 431	89 431	-	-	80 955	80 955	
WC047 BITOU	129 019	-	-	129 019	128 022	-	-	111 953	111 442	
WC048 KNYSNA	111 170	-	-	111 170	107 720	-	-	98 572	98 572	
DC4 EDEN DISTRICT MUNICIPALITY	172 721	-	-	172 721	172 721	-	-	167 653	166 661	
WC051 LAINGSBURG	20 139	-	-	20 139	19 478	-	-	18 461	11 358	
WC052 PRINCE ALBERT	26 548	-	-	26 548	26 548	-	-	24 054	24 054	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23					2021/22			
	GRANT ALLOCATION					TRANSFER			
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
WC053 BEAUFORT WEST	77 265	-	-	77 265	77 265	-	-	69 625	69 279
DC5 CENTRAL KAROO DIST MUNICIPAL	36 456	-	-	36 456	36 456	-	-	33 268	31 301
TOTAL M 004 WC:MUNICIPALITIES	-	-	-	-	-	-	-	-	-
TOTAL LGES	87 311 493	-	-	87 311 493	83 937 761	-	-	77 999 135	76 168 581
LICENSING	-	-	-	-	-	-	-	-	-
Tshwane Metro Municipality	122	-	-	122	33	-	-	36	36
MUNICIPAL DISASTER RECOVERY GRNT	-	-	-	-	-	-	-	-	-
EC443 MBIZANA WINNIE MADIKIZELA -MANDELA	-	-	33 806	-	33 806	-	-	-	-
ETH ETHEKWINI	-	-	1 534 785	-	1 534 785	-	-	-	-
KZN213 UMZUMBE	9 000	-	-	-	9 000	-	-	-	-
DC22 UMGUNGUNDLOVU DIST MUN	-	-	10 100	-	10 100	-	-	-	-
KZN237 INKOSI ILANGALIBALELE	-	-	76 950	-	76 950	-	-	-	-
KZN238 ALFRED DUMA	-	-	22 000	-	22 000	-	-	-	-
KZN282 UMHATHUZE LOCAL MUN	-	-	39 466	-	39 466	-	-	-	-
KZN291 MANDENI	-	-	17 023	-	17 023	-	-	-	-
KZN292 KWADUKUZA	-	-	1 271 098	-	1 271 098	-	-	-	-
KZN294 MAPHUMULO	7 000	-	(7 000)	-	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	2022/23						2021/22		
	GRANT ALLOCATION			TRANSFER			DoRA and other transfers	DoRA and other transfers	Actual Transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld			
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
DC29 ILEMBE DISTRICT MUNICIPAL	10 023	-	4 526	-	14 549	-	-	-	-
WC025 BREEDE VALLEY	-	-	10 310	-	10 310	-	-	-	-
WC031 THEEWATERSKLOOF	-	-	11 940	-	11 940	-	-	-	-
WC034 SWELLENDAM	-	-	3 553	-	3 553	-	-	-	-
WC044 GEORGE	-	-	237 497	237 497	237 497	-	-	-	-
WC045 OUDTSHOORN	-	-	26 664	26 664	26 664	-	-	-	-
-	-	-	-	-	-	-	-	-	-
MUNICIPAL DISASTER RECOVERY GRNT	26 023	-	3 292 718	3 318 741	3 318 741	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
	105 636 427	-	3 240 252	4 697 040	105 700 565	-	62 130	94 931 258	93 100 704

check

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

48. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

49. COVID 19 RESPONSE EXPENDITURE

		2022/23	2021/22
	Note	R'000	R'000
Compensation of employees			
Goods and services		296	46 466
Transfers and subsidies		-	-
Expenditure for capital assets		-	195
Other		-	-
Total	Annex 11	296	46 661

Lower expenditure incurred for PPE's for Covid 19, since procurement of Covid 19 has been reduced

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IA

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22			
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds With-held	Re-allocations by National or Treasury Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000	
IUDG GRANT	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
GT481 MOGALE CITY	156 361	-	(12 130)	144 231	144 231	-	-	144 231	88 116	56 115	61%	142 974	142 974	142 974	142 974	
KZN216 RAY NIKONYENI	81 360	-	-	81 360	81 360	-	-	81 360	41 869	39 491	51%	76 131	76 131	76 131	76 131	
KZN282 UMHATHUZE LOCAL MUN	147 172	-	62 130	209 302	209 302	-	62 130	209 302	136 882	72 420	65%	134 750	134 750	134 750	134 750	
LIM354 POLOKWANE LOCAL MUN	426 044	-	(50 000)	376 044	376 044	-	-	376 044	134 842	241 202	36%	397 532	397 532	397 532	397 532	
MP313 STEVE TSHWETE	76 305	-	-	76 305	76 305	-	-	76 305	50 769	25 536	67%	75 218	75 218	75 218	75 218	
NC091 SOL PLAATJIE	70 390	-	-	70 390	70 390	-	-	70 390	34 495	35 895	49%	66 266	66 266	66 266	66 266	
WC023 DRAKENSTEIN	61 989	-	-	61 989	61 989	-	-	61 989	48 392	13 597	78%	59 256	59 256	59 256	59 256	
WC024 STELLENBOSCH	65 747	-	-	65 747	65 747	-	-	65 747	49 170	16 577	75%	56 941	56 941	56 941	56 941	
TOTAL IUDG GRANT	1 085 368	-	-	1 085 368	1 085 368	-	62 130	1 085 368	584 535	500 833	54%	1 009 068	1 009 068	1 009 068	1 009 068	
DISASTER RESPONSE GRANT																
NIMA NELSON MANDELA BAY														57 829	57 829	
EC101 DR BEYERS NAUDE LOCAL MUN														6 057	6 057	
EC102 BLUE CRANE ROUTE														-	-	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
EC104 MAKANA														2 200	2 200
EC105 NDLAMBE														15 229	15 229
EC106 SUNDAYS RIVER VALLEY														7 580	7 580
EC108 KOUGA														12 500	12 500
EC109 KOUKAMA														6 380	6 380
DC12 AMATOLE DIST MUNICIPALITY														13 207	13 207
DC13 CHRIS HANI DIST MUNICIPALIT														5 000	5 000
EC121 MBHASHE			14 415	14 415	14 415	14 415									
EC153 NGOUZA HILL			4 130	4 130	4 130	4 130									
EC154 PORT ST JOHNS			13 300	13 300	13 300	13 300									
EC155 NYANDENI			2 693	2 693	2 693	2 693									
DC15 OR TAMBO DIST MUNICIPALITY			46 872	46 872	46 872	46 872									
EC442 UMZIMVUBU			10 500	10 500	10 500	10 500									
EC443 MBIZANA			12 790	12 790	12 790	12 790									
EC444 NTABANKULU			5 111	5 111	5 111	5 111									
ETH ETHEKWINI			185 000	185 000	185 000	185 000									
KZN213 UMZUMBE	6 300		6 300	6 300											
KZN216 RAY NIKONYENI	19 100		19 100	19 100	19 100	19 100									
DC21 UGU DISTRICT MUNICIPALITY	2 000		2 000	2 000	2 000	2 000									
KZN225 MSUNDUZI	620		620	620	620	620									

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
KZN226 MKHAMBATHINI	8 200			8 200	8 200	8 200									
KZN237 INKOSI ILANGALIBALELE	48 950			48 950	48 950	48 950									
KZN238 ALFRED DUMA	14 414			14 414	14 414	14 414							31 937	31 937	
KZN292 KWADUKUZA	109 043			109 043	109 043	109 043									
DC29 ILEMBE DISTRICT MUNICIPAL	19 523			19 523	19 523	19 523									
LIM343 THULAMELA LOCAL MUN												13 000		13 000	
LIM344 MAKHADO												26 000		26 000	
LIM345 NEW LOCAL MUNICIPALITY												26 000		26 000	
DC34 VHEMBE DIST MUNICIPALITY															
LIM351 BLOUBERG LOCAL MUN												12 900		12 900	
LIM353 MOLEMOLE LOCAL MUN												1 000		1 000	
LIM354 POLOKWANE LOCAL MUN												2 600		2 600	
LIM355 LEPELLENKUMPI												5 625		5 625	
NC453 GAMAGARA												7 000		7 000	
NC086 KGATELOPELE												1 839		1 839	
NC091 SOL PLAATJIE												1 015		1 015	
NC093 MAGARENG												6 440		6 440	
NC094 PHOKKWANE												6 457		6 457	
NW392 NALEDI												4 394		4 394	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
NW396 LEKWATEEMANE				-								4 570	4 570
NW397 MOLOPOKAGISANO				-								6 362	6 362
WC045 OUDTSHOORN				-								47 150	47 150
UNALLOCATED	143 270		2 707 944	2 851 214									
DISASTER RESPONSE GRANT	371 420	-	3 002 755	3 374 175	516 661	-	-	-	-	-	-	330 271	330 271
MUNICIPAL INFRASTRUCTURE GRANT(MIG)													
EASTERN CAPE													
EC101 DR BEYERS NAUDE LOCAL MUN	23 010	10 000		33 010	33 010	-	10 000	33 010	18 411			28 564	28 564
EC102 BLUE CRANE ROUTE	15 755			15 755	15 755	-		15 755	8 108			14 892	14 892
EC104 MAKANA	27 386	(4 588)		22 798	22 798	-	(4 588)	22 798	6 561			40 590	40 590
EC105 NDLAMBE	30 727			30 727	30 727	-		30 727	14 055			28 663	28 663
EC106 SUNDAY'S RIVER VALLEY	28 785	10 000		38 785	38 785	-	10 000	38 785	25 946			34 876	34 876
EC108 KOUGA	35 891			35 891	35 891	-		35 891	19 455			33 413	33 413
EC109 KOUKAMA	24 997			24 997	24 997	-		24 997	7 665			16 034	16 034
EC121 MBHASHE	68 458			68 458	68 458	-		68 458	40 919			67 367	67 367
EC122 MNQUMA	71 478	5 000		76 478	76 478	-	5 000	76 478	59 886			66 145	66 145
EC123 GREAT KEI	22 215			22 215	22 215	-		22 215	13 282			11 636	11 636

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
EC124 AMAHLATI	31 701			31 701	31 701	-		31 701	20 792			29 558	29 558		
EC126 NGQUSHWA	35 198			35 198	35 198	-		35 198	15 284			23 578	23 578		
EC129 RAYMOND MHLABA	44 503		9 500	54 003	54 003	-	9 500	54 003	32 037			41 333	41 333		
DC12 AMATOLE DIST MUNICIPALITY	493 661		(98 121)	395 540	395 540	-	(98 121)	395 540	51 868			454 461	454 461		
EC131 INXUBA YETHEMBA	17 813		7 000	24 813	24 813	-	7 000	24 813	21 362			16 785	16 785		
EC135 INTSIKA YETHU	48 873			48 873	48 873	-		48 873	37 062			45 353	45 353		
EC136 EMALAHLENI	47 916			47 916	47 916	-		47 916	24 590			35 275	35 275		
EC137 ENCOBO	43 687		13 500	57 187	57 187	-	13 500	57 187	39 333			62 582	62 582		
EC138 SAKHISIZWE	20 231			20 231	20 231	-		20 231	10 252			19 009	19 009		
EC139 ENOCH MGIJIMA LOCAL MUN	61 673		(14 345)	47 328	47 328	-	(14 345)	47 328	14 463			54 126	54 126		
DC13 CHRIS HANI DIST MUNICIPALIT	330 451		120 000	450 451	450 451	-	120 000	450 451	319 362			304 343	304 343		
EC141 ELUNDINI	44 175		(3 500)	40 675	40 675	-	(3 500)	40 675	19 182			41 031	41 031		
EC142 SENQU	43 640		(6 255)	37 385	37 385	-	(6 255)	37 385	16 398			38 464	38 464		
EC145 WALTER SIZULU	21 008			21 008	21 008	-		21 008	9 329			13 830	13 830		
DC14 JOE DISTR MUNICIPALITY	180 246			180 246	180 246	-		180 246	116 513			166 188	166 188		
EC153 NGOUZA HILL	62 127			62 127	62 127	-		62 127	32 353			57 544	57 544		
EC154 PORT ST JOHNS	38 862			38 862	38 862	-		38 862	29 502			40 146	40 146		
EC155 NYANDENI	69 440			69 440	69 440	-		69 440	36 930			73 270	73 270		
EC156 MHLONTLO	50 293			50 293	50 293	-		50 293	35 107			66 659	66 659		
EC157 KI SABATA DALINDYEBO	98 791			98 791	98 791	-		98 791	73 028			91 267	91 267		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
DC15 OR TAMBO DIST MUNICIPALITY	730 131		(80 000)	650 131	650 131	-	(80 000)	650 131	268 306			529 438	529 438		
EC442 UMZIMVUBU	52 786			52 786	52 786	-		52 786	34 299			48 951	48 951		
EC441 MATATIELE	56 068		(3 345)	52 723	52 723	-	(3 345)	52 723	30 378			51 023	51 023		
EC443 MBIZANA	55 038		(4 356)	50 682	50 682	-	(4 356)	50 682	25 849			76 971	76 971		
EC444 NTABANKULU	30 576		16 767	47 343	47 343	-	16 767	47 343	13 245			28 524	28 524		
DC44 ALFRED NZO DIST MUNICIPAL	433 122			433 122	433 122	-		433 122	268 631			398 778	398 778		
TOTAL EASTERN CAPE	3 490 712	-	(22 743)	3 467 969	3 467 969	-	(22 743)	3 467 969	1 809 743	-	-	3 150 667	3 150 667	3 150 667	3 150 667
FREE STATE															
FS161 LETSEMENG	19 019		(1 060)	17 959	17 959	-	(1 060)	17 959	7 224			17 894	17 894		
FS162 KOPANONG	22 932		(3 048)	19 884	19 884	-	(3 048)	19 884	4 634			21 494	21 494		
FS163 MOHOKARE	19 991		(9 000)	10 991	10 991	-	(9 000)	10 991	2 927			18 788	18 788		
FS181 MASILONYANA	28 257		(4 600)	23 657	23 657	-	(4 600)	23 657	5 897			24 552	24 552		
FS182 TOKOLOGO	28 332		(2 476)	25 856	25 856	-	(2 476)	25 856	17 382			17 262	17 262		
FS183 TSWELOPELE	18 256		10 800	29 056	29 056	-	10 800	29 056	13 713			17 192	17 192		
FS184 MATJHABENG	136 630		(36 976)	99 654	99 654	-	(36 976)	99 654	20 870			133 069	133 069		
FS185 NALA	33 439			33 439	33 439	-		33 439	22 178			31 157	31 157		
FS191 SETSOTO	53 700			53 700	53 700	-		53 700	40 520			49 792	49 792		
FS192 DIHLABENG	43 828		(4 500)	39 328	39 328	-	(4 500)	39 328	16 264			40 712	40 712		
FS193 NIKETOANA	28 508			28 508	28 508	-		28 508	16 904			26 621	26 621		
FS194 MALUTIAPHOFUNG	187 049			187 049	187 049	-		187 049	126 930			182 445	182 445		
FS195 PHUMELELA	23 519			23 519	23 519	-		23 519	11 810			20 309	20 309		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
FS196 MATSOPA	32 275			32 275	32 275	-		32 275	16 121			20 889	20 889		20 889
FS201 MOQHAKA	45 594			45 594	45 594	-		45 594	30 062			42 336	42 336		42 336
FS203 NGWATHE	47 663		(4 766)	42 897	42 897	-	(4 766)	42 897	5 259			44 240	44 240		44 240
FS204 METSIMAHOLO	50 756			50 756	50 756	-		50 756	23 694			47 085	47 085		47 085
FS205 MAFUBE	25 129		(1 200)	23 929	23 929	-	(1 200)	23 929	15 125			23 515	23 515		23 515
TOTAL FREE STATE	844 877	-	(56 826)	788 051	788 051	-	(56 826)	788 051	397 514	-	-	779 352	779 352	-	779 352
GAUTENG															
GT421 EMFULENI	194 208		(40 000)	154 208	154 208	-	(40 000)	154 208	32 212			59 030	59 030		59 030
GT422 MIDVAAL	35 909			35 909	35 909	-		35 909	18 627			33 429	33 429		33 429
GT423 LESEDI	29 698			29 698	29 698	-		29 698	16 651			22 716	22 716		22 716
GT484 MERAFONG CITY	85 708		(10 000)	75 708	75 708	-	(10 000)	75 708	30 143			70 035	70 035		70 035
GT485 RAND WEST CITY	104 417			104 417	104 417	-		104 417	58 440			96 442	96 442		96 442
TOTAL GAUTENG	449 940	-	(50 000)	399 940	399 940	-	(50 000)	399 940	156 073	-	-	281 652	281 652	-	281 652
KWAZULU NATAL															
KZN212 UMDONI LOCAL MUNICIPALITY	44 631			44 631	44 631	-		44 631	28 784			32 253	32 253		32 253
KZN213 UMZUMBE	38 552			38 552	38 552	-		38 552	29 914			35 861	35 861		35 861
KZN214 UMUZIWABANTU	26 163			26 163	26 163	-		26 163	23 270			32 464	32 464		32 464
DC21 UGU DISTRICT MUNICIPALITY	277 374			277 374	277 374	-		277 374	186 008			255 524	255 524		255 524
KZN221 UMSHWATHI	31 069			31 069	31 069	-		31 069	29 270			33 977	33 977		33 977

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
KZN222 UMNENI	25 816		5 000	30 816	30 816	-	5 000	30 816	18 969			24 146	24 146		
KZN223 MPOFANA	13 114			13 114	13 114	-		13 114	6 329			17 463	17 463		
KZN224 IMPENDLE	12 753			12 753	12 753	-		12 753	11 729			20 130	20 130		
KZN225 MSUNDUZI	227 153			227 153	227 153	-		227 153	157 398			209 331	209 331		
KZN226 MKHAMBATHINI	17 781		10 100	27 881	27 881	-	10 100	27 881	13 223			31 755	31 755		
KZN227 RICHMOND	20 511			20 511	20 511	-		20 511	13 458			27 266	27 266		
DC22 UMGUNGUNDLOVU DIST MUN	116 867		68 974	185 841	185 841	-	68 974	185 841	95 510			132 893	132 893		
KZN235 OKHAHLAMBA	31 891		15 900	47 791	47 791	-	15 900	47 791	31 256			37 734	37 734		
KZN237 INKOSI ILANGALIBALELE	42 690			42 690	42 690	-		42 690	25 458			39 665	39 665		
KZN238 ALFRED DUMA	70 409			70 409	70 409	-		70 409	37 789			70 161	70 161		
DC23 UTHUKELA DIST MUNICIPALITY	211 484		(40 000)	171 484	171 484	-	(40 000)	171 484	102 626			194 919	194 919		
KZN241 UNDUMENI	16 782			16 782	16 782	-		16 782	8 391			15 836	15 836		
KZN242 NQUTHU	35 231			35 231	35 231	-		35 231	16 495			36 806	36 806		
KZN244 MSINGA	42 414		17 000	59 414	59 414	-	17 000	59 414	34 044			48 412	48 412		
KZN245 UMVOTI	33 620		14 500	48 120	48 120	-	14 500	48 120	26 750			41 323	41 323		
DC24 UMZINYATHI DIST MUNICIPAL	216 735			216 735	216 735	-		216 735	135 140			206 904	206 904		
KZN252 NEWCASTLE	129 141			129 141	129 141	-		129 141	89 032			119 182	119 182		
KZN253 EMADLANGENI	10 010			10 010	10 010	-		10 010	6 278			4 807	4 807		
KZN254 DANINHAUSER	24 347		(5 000)	19 347	19 347	-	(5 000)	19 347	10 664			34 794	34 794		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds With-held	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
DC25 AMAJUBA DIST MUNICIPALITY	46 587		(1 900)	44 687	44 687	-	(1 900)	44 687	17 415			43 250	43 250		43 250
KZN261 EDUMBE	20 055		9 000	29 055	29 055	-	9 000	29 055	16 237			24 847	24 847		24 847
KZN262 UPHONGOLO	31 889			31 889	31 889	-		31 889	16 375			34 732	34 732		34 732
KZN263 ABAQULUSI	42 083			42 083	42 083	-		42 083	23 794			39 107	39 107		39 107
KZN265 NONGOMA	36 009		20 000	56 009	56 009	-	20 000	56 009	35 788			33 521	33 521		33 521
KZN266 ULUNDI	44 888		30 000	74 888	74 888	-	30 000	74 888	40 655			52 489	52 489		52 489
DC26 ZULULAND DIST MUNICIPALITY	259 530			259 530	259 530	-		259 530	215 598			269 111	269 111		269 111
KZN271 UMHABUYALINGANA	39 523			39 523	39 523	-		39 523	24 907			36 754	36 754		36 754
KZN272 JOZINI	42 381		22 000	64 381	64 381	-	22 000	64 381	36 223			51 381	51 381		51 381
KZN275 MTUBATUBA	35 867			35 867	35 867	-		35 867	29 748			33 391	33 391		33 391
KZN276 BIG FIVE/HLABISA LOC MUN	23 874		(1 374)	22 500	22 500	-	(1 374)	22 500	11 538			22 360	22 360		22 360
DC27 UMKHANYAKUDE DIST MUNICIPALITY	247 281		(30 000)	217 281	217 281	-	(30 000)	217 281	57 518			163 844	163 844		163 844
KZN281 MFOLOZI	29 491		15 000	44 491	44 491	-	15 000	44 491	28 122			42 526	42 526		42 526
KZN284 UMHLAZI	45 827			45 827	45 827	-		45 827	32 084			42 551	42 551		42 551
KZN285 MTHONJANENI LOCAL MUN	30 039		18 500	48 539	48 539	-	18 500	48 539	26 525			28 832	28 832		28 832
KZN286 NKANDLA	25 579			25 579	25 579	-		25 579	16 538			29 929	29 929		29 929
DC28 UTHUNGULU DIST MUNICIPALITY	196 344			196 344	196 344	-		196 344	128 469			180 995	180 995		180 995
CETSWAYO															
KZN291 MANDENI	40 044			40 044	40 044	-		40 044	29 501			42 232	42 232		42 232

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
KZN292 KWADUKUZA	68 871			68 871	68 871	-		68 871	48 058			61 549	61 549		
KZN293 NDWEDWE	33 627		8 000	41 627	41 627	-	8 000	41 627	28 074			40 331	40 331		
KZN294 MAPHUMULO	24 986			24 986	24 986	-		24 986	14 176			31 382	31 382		
DC29 ILEMBE DISTRICT MUNICIPAL	221 475			221 475	221 475	-		221 475	151 193			217 109	217 109		
KZN433 GRAETER KOKSTAD	19 214			19 214	19 214	-		19 214	8 756			18 073	18 073		
KZN434 UBUHLEBEZWE	30 291			30 291	30 291	-		30 291	16 883			32 262	32 262		
KZN435 UMZIMKHULU	49 281			49 281	49 281	-		49 281	27 911			45 728	45 728		
KZN436 DR NIKOSAZANA DLAMINI ZUMA	30 558			30 558	30 558	-		30 558	14 014			42 508	42 508		
DC43 HARRY GWALA DISTRICT MUN	231 011			231 011	231 011	-		231 011	106 169			220 880	220 880		
TOTAL KWAZULU NATAL	3 663 143	-	175 700	3 838 843	3 838 843	-	175 700	3 838 843	2 340 054	-	-	3 585 280	3 585 280	3 585 280	3 585 280
LIMPOPO															
LIM471 EMPRAIM MOGALE	37 821		19 000	56 821	56 821	-	19 000	56 821	33 509			30 189	30 189		
LIM473 MAKHUTHAMAGA	70 915		24 000	94 915	94 915	-	24 000	94 915	60 136			61 777	61 777		
LIM472 ELIAS MOTSOALEDI	62 606		32 000	94 606	94 606	-	32 000	94 606	55 005			57 984	57 984		
LIM476 GRTR TUBATSE/ FETAKGOMO	96 588		30 000	126 588	126 588	-	30 000	126 588	79 963			74 240	74 240		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	R'000	R'000	R'000	R'000	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	R'000	R'000	R'000	R'000
DC47 GREATER SEKHUKHUNE DIST MUN	547 578	(73 578)	474 000	474 000	474 000	-	(73 578)	474 000	146 028	146 028		454 052	454 052	454 052	454 052
LIM331 GREATER GIYANI	69 261	(2 500)	66 761	66 761	66 761	-	(2 500)	66 761	33 470	33 470		64 105	64 105	64 105	64 105
LIM332 GREATER LETABA	65 707	15 000	80 707	80 707	80 707	-	15 000	80 707	53 517	53 517		60 836	60 836	60 836	60 836
LIM333 GREATER TZANEEN	119 004		119 004	119 004	119 004	-		119 004	73 302	73 302		161 741	161 741	161 741	161 741
LIM334 BAPHALABORWA	36 186		36 186	36 186	36 186	-		36 186	20 457	20 457		31 748	31 748	31 748	31 748
LIM335 MARULENG	30 170	35 000	65 170	65 170	65 170	-	35 000	65 170	29 414	29 414		48 709	48 709	48 709	48 709
DC33 MOPANI DIST MUNICIPALITY	523 460	(42 431)	481 029	481 029	481 029	-	(42 431)	481 029	247 762	247 762		436 797	436 797	436 797	436 797
LIM341 MUSINA LOCAL MUNICIPALITY	32 713		32 713	32 713	32 713	-		32 713	13 719	13 719		36 988	36 988	36 988	36 988
LIM343 THULAMELA LOCAL MUN	113 912	30 000	143 912	143 912	143 912	-	30 000	143 912	86 415	86 415		111 174	111 174	111 174	111 174
LIM344 MAKHADO	102 597		102 597	102 597	102 597	-		102 597	61 639	61 639		110 768	110 768	110 768	110 768
LIM345 NEW LOCAL MUNICIPALITY/COLLINS CHABANE	93 889	45 000	138 889	138 889	138 889	-	45 000	138 889	86 852	86 852		114 758	114 758	114 758	114 758
DC34 VHEMBE DIST MUNICIPALITY	593 243		593 243	593 243	593 243	-		593 243	220 815	220 815		546 054	546 054	546 054	546 054
LIM351 BLOUBERG LOCAL MUN	50 408	21 290	71 698	71 698	71 698	-	21 290	71 698	40 389	40 389		80 764	80 764	80 764	80 764
LIM353 MOLEMOLE LOCAL MUN	39 792		39 792	39 792	39 792	-		39 792	26 293	26 293		37 000	37 000	37 000	37 000
LIM355 LEPELLENKUMPI	61 628	(12 000)	49 628	49 628	49 628	-	(12 000)	49 628	9 071	9 071		57 085	57 085	57 085	57 085

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
DC35 CAPRICORN DIST MUNICIPALITY	265 547		(22 000)	243 547	243 547	-	(22 000)	243 547	139 017			244 646	244 646		
LIM361 THABAZIMBI	37 573		(15 029)	22 544	22 544	-	(15 029)	22 544	7 874			34 960	34 960		
LIM362 LEHALALE	59 592		(8 415)	51 177	51 177	-	(8 415)	51 177	17 823			46 014	46 014		
LIM366 BELA BELA	29 130			29 130	29 130	-		29 130	17 473			27 194	27 194		
LIM367 MOGALAKWENA	179 727			179 727	179 727	-		179 727	128 416			130 622	130 622		
LIM368 MODIMOLLE/MOOKGOPONG L MIN	43 725			43 725	43 725	-		43 725	23 263			40 617	40 617		
TOTAL LIMPOPO	3 362 772	-	75 337	3 438 109	3 438 109	-	75 337	3 438 109	1 711 623	-	-	3 100 822	3 100 822	-	3 100 822
MPUMALANGA															
MP301 ALBERT LUTHULI	99 706			99 706	99 706	-		99 706	74 568			92 108	92 108		
MP302 MSUKALINGWA	60 055			60 055	60 055	-		60 055	41 240			55 638	55 638		
MP303 MKHONDO	89 625			89 625	89 625	-		89 625	68 229			92 836	92 836		
MP304 PIXLEY KA SEME	29 722			29 722	29 722	-		29 722	14 744			25 238	25 238		
MP305 LEKWA	32 514			32 514	32 514	-		32 514	26 464			50 307	50 307		
MP306 DIPALESENG	20 943			20 943	20 943	-		20 943	14 635			27 417	27 417		
MP307 GOVAN MBEKI	65 932			65 932	65 932	-		65 932	44 688			51 526	51 526		
MP311 VICTOR KHANYE	27 976			27 976	27 976	-		27 976	21 587			26 134	26 134		
MP312 EMALAHLENI	137 675			137 675	137 675	-		137 675	107 186			127 032	127 032		
MP314 EMAKHAZENI	20 272			20 272	20 272	-		20 272	14 385			19 046	19 046		
MP315 THEMBSILE	141 661			141 661	141 661	-		141 661	94 747			130 698	130 698		
MP316 DR JS MOROKA	153 660			153 660	153 660	-		153 660	102 067			132 482	132 482		
MP321 THABA CHWEU	53 907			53 907	53 907	-		53 907	35 341			49 982	49 982		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
MP324 NIKOMAZI	258 939		65 000	323 939	323 939	-	65 000	323 939	179 833			258 568	258 568
MP325 BUSHBUCKRIDGE	430 851			430 851	430 851	-		430 851	305 378			396 689	396 689
MP326 MBOMBELA/UMJINDI LOC MUN	384 362			384 362	384 362	-		384 362	257 462			353 929	353 929
TOTAL	2 007 800	-	65 000	2 072 800	2 072 800	-	65 000	2 072 800	1 402 554	-	-	1 889 630	1 889 630
MPUMALANGA													
NORTHERN CAPE													
NC451 JOE MOROLONG	68 496		16 463	84 959	84 959	-	16 463	84 959	45 365			6 161	6 161
NC452 GASEGONYANA	60 738		15 000	75 738	75 738	-	15 000	75 738	46 095			10 017	10 017
NC453 GAMAGARA	12 908		(3 450)	9 458	9 458	-	(3 450)	9 458	2 178			13 708	13 708
NC061 RICHTERSVELD	7 697			7 697	7 697	-		7 697	4 198			10 051	10 051
NC062 NAMA KHOI	16 070		(5 165)	10 905	10 905	-	(5 165)	10 905	6 558			14 276	14 276
NC064 KAMIESBERG	7 945			7 945	7 945	-		7 945	4 643			14 942	14 942
NC065 HANTAM	10 493			10 493	10 493	-		10 493	4 680			6 274	6 274
NC066 KAROO HOOGLAND	17 562			17 562	17 562	-		17 562	9 344			16 887	16 887
NC067 KHAIMA	8 200		(6 200)	2 000	2 000	-	(6 200)	2 000	1 758			10 096	10 096
NC071 UBUNTU	10 735		5 000	15 735	15 735	-	5 000	15 735	9 558			5 224	5 224
NC072 UMSOBOMVU	21 988		(7 000)	14 988	14 988	-	(7 000)	14 988	4 710			3 000	3 000
NC073 EMTJANJENI	22 759		(3 759)	19 000	19 000	-	(3 759)	19 000	7 219			7 222	7 222
NC074 KAREEBERG	19 506		(16 506)	3 000	3 000	-	(16 506)	3 000	-			26 110	26 110

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2021/22	
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
NC075 RENOSTERBERG	7 862	8 000	8 000	15 862	15 862	-	8 000	15 862	6 393	6 393	10 020	10 020	10 020
NC076 THEMBELIHLI	10 134		10 134	10 134	10 134	-		10 134	2 313	2 313	18 485	18 485	18 485
NC077 SIYATHEMBA	10 572	(2 572)	8 000	8 000	8 000	-	(2 572)	8 000	3 338	3 338	11 040	11 040	11 040
NC078 SIYANCUMA	18 395	(13 395)	5 000	5 000	5 000	-	(13 395)	5 000	-	-	28 187	28 187	28 187
NC082 IKAI ! GARIB	25 097	(20 097)	5 000	5 000	5 000	-	(20 097)	5 000	3 235	3 235	44 227	44 227	44 227
NC084 IKHEIS	11 567		11 567	11 567	11 567	-		11 567	8 833	8 833	26 323	26 323	26 323
NC085 TSANTSABANE	17 165	(5 165)	12 000	12 000	12 000	-	(5 165)	12 000	1 335	1 335	21 370	21 370	21 370
NC086 KGATELOPELE	8 510	40 000	48 510	48 510	48 510	-	40 000	48 510	7 433	7 433	9 041	9 041	9 041
NC087 DAWID KRUIPER	28 183		28 183	28 183	28 183	-		28 183	15 624	15 624	13 069	13 069	13 069
NC092 DIKGATLONG	21 763		21 763	21 763	21 763	-		21 763	10 226	10 226	85 401	85 401	85 401
NC093 MAGARENG	18 612		18 612	18 612	18 612	-		18 612	16 605	16 605	56 267	56 267	56 267
NC094 PHOKWANE	29 538		29 538	29 538	29 538	-		29 538	13 647	13 647	4 750	4 750	4 750
TOTAL NORTHERN CAPE	492 495	-	1 154	493 649	493 649	-	1 154	493 649	235 288	235 288	-	472 148	472 148
NORTH WEST													
NW371 MORETELE	131 680		131 680	131 680	131 680	-		131 680	71 877	71 877	121 516	121 516	121 516
NW372 MADIBENG	324 408	(120 408)	204 000	204 000	204 000	-	(120 408)	204 000	21 277	21 277	294 785	294 785	294 785
NW373 RUSTENBURG	270 530	(39 341)	231 189	231 189	231 189	-	(39 341)	231 189	156 190	156 190	249 229	249 229	249 229
NW374 KGETLENGRIVIER	29 056		29 056	29 056	29 056	-		29 056	13 825	13 825	24 126	24 126	24 126
NW375 MOSES KOTANE	171 967	(18 134)	153 833	153 833	153 833	-	(18 134)	153 833	99 291	99 291	147 571	147 571	147 571
NW381 RATLOU	33 155	(9 262)	23 893	23 893	23 893	-	(9 262)	23 893	-	-	25 197	25 197	25 197
NW382 TSWAING	33 010	10 000	43 010	43 010	43 010	-	10 000	43 010	32 820	32 820	22 763	22 763	22 763

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
NW383 MAFIKENG	80 187		40 000	120 187	120 187	-	40 000	120 187	72 426			84 679	84 679		
NW384 DITSOBOTLA	41 395		(8 720)	32 675	32 675	-	(8 720)	32 675	-			38 475	38 475		
NW385 RAMOTSHERE MOILOA	42 105			42 105	42 105	-		42 105	33 472			59 127	59 127		
DC38 NGAKA MODIRI MOLEMA DIST MU	344 835			344 835	344 835	-		344 835	193 468			317 573	317 573		
NW392 NALEDI	18 823		25 000	43 823	43 823	-	25 000	43 823	18 290			33 914	33 914		
NW393 NAMUSA	17 342		(2 300)	15 042	15 042	-	(2 300)	15 042	-			16 351	16 351		
NW394 GREATER TAUNG	54 163			54 163	54 163	-		54 163	39 148			40 218	40 218		
NW396 LEKWATEEMANE	16 300			16 300	16 300	-		16 300	7 382			15 394	15 394		
NW397 MOLOPOKAGISANO	33 926			33 926	33 926	-		33 926	23 042			41 114	41 114		
DC39 DR RUTH SEGOMTSI MUN	158 928			158 928	158 928	-		158 928	88 721			146 579	146 579		
NW403 CITY OF MATLOSANA	100 187		(11 000)	89 187	89 187	-	(11 000)	89 187	31 859			97 551	97 551		
NW404 MAQUASSI HILLS	31 782			31 782	31 782	-		31 782	20 333			39 632	39 632		
NW405 VENTERSDORP/ TLOKWE LOC MN	76 186		(28 871)	47 315	47 315	-	(28 871)	47 315	37 983			62 975	62 975		
TOTAL NORTH WEST	2 009 965		(163 036)	1 846 929	1 846 929	-	(163 036)	1 846 929	961 404	-	-	1 878 769	1 878 769	1 878 769	1 878 769
WESTERN CAPE															
WC011 MATZIKAMA	23 817			23 817	23 817	-		23 817	20 392			22 308	22 308		
WC012 CEDERBERG	17 309		(5 200)	12 109	12 109	-	(5 200)	12 109	5 065			16 320	16 320		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
WC013 BERGRIVIER	16 017			16 017	16 017	-		16 017	10 125			15 134	15 134		
WC014 SALDANHA BAY	21 634		(2 266)	19 368	19 368	-	(2 266)	19 368	9 955			20 299	20 299		
WC015 SWARTLAND	33 810			33 810	33 810	-		33 810	24 437			26 301	26 301		
WC022 WITZENBERG	25 091			25 091	25 091	-		25 091	13 792			24 980	24 980		
WC025 BREEDE VALLEY	44 987			44 987	44 987	-		44 987	26 168			36 260	36 260		
WC026 LANGEBERG	24 597			24 597	24 597	-		24 597	10 802			23 025	23 025		
WC031 THEEWATERSKLOOF	29 728			29 728	29 728	-		29 728	14 725			25 602	25 602		
WC032 OVERSTRAND	24 628			24 628	24 628	-		24 628	12 999			21 053	21 053		
WC033 CAPE AGULHAS	11 929			11 929	11 929	-		11 929	5 823			11 373	11 373		
WC034 SWELLEN DAM	13 005			13 005	13 005	-		13 005	6 531			12 362	12 362		
WC041 KANNALAND	11 083		(1 920)	9 163	9 163	-	(1 920)	9 163	371			10 594	10 594		
WC042 HESSEQUA	24 982			24 982	24 982	-		24 982	13 845			14 181	14 181		
WC043 MOSSEL BAY	27 046			27 046	27 046	-		27 046	11 186			25 277	25 277		
WC044 GEORGE	45 508			45 508	45 508	-		45 508	20 333			42 262	42 262		
WC045 OUDTSHOORN	33 325			33 325	33 325	-		33 325	13 945			22 775	22 775		
WC047 BITOU	22 508			22 508	22 508	-		22 508	3 506			30 104	30 104		
WC048 KNYSNA	39 114		(9 400)	29 714	29 714	-	(9 400)	29 714	7 869			24 460	24 460		
WC051 LAINGSBURG	6 870			6 870	6 870	-		6 870	5 132			5 519	5 519		
WC052 PRINCE ALBERT	7 956			7 956	7 956	-		7 956	3 648			9 718	9 718		
WC053 BEAUFORT WEST	15 353		(5 800)	9 553	9 553	-	(5 800)	9 553	2 060			14 521	14 521		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
TOTAL WESTERN CAPE	520 297	-	(24 586)	495 711	495 711	-	(24 586)	495 711	242 709	-	%	454 428	454 428	R'000	R'000
TOTAL MIG	16 842 001	-	-	16 842 001	16 842 001	-	-	16 842 001	9 256 962	-	-	15 592 748	15 592 748	15 592 748	15 592 748
LOCAL GOVERNMENT EQUITABLE SHARE GRANT															
M 004 EC: MUNICIPALITIES															
TOTAL M 006 BUF BUFFALO CITY	1 045 448			1 045 448	1 045 448								936 811	936 811	936 811
TOTAL M 006 NMA NELSON MANDELA BAY	1 288 228			1 288 228	1 045 975								1 143 807	1 089 614	1 089 614
EC101 DR BEYERS NAUDE LOCAL MUN	107 059			107 059	107 059								99 316	99 316	99 316
EC102 BLUE CRANE ROUTE	63 385			63 385	58 385								58 178	53 863	53 863
EC104 MAKANA	113 634			113 634	113 634								103 061	103 061	103 061
EC105 NDLAMBE	119 231			119 231	119 231								107 582	107 582	107 582
EC106 SUNDAYS RIVER VALLEY	101 270			101 270	95 989								90 418	90 418	90 418
EC108 KOUGA	163 292			163 292	163 292								143 774	143 774	143 774

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
EC109 KOUKAMA	60 474			60 474	60 474	60 474						54 362	54 362		
DC10 SARAH BAARTMAN DISTRICT MUN	104 576			104 576	102 564							100 709	100 540		
EC121 MBHASHE	294 923			294 923	294 923							271 935	270 297		
EC122 MINQUMA	307 329			307 329	307 329							282 161	280 299		
EC123 GREAT KEI	50 186			50 186	50 186							46 595	46 102		
EC124 AMAHLATI	124 987			124 987	124 987							115 504	115 504		
EC126 NGQUSHWA	97 609			97 609	97 609							90 290	83 407		
EC129 RAYMOND MHLABA	204 622			204 622	204 622							189 927	189 927		
DC12 AMATOLE DIST MUNICIPALITY	1 025 616			1 025 616	959 327							939 262	939 262		
EC131 INXUBA YETHEMBA	50 744			50 744	50 744							46 699	46 699		
EC135 INTSIKA YETHU	187 928			187 928	181 639							173 443	170 913		
EC136 EMALAHLENI	146 186			146 186	146 186							135 035	132 913		
EC137 ENGCOBO	175 143			175 143	163 170							161 714	161 333		
EC138 SAKHISIZWE	80 323			80 323	79 757							74 331	65 898		
EC139 ENOCHI MGJIMA LOCAL MUN	215 409			215 409	215 409							196 899	196 899		
DC13 CHRIS HANI DIST MUNICIPALIT	654 460			654 460	638 328							600 621	600 569		
EC141 ELUNDINI	180 384			180 384	179 453							166 231	166 231		
EC142 SENQU	177 125			177 125	177 125							163 362	147 485		
EC145 WALTER SIZULU	70 586			70 586	70 586							64 368	64 368		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
DC14 JOE DISTR MUNICIPALITY	334 540			334 540	332 307							302 992	298 000		
EC153 NGOUZA HILL	310 567			310 567	300 175							283 556	283 556		
EC154 PORT ST JOHNS	182 985			182 985	179 967							168 140	163 475		
EC155 NYANDENI	313 293			313 293	313 293							286 893	286 893		
EC156 MHLONTLO	217 727			217 727	198 109							200 960	200 960		
EC157 KI SABATA DALINDYEBO	404 115			404 115	404 115							365 575	365 575		
DC15 OR TAMBO DIST MUNICIPALITY	1 051 671			1 051 671	863 440							950 456	554 829		
EC442 UMZIMVUBU	260 936			260 936	260 936							238 026	238 026		
EC441 MATATIELE	286 308			286 308	286 308							258 826	258 826		
EC443 MBIZANA	320 095			320 095	320 095							289 620	289 620		
EC444 NTABANKULU	149 587			149 587	149 587							133 703	133 703		
DC44 ALFRED NZO DIST MUNICIPAL	686 652			686 652	686 652							618 487	618 487		
TOTAL M 004 EC: MUNICIPALITIES	-			-	-							-	-		
M 004 FS: MUNICIPALITIES															
MAN MANGAUNG	938 383			938 383	646 683							830 046	811 667		
FS161 LETSEMENG	79 028			79 028	65 028							70 307	62 629		
FS162 KOPANONG	103 546			103 546	78 546							93 005	74 995		
FS163 MOHOKARE	86 952			86 952	61 246							76 781	58 172		
DC16 XHARIEP DISTRICT MUNICIPAL	49 161			49 161	49 161							47 192	47 192		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
FS181 MASILONYANA	147 095			147 095	137 087			137 087				133 179	128 151		
FS182 TOKOLOGO	70 432			70 432	68 502			68 502				59 970	55 996		
FS183 TSWELOPELE	91 219			91 219	91 219			91 219				81 535	81 535		
FS184 MATJHABENG	628 523			628 523	553 423			553 423				561 595	536 595		
FS185 NALA	144 920			144 920	142 632			142 632				132 571	129 932		
DC18 LEJWELEPUTSWA DIST MUNICIPAL	144 044			144 044	144 044			144 044				138 217	138 020		
FS191 SETSOTO	234 466			234 466	182 624			182 624				212 318	179 539		
FS192 DIHLABENG	210 193			210 193	190 193			190 193				186 348	186 348		
FS193 NKETOANA	120 870			120 870	112 693			112 693				108 738	102 128		
FS194 MALUTIAPHOFUNG	744 441			744 441	743 235			743 235				668 457	630 835		
FS195 PHUMELELA	93 052			93 052	87 052			87 052				83 614	83 614		
FS196 MATSOPA	102 426			102 426	88 862			88 862				91 947	87 186		
DC19 THABO MOFUTSANYANE DIST MUNICIPAL	130 459			130 459	130 459			130 459				126 106	125 196		
FS201 MOQHAKA	257 433			257 433	257 433			257 433				230 417	220 958		
FS203 NGWATHE	241 451			241 451	192 374			192 374				215 960	190 904		
FS204 METSIMAHOLO	246 748			246 748	242 194			242 194				214 398	214 398		
FS205 MAFUBE	118 903			118 903	106 903			106 903				107 146	96 227		
DC20 FEZILE DABI DIST MUNICIPAL	168 576			168 576	168 576			168 576				164 035	162 540		
TOTAL M 004 FS: MUNICIPALITIES	-			-	-			-				-	-		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
M 004															
GP:MUNICIPALITIES															
EKU EKURHULENI METRO	4 606 943			4 606 943	4 604 030							4 026 213	4 026 213		
JHB CITY OF JOHANNESBURG	6 279 400			6 279 400	5 643 542							5 467 766	5 381 548		
TSH CITY OF TSHWANE	3 551 250			3 551 250	3 366 807							3 088 576	3 003 279		
GT421 EMFULENI	971 061			971 061	954 712							863 908	807 327		
GT422 MIDVAAL	143 164			143 164	140 751							124 899	124 899		
GT423 LESEDI	181 382			181 382	181 319							157 951	154 785		
DC42 SEDIBENG DISTRICT MUNICIPAL	293 991			293 991	293 186							285 545	283 971		
GT481 MOGALE CITY	539 525			539 525	539 525							471 790	471 790		
GT484 MERAFONG CITY	259 031			259 031	259 007							229 859	220 510		
GT485 NEW LOC MUN (RNDFNTN&WSTNR)	393 139			393 139	388 113							346 639	343 039		
DC48 WEST RAND DIST MUNICIPALITY	230 252			230 252	230 252							222 589	222 589		
TOTAL M 004															
GP:MUNICIPALITIES															
M 004															
KZN:MUNICIPALITIES															
ETH ETHEKWINI	4 057 189			4 057 189	3 994 457							3 580 447	3 564 753		
KZN212 UMDONI LOCAL MUNICIPALITY	162 218			162 218	162 218							147 611	147 611		
KZN213 UMZUMBE	154 862			154 862	154 780							143 164	132 764		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds With-held	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
KZN214 UMUZIWABANTU	110 541			110 541	110 541							100 390	100 390		100 390
KZN216 RAY NIKONYENI	260 646			260 646	257 607							233 153	233 153		233 153
DC21 UGU DISTRICT MUNICIPALITY	585 146			585 146	585 146							524 364	524 364		524 364
KZN221 UMSHWATHI	123 847			123 847	123 847							113 010	113 010		113 010
KZN222 UMNGENI	88 389			88 389	88 389							77 509	77 509		77 509
KZN223 MPOFANA	43 460			43 460	43 460							39 181	39 181		39 181
KZN224 IMPENDLE	45 621			45 621	45 621							38 934	38 934		38 934
KZN225 MSUNDUZI	696 056			696 056	695 966							616 262	615 793		615 793
KZN226 MKHAMBATHINI	77 519			77 519	77 519							70 470	70 470		70 470
KZN227 RICHMOND	86 421			86 421	86 378							78 424	78 306		78 306
DC22 UMGUNGUNDLOVU DIST MUN	669 855			669 855	669 855							608 552	608 437		608 437
KZN235 OKHAHLAMBA	149 733			149 733	149 733							137 472	137 472		137 472
KZN237 INKOSI ILANGALIBALELE	218 092			218 092	218 092							197 401	197 401		197 401
KZN238 ALFRED DUMA	285 377			285 377	283 515							258 163	258 163		258 163
DC23 UTHUKELA DIST MUNICIPALITY	539 912			539 912	527 936							485 156	484 901		484 901
KZN241 UNDUMENI	60 247			60 247	59 991							53 751	53 751		53 751
KZN242 NQUTHU	169 636			169 636	169 636							151 247	150 195		150 195
KZN244 MSINGA	206 533			206 533	206 533							182 530	182 530		182 530
KZN245 UMVOTI	162 289			162 289	162 289							145 819	145 819		145 819

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds With-held	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
DC24 UMZINYATHI DIST MUNICIPAL	453 007			453 007	444 304							402 121	395 011		
KZN252 NEWCASTLE	466 902			466 902	457 761							417 790	403 334		
KZN253 EMADLANGENI	36 076			36 076	36 076							33 467	33 467		
KZN254 DANNHAUSER	108 935			108 935	108 935							100 522	100 522		
DC25 AMAJUBA DIST MUNICIPALITY	201 814			201 814	181 764							184 017	181 692		
KZN261 EDUMBE	93 423			93 423	93 029							82 382	82 382		
KZN262 UPHONGOLO	169 597			169 597	169 597							153 601	153 601		
KZN263 ABAQULUSI	187 494			187 494	187 494							167 845	167 581		
KZN265 NONGOMA	189 932			189 932	189 932							170 818	170 818		
KZN266 ULUNDI	196 348			196 348	196 348							180 263	180 263		
DC26 ZULULAND DIST MUNICIPALITY	586 391			586 391	585 622							524 645	524 645		
KZN271 UMHLABUYALINGANA	213 526			213 526	211 832							188 289	188 289		
KZN272 JOZINI	230 520			230 520	230 520							203 877	203 877		
KZN275 MTUBATUBA	215 419			215 419	215 419							188 307	183 333		
KZN276 BIG FIVE/HLABISA LOC MUN	137 249			137 249	137 238							122 043	122 043		
DC27 UMKHANYAKUDE DIST MUNICIPAL	537 398			537 398	499 595							473 222	426 022		
KZN281 MFOLOZI	165 314			165 314	165 314							147 696	147 350		
KZN282 UMHATHUZE LOCAL MUN	471 939			471 939	471 939							416 124	416 124		
KZN284 UMHLAZI	226 733			226 733	226 654							206 125	206 125		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
KZN285 MTHONJANENI LOCAL MUN	93 695			93 695	93 695	93 695						86 810		85 080	
KZN286 NKANDLA	114 409			114 409	114 409							105 809		105 809	
DC28 UTHUNGULU DIST MUNICIPAL	647 196			647 196	644 612							590 849		590 849	
KZN291 MANDENI	212 818			212 818	209 944							191 149		189 110	
KZN292 KWADUKUZA	228 012			228 012	228 012							198 138		193 198	
KZN293 NDWEDWE	181 613			181 613	181 613							165 366		165 366	
KZN294 MAPHUMULO	108 314			108 314	108 314							98 940		98 940	
DC29 ILEMBE DISTRICT MUNICIPAL	680 949			680 949	680 949							600 260		600 260	
KZN433 GRAETER KOKSTAD	75 091			75 091	75 091							68 350		68 350	
KZN434 UBUHLEBEZWE	131 712			131 712	131 712							121 143		118 257	
KZN435 UMZIMKHULU	230 678			230 678	190 811							210 352		210 352	
KZN436 DR NIKOSAZANA DLAMINI ZUMA	152 466			152 466	152 466							139 476		139 476	
DC43 HARRY GWALA DISTRICT MUN	432 161			432 161	432 161							387 013		387 013	
TOTAL M 004	-			-	-							-		-	
KZN:MUNICIPALITIES															
M 004															
LP:MUNICIPALITIES															
LIM471 EMPRAIM MOGALE	178 826			178 826	178 826							162 471		162 471	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
LIM473 MAKHUDUTHAMAGA	324 200			324 200	324 200	324 200						296 332	296 332	296 332	296 332
LIM472 ELIAS MOTSOALEDI	334 260			334 260	328 803							302 788	302 788	302 788	302 788
LIM476 GRTR TUBATSE/FETAKGOMO	537 000			537 000	518 024							478 597	478 597	478 498	478 498
DC47 GREATER SEKHUKHUNE DIST MUN	989 172			989 172	947 647							878 832	878 832	853 912	853 912
LIM331 GREATER GIYANI	352 203			352 203	352 203							320 318	320 318	320 318	320 318
LIM332 GREATER LETABA	341 960			341 960	341 960							310 748	310 748	310 748	310 748
LIM333 GREATER TZANEEN	481 161			481 161	479 694							432 618	432 618	431 330	431 330
LIM334 BAPHALABORWA	189 853			189 853	188 935							171 127	171 127	169 872	169 872
LIM335 MARULENG	153 904			153 904	150 102							139 743	139 743	139 743	139 743
DC33 MOPANI DIST MUNICIPALITY	1 170 419			1 170 419	1 130 419							1 044 405	1 044 405	1 024 326	1 024 326
LIM341 MUSINA LOCAL MUNICIPALITY	193 793			193 793	192 995							169 864	169 864	169 864	169 864
LIM343 THULAMELA LOCAL MUN	547 969			547 969	547 969							495 781	495 781	485 142	485 142
LIM344 MAKHADO	445 889			445 889	445 889							401 747	401 747	401 747	401 747
LIM345 NEW LOCAL MUNICIPALITY	454 043			454 043	454 043							412 284	412 284	412 284	412 284
DC34 VHEMBE DIST MUNICIPALITY	1 276 805			1 276 805	1 267 108							1 134 436	1 134 436	1 043 210	1 043 210

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
LIM351 BLOUBERG LOCAL MUN	221 256			221 256	221 076				221 076			203 615	203 356		
LIM353 MOLEMOLE LOCAL MUN	168 761			168 761	168 571				168 571			155 513	154 884		
LIM354 POLOKWANE LOCAL MUN	1 196 549			1 196 549	1 060 551				1 060 551			1 055 884	998 407		
LIM355 LEPELLENKUMPI	301 329			301 329	295 205				295 205			275 926	260 924		
DC35 CAPRICORN DIST MUNICIPALITY	730 232			730 232	729 959				729 959			666 269	664 205		
LIM361 THABAZIMBI	122 061			122 061	107 300				107 300			107 453	101 653		
LIM362 LEHALALE	202 071			202 071	202 071				202 071			174 746	174 648		
LIM366 BELA BELA	117 909			117 909	117 695				117 695			104 441	94 601		
LIM367 MOGALAKWENA	535 476			535 476	473 198				473 198			483 337	478 637		
LIM368 MODIMOLLE/ MOOKGOPONG L MN	134 343			134 343	132 643				132 643			121 136	117 663		
DC36 WATERBERG DIST MUNICIPALITY	145 500			145 500	145 500				145 500			140 217	140 217		
TOTAL M 004	-			-	-				-			-	-		
LP: MUNICIPALITIES															
M 004															
MP: MUNICIPALITIES															
MP301 ALBERT LUTHULI	388 235			388 235	388 235				388 235			349 235	349 235		
MP302 MSUKALINGWA	227 520			227 520	227 019				227 019			199 442	198 537		
MP303 MKHONDO	303 974			303 974	296 920				296 920			269 849	246 587		
MP304 PIXLEY KA SEME	146 850			146 850	121 769				121 769			132 763	110 818		
MP305 LEKWA	152 423			152 423	152 423				152 423			134 933	134 297		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
MP306 DIPALESENG	91 860			91 860	88 067							82 053	69 602		
MP307 GOVAN MBEKI	380 023			380 023	337 678							331 028	319 638		
DC30 GERT SIBANDE DIST MUNICIPAL	317 655			317 655	317 655							309 408	309 408		
MP311 VICTOR KHANYE	127 094			127 094	127 094							111 897	100 987		
MP312 EMALAHLENI	493 518			493 518	493 518							426 204	426 204		
MP313 STEVE TSHWETE	284 669			284 669	284 669							242 978	242 978		
MP314 EMAKHAZENI	80 242			80 242	80 242							71 791	67 214		
MP315 THEMBSILE	513 707			513 707	513 707							458 200	458 200		
MP316 DR JS MOROKA	461 561			461 561	461 561							419 133	419 133		
DC31 NKANGALA DIST MUNICIPALITY	388 810			388 810	388 810							378 547	378 547		
MP321 THABA CHWEU	187 934			187 934	187 838							165 565	163 238		
MP324 NKOMAZI	725 681			725 681	723 672							646 530	644 874		
MP325 BUSHBUCKRIDGE	979 294			979 294	979 294							879 945	879 945		
MP326 MBOMBELAI	948 458			948 458	888 406							834 510	834 510		
UMJINDI LOC MUN															
DC32 EHLANZENI DIST MUNICIPALITY	284 129			284 129	284 129							274 698	274 698		
TOTAL M 004				-											
MP:MUNICIPALITIES				-											
M 004 NC:				-											
MUNICIPALITIES															
NC061 RICHTERSVELD	23 414			23 414	169 246							19 237	14 662		
NC062 NAMA KHOI	58 610			58 610	203 103							52 966	39 764		
NC064 KAMIESBERG	30 608			30 608	47 226							25 023	20 294		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22			
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	R'000	R'000	Actual Transfers	R'000
NC065 HANTAM	31 566			31 566	102 257							27 160	24 734			
NC066 KAROO HOOGLAND	30 429			30 429	23 085							25 231	21 231			
NC067 KHAIMA	25 674			25 674	43 629							21 156	20 011			
DC6 NAMAKWA DISTRICT MUNICIPALIT	55 849			55 849	25 925							52 385	52 385			
NC071 UBUNTU	46 240			46 240	31 566							38 741	31 024			
NC072 UMSOBOMVU	64 182			64 182	30 429							56 140	51 295			
NC073 EMTHANJENI	55 218			55 218	19 486							49 935	36 827			
NC074 KAREEBERG	33 449			33 449	55 849							27 308	11 378			
NC075 RENOSTERBERG	31 992			31 992	45 697							27 568	24 999			
NC076 THEMBELIHLE	33 949			33 949	63 686							28 135	27 023			
NC077 SIYATHEMBA	42 278			42 278	45 940							36 942	27 109			
NC078 SIYANCUMA	58 828			58 828	-							54 012	42 495			
DC7 PIXLEY KA SEME DISTRICT MUN	59 758			59 758	29 856							55 175	55 175			
NC082 IKAI ! GARIB	108 332			108 332	33 433							96 170	87 936			
NC084 !KHEIS	33 197			33 197	38 858							27 602	19 758			
NC085 TSANTSABANE	50 271			50 271	39 520							44 676	41 578			
NC086 KGATELOPELE	30 490			30 490	59 758							25 503	25 405			
NC087 DAWID KRUIPER	106 741			106 741	104 332							95 002	72 802			
DC8 Z.F.MOQAWU DISTRICT MUN	78 618			78 618	28 497							74 698	74 698			
NC091 SOL PLAATJIE	239 158			239 158	37 690							212 328	207 016			
NC092 DIKGATLONG	108 029			108 029	30 490							95 491	90 589			
NC093 MAGARENG	57 991			57 991	106 741							51 086	44 380			

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds With-held	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
NC094 PHOKWANE	126 099			126 099	78 618							114 939	94 939		
DC9 FRANCES BAARD DIST MUNICIPAL	132 171			132 171	232 560							128 076	128 076		
NC451 JOE MOROLONG	170 407			170 407	102 507							155 937	155 937		
NC452 GASEGONYANA	210 902			210 902	52 567							185 019	183 985		
NC453 GAMAGARA	53 715			53 715	105 488							45 435	26 466		
DC45 JOHN TAOLO GAETSWWE MUN	102 257			102 257	132 171							95 976	95 976		
TOTAL M 004 NC: MUNICIPALITIES	-			-	-							-	-		
M 004 NW: MUNICIPALITIES															
NW371 MORETELE	415 351			415 351	402 160							376 690	376 501		
NW372 MADIBENG	941 456			941 456	941 331							818 913	813 257		
NW373 RUSTENBURG	941 352			941 352	815 802							808 419	762 188		
NW374 KGETLENGRIVIER	117 740			117 740	107 680							105 336	97 363		
NW375 MOSES KOTANE	528 602			528 602	527 985							476 855	464 043		
DC37 BOJANALA PLATINUM DIST MUN	381 952			381 952	381 750							366 729	365 334		
NW381 RATLOU	150 626			150 626	148 997							138 974	138 609		
NW382 TSWAING	140 780			140 780	140 548							128 758	128 758		
NW383 MAFIKENG	327 788			327 788	327 788							292 733	292 733		
NW384 DITSOBOTLA	159 232			159 232	145 608							143 161	140 762		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
NW385 RAMOTSHERE MOILOA	215 223			215 223	215 223							195 823	195 727		
DC38 NGAKA MODIRI MOLEMA DIST MU	974 124			974 124	973 665							873 573	873 573		
NW392 NALEDI	63 233			63 233	62 576							58 600	46 627		
NW393 NAMUSA	66 849			66 849	59 307							62 550	62 550		
NW394 GREATER TAUNG	231 374			231 374	231 014							212 988	212 445		
NW396 LEKWATEEMANE	60 204			60 204	54 690							56 063	52 042		
NW397 MOLOPOKAGISANO	144 818			144 818	144 765							133 289	112 044		
DC39 DR RUTH SEGOMTSI MUN	448 060			448 060	200 056							404 182	404 182		
NW403 CITY OF MATLOSANA	545 300			545 300	538 013							484 096	473 766		
NW404 MAQUASSI HILLS	159 404			159 404	159 404							143 541	142 819		
NW405 VENTERSDORP/ TLOKWE LOC MN	343 436			343 436	343 436							299 881	294 814		
DC40 DR KENNETH KAUNDA MUN	206 714			206 714	206 714							200 130	200 130		
TOTAL M 004 NW: MUNICIPALITIES	-			-	-							-	-		
M 004 WC: MUNICIPALITIES															
CPT CITY OF CAPE TOWN	3 656 394			3 656 394	3 656 394							3 215 174	3 215 174		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
WC011 MATZIKAMA	69 892			69 892	59 995							62 693	45 804		
WC012 CEDERBERG	61 451			61 451	60 377							55 044	55 044		
WC013 BERGRIVIER	57 506			57 506	55 840							50 990	50 990		
WC014 SALDANHA BAY	115 943			115 943	115 943							101 876	101 876		
WC015 SWARTLAND	126 228			126 228	126 228							108 796	108 796		
DC1 WEST COAST DISTRICT MUNICIPAL	103 374			103 374	103 374							99 472	99 263		
WC022 WITZENBERG	121 668			121 668	116 521							106 666	96 326		
WC023 DRAKENSTEIN	194 355			194 355	194 355							171 259	171 259		
WC024 STELLENBOSCH	179 634			179 634	179 634							157 136	157 136		
WC025 BREEDE VALLEY	147 822			147 822	147 822							131 552	131 552		
WC026 LANGEBERG	97 528			97 528	97 528							87 617	87 617		
DC2 CAPE WINELANDS DIST MUNICIPAL	251 295			251 295	251 295							245 208	245 208		
WC031 THEEWATERSKLOOF	120 101			120 101	110 527							106 976	101 629		
WC032 OVERSTRAND	141 896			141 896	141 896							123 897	123 897		
WC033 CAPE AGULHAS	37 037			37 037	36 727							33 290	23 497		
WC034 SWELLENDAM	39 675			39 675	39 675							35 471	35 471		
DC3 OVERBERG DISTRICT MUNICIPAL	81 486			81 486	81 486							77 375	74 719		
WC041 KANNALAND	33 259			33 259	27 223							30 553	17 067		
WC042 HESSEQUA	54 287			54 287	54 287							48 843	48 843		
WC043 MOSSEL BAY	119 020			119 020	119 020							105 409	105 409		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
WC044 GEORGE	193 460			193 460	193 460	193 460						170 498	170 188
WC045 OUDTSHOORN	89 431			89 431	89 431	89 431						80 955	80 955
WC047 BITOU	129 019			129 019	128 022							111 953	111 442
WC048 KNYSNA	111 170			111 170	107 720							98 572	98 572
DC4 EDEN DISTRICT MUNICIPALITY	172 721			172 721	172 721							167 653	166 661
WC051 LAINGSBURG	20 139			20 139	19 478							18 461	11 358
WC052 PRINCE ALBERT	26 548			26 548	26 548							24 054	24 054
WC053 BEAUFORT WEST	77 265			77 265	77 265							69 625	69 279
DC5 CENTRAL KAROO DIST MUNICIPAL	36 456			36 456	36 456							33 268	31 301
TOTAL M 004				-	-	-	-	-	-	-	-	-	-
WC:MUNICIPALITIES													
TOTAL LGES	87 311	-	-	87 311	83 937	-	-	-	-	-	-	77 999	76 168 581
	493			493	761							135	
LICENSING				-	-							-	-
Tshwane Metro Municipality	122			122	33							36	36
MUNICIPAL DISASTER RECOVERY GRNT				-	-							-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
EC443 MBIZANA WINNIE MADIKIZELA-MANDELA			33 806	33 806	33 806	33 806	-								
ETH ETHEKWINI			1 534 785	1 534 785	1 534 785	-									
KZN213 UMZUMBE	9 000		10 100	10 100	9 000	10 100	-								
DC22			10 100	10 100	10 100	-									
UMGUNGUNDLOVU DIST MUN			76 950	76 950	76 950	-									
KZN237 INKOSI ILANGALIBALELE			22 000	22 000	22 000	-									
KZN238 ALFRED DUMA			39 466	39 466	39 466	-									
KZN282 UMHATHUZE LOCAL MUN			17 023	17 023	17 023	-									
KZN291 MANDENI			1 271 098	1 271 098	1 271 098	-									
KZN292 KWADUKUZA			(7 000)	-	-	-									
KZN294 MAPHUMULO	7 000		4 526	14 549	14 549	-									
DC29 ILEMBE DISTRICT MUNICIPAL	10 023		10 310	10 310	10 310	-									
WC025 BREEDE VALLEY			11 940	11 940	11 940	-									
WC031 THEEWATERSKLOOF			3 553	3 553	3 553	-									
WC034 SWELLENDAM			237 497	237 497	237 497	-									
WC044 GEORGE			26 664	26 664	26 664	-									
WC045 OUDTSHOORN			-	-	-	-									

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2021/22		
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfers	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual Transfers	R'000	R'000
MUNICIPAL DISASTER RECOVERY GRANT	R'000 26 023		- 3 292 718	3 318 741	R'000 3 318 741	R'000 -	R'000 -	R'000 -	R'000 -	R'000 -	%	R'000	R'000		R'000
Total	105 636 427		- 6 295 473	111 931 900	105 700 565	-	62 130	17 927	9 841	497	500 833	369			

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer:

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / overspending of such funds and to allow the department to provide an explanation for the variance

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IB

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2022/23				2021/22		
	TRANSFER ALLOCATION		TRANSFER		Final Budget	Actual transfer	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	R'000
	R'000	R'000	R'000	R'000	R'000	%	R'000
Municipal Demarcation Board	74 340	-	-	74 340	74 340	100%	70 601
Municipal Infrastructure Support Agent	400 216	-	-	400 216	400 216	100%	628 864
South African Local Government Association	36 280	-	-	36 280	36 280	100%	35 369
TOTAL	510 836	-	-	510 836	510 836		734 834

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IE

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government / International organisation	2022/23					2021/22	
	TRANSFER ALLOCATION			EXPENDITURE		Final Budget	Actual transfer
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	R'000
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Commonwealth Local Govt Forum	666	-	-	666	336	50%	648
Total	666	-	-	666	336	-	648
Subsidies							
Total							
TOTAL	666	-	-	666	336	-	648
							316

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IF

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	2022/23				2021/22		
	TRANSFER ALLOCATION		EXPENDITURE		Final Budget	Actual transfer	Actual transfer
Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer			
R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers							
South African Cities Network	8 508	-	-	8 508	100%	8 508	8 161
Disaster Man Inst of SA	94	-	-	94	0%	-	95
United Cities & Local Gov of Africa	7 973	-	-	7 973	0%	-	7 769
Total	16 575	-	-	16 575		8 508	16 025
Subsidies							
Total							
TOTAL	16 575	-	-	16 575		8 508	16 025
							8 161

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IG

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2022/23					2021/22		
	TRANSFER ALLOCATION			EXPENDITURE		Final Budget	Actual transfer	R'000
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer			
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Transfers								
Leave Gratuity	3 250		88	3 338	3 337	2 248	2 247	
PMNT Refund & Rem Act of grace	-	12 865	-	12 865	8 939	350 000	337 165	
Non-Employee Bursaries	258	-	1 641	1 899	1 600	-	-	
Claims Against the State	-	-	50	50	50	-	-	
Total	3 508	12 865	1 779	18 152	13 962	352 248	339 412	
TOTAL	3 508	12 865	1 779	18 152	13 926	352 248	339 412	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IH

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2022/23	2021/22
		R'000	R'000
Received in kind			
Marce Fire Fighting Technology PTY(LTD)	Surgical Masks x 6000	-	52
United Nations Development Programme	Appointment of systems Developer	-	396
United Nations Development Programme	Review of disaster Management Institutional Arrangements	-	750
United Nations Development Programme	8 Laptops	-	450
Commonwealth Local Government Forum	Financial Support for develop business plan for OR Tambo District Municipality	-	400
Commonwealth Local Government Forum	Financial Support for develop business plan for Waterberg District municipality	-	400
UN Habitat	Sponsor official trip to Cairo	40	-
German IZ	Sponsor official trip to Germany	273	-
African Union Commission	Sponsor official trip to Mozambique	19	-
Esri South Africa	Sponsor official trip to United State	50	-
Centre for the Study of Violence & Recon	Sponsored official trip to Ivory Coast	40	-
UN Office for Outer Space Training Workshop	Sponsored official trip to Bonn: Germany	30	-
Two Continental Workshop-Disaster Risk Reduction	Sponsored official trip to Dar es Salam: Tanzania	20	-
Subtotal		472	2 448
TOTAL		472	2 448

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE II

STATEMENT OF AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on /	Closing balance
		R'000	R'000	R'000	by 31 March	R'000
Received in cash						
SADC Aid Assistance	Ethekekwini Municipality Disaster Relief	-	4 642	4 642	-	-
Subtotal		-	4 642	4 642	-	-
TOTAL		-	4 642	4 642	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IJ

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship (Group major categories but list material items including name of organisation)	2022/23	2021/22
	R'000	R'000
Made in kind		
Bereavement gifts	2	3
Gifts for International guests	4	2
TOTAL	6	5

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE IL

STATEMENT OF INDIRECT GRANTS BETWEEN NATIONAL DEPARTMENTS AND MUNICIPALITIES

Name of Grant	GRANT ALLOCATION				SPENT Amount
	Division of Revenue Act	Roll overs	Adjustments	Total Available	
Municipal Systems Improvement Grant (MSIG)	R'000 140 331	R'000 -	R'000 -	R'000 140 331	R'000 63 544
TOTAL	140 331	-	-	140 331	63 544

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of liability	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Seriti Institute NPC issued summons to the Department for the payment of retention fee amounting R2,352,926.15 plus interest of 10.25%.	2 839	241	-	-	3 080
Pro Rentals including interest at 7.25%	12	1	-	-	13
Maphalala NIR	58	-	-	-	58
Sibambene Projects T/A Sibambane Consortium including interest at 10.25%	-	1 881	-	-	1 881
Subtotal	2 909	2 123	-	-	5 032
TOTAL	2 909	2 123	-	-	5 032

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 4

CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23 *
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	
	R'000	R'000	R'000	R'000	R'000	R'000	Amount
Department							
Department of Traditional Affairs	-	758	1 868	2 599	1 868	3 357	
Department of Justice	-	-	-	112	-	112	
Department of Small Business	-	56	-	-	-	56	
Department of Government Printing Works	31	-	-	-	31	-	
Gauteng Dept of COGTA	35	-	-	-	35	-	
Pension Fund	-	-	49	-	49	-	
Department of Women, Youth & Persons with disabilities	-	-	146	-	-	-	
Subtotal	66	814	2 063	2 711	1 983	3 525	
Other Government Entities							
Municipal Infrastructure Support Agent	-	-	290	290	290	290	
Subtotal			290	290	290	290	
TOTAL	66	814	2 353	3 001	2 419	3 815	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 5

INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23 *	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment 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
DEPARTMENTS								
Current								
South African Police Services	-	27	48	-	48	27		
Department of Justice	1 778	12 349	-	-	1 778	12 349		
Eastern Cape Social Development	-	18	-	-	-	18		
Department of Public Works & Infrastructure	3 948	3	-	-	3 948	3		
Western Cape Government	88	11	-	-	88	11		
Gauteng Provincial Government Gfleet	41	57	-	-	41	57		
Department of Home Affairs	-	-	384	-	384	-		
Government Printing works	25	-	-	-	25	-		
Subtotal	5 880	12 465	432	-	6 312	12 465		
Total Departments	5 880	12 465	432	-	6 312	12 465		
OTHER GOVERNMENT ENTITIES								
Current								
SITA	851	-	2 940	-	3 791	-		
Subtotal	851	-	2 940	-	3 791	-		
TOTAL INTERGOVERNMENT PAYABLES	6 731	12 465	3 372	-	10 103	12 465		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 8A

INTERENTITY ADVANCES PAID (NOTE 13)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2023	31/03/2022	31/3/2023	31/03/2022	31/3/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Government Communication and Information System	-	3 476	15	5 764	15	9 240
Dept of International Relations (DIRCO)	34	-	-	-	34	-
Subtotal	34	3 476	15	5 764	49	9 240
PUBLIC ENTITIES						
Development Bank of South Africa	-	-	-	3 583	-	3 583
SANRAL	31	86	-	-	31	86
Subtotal	31	86	-	3 583	31	3 669
OTHER ENTITIES						
City of Tshwane	319	-	-	-	319	-
Subtotal	319	-	-	-	319	-
TOTAL	384	3 562	15	9 347	399	12 909

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE 8B

INTERENTITY ADVANCES RECEIVED (NOTE 20 AND NOTE 21)

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2023	31/03/2022	31/3/2023	31/03/2022	31/3/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
ENTITY						
OTHER ENTITIES						
Current						
LGSETA	-	-	447	71	447	71
Subtotal	-	-	447	71	447	71
TOTAL	-	-	447	71	447	71

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ANNEXURE II

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2022/23				2021/22	
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	163	-	-	133	296	46 466
Goods and services	-	-	-	-	-	2 593
<i>List all applicable SCOA level 4 items</i>						395
Minor Assets	-	-	-	-	-	1 250
Catering; Departmental Liabilities	-	-	-	-	-	32 487
Consult: Business & Advisory Services	163	-	-	11	174	18
Cons: Supplies	-	-	-	-	-	117
Cons: Sta, print & office supp	-	-	-	-	-	9 553
Travel and Subsistence	-	-	-	-	-	53
Training and Development	-	-	-	-	-	-
Operating Payments	-	-	-	-	-	-
Property Payments	-	-	-	122	122	-
Transfers and subsidies						
<i>List all applicable SCOA level 4 items</i>						195
Other Machinery & Equipment						
TOTAL COVID 19 RESPONSE EXPENDITURE	163	-	-	133	296	46 661

NOTES

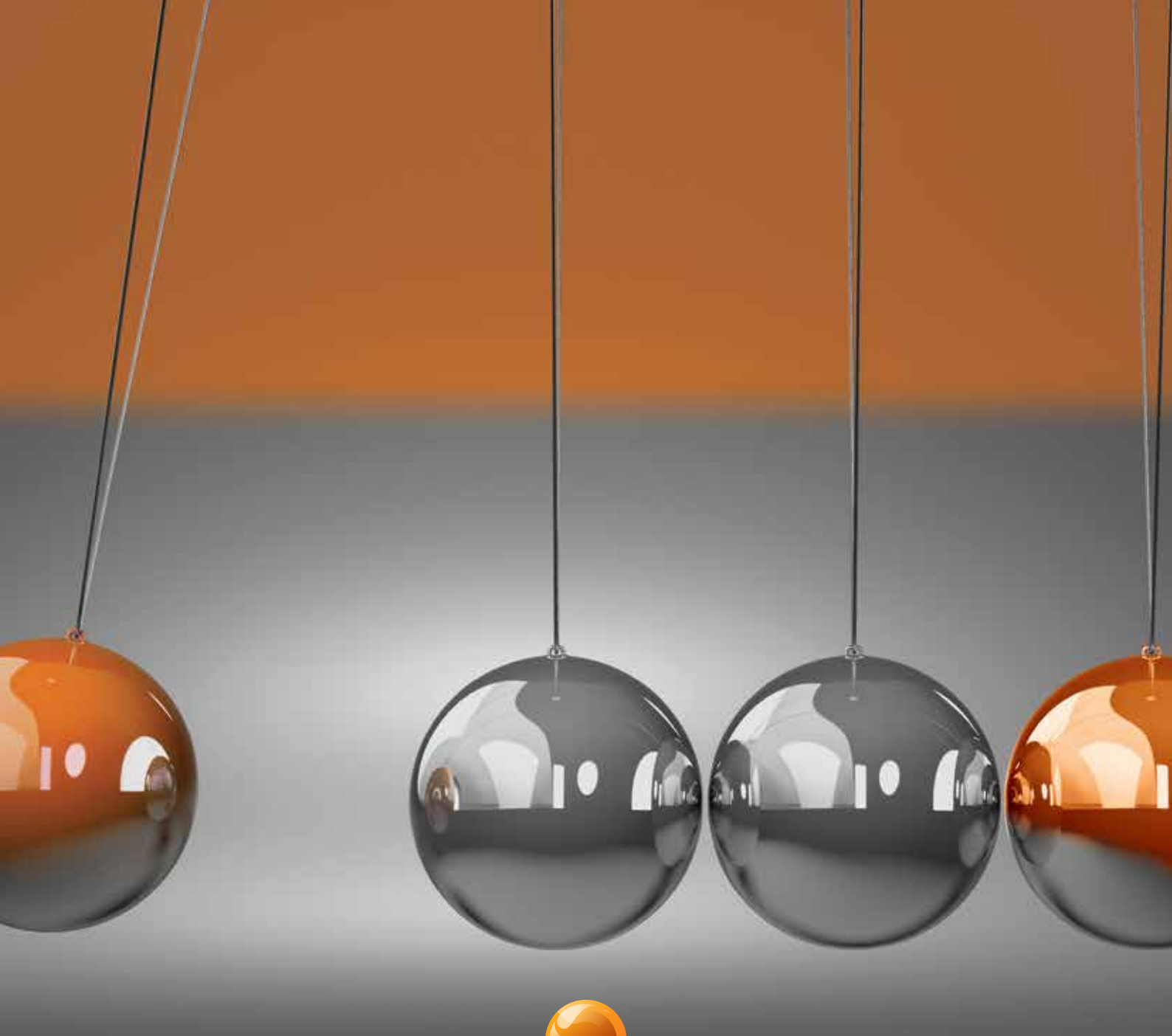
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