



dplg

Department of Provincial and Local Government
Republic of South Africa

Annual Report 2002/03

Your partner in service delivery and development

**Annual Report for
The Department of Provincial
and Local Government
for the period**

1 April 2002 to 31 March 2003

Foreword

By Minister FS Mufamadi

The work of the Ministry and Department of Provincial and Local Government is informed by our proud history and the approach that we have adopted to building a developmental state in South Africa.

Meeting at the Congress of the People in June 1955, our country's freedom fighters promulgated the vision of a South Africa in which the people shall govern. This vision defined the nature and character of our struggle to dismantle the apartheid state.

The totality of the apartheid state machinery consisted of a central government, four administrations, ten Bantustan administrations, and over 1 200 racially segregated local government administrations. Within the relatively short period of nine years, we have been able to bring down that apartheid edifice, and to construct a new state machinery with an inclusive, democratic, and egalitarian orientation.

In the first five years of democratic governance, building governmental structures at the level of the national and provincial spheres was an area of priority focus. Under the rubric of the Reconstruction and Development Programme (RDP), government was able to define key sectors and areas for immediate intervention.

Since 1994 we have seen provinces increasingly proving their place in the developmental division of labour, that entails more than just being a locus of social spending. This growing ability of provinces to make effective use of increased funding from the

national fiscus is a matter deserving of commendation. Mindful of the need to reinforce these positive trends, which are emerging in the provincial sphere, the Ministry and Department of Provincial and Local Government have been systematically working at assisting provinces to improve their Growth and Development Strategies and ensure that there are synergistic links with the Integrated Development Plans of municipalities.

Experience has shown that the impact of the progress we make, thanks to the efforts of national and provincial governments, has tended to be minimised by the absence of support from local jurisdictions. The growing maturity of local government increases the possibility for our overall system of government to pay a consistent and coordinated attentiveness to the problems which beset our local economies. With this in mind, we are paying attention to the task of increasing the capacity of municipalities to make informed interventions - interventions which seek to stimulate economic growth and to put us in a position to meet the basic needs of our people on a sustainable basis.

There is a continuing need for us to ensure that we have structures of government with the necessary capacity to mobilise and arouse the masses of our people into co-ordinated action for sustainable development. The role of ward committees in this regard is critical. Ward committees already exist in many of our municipalities.

Within a period of under three years, since its

inauguration, the local government sphere has already established its credentials as a significant player with respect to attending to many areas of Government priority. In various parts of the country, people are experiencing the emerging system of local government as a major causal factor in the improving quality of life.

The absence of a functional and efficient local government sphere has in the past, acted as a limiting factor for national and provincial government to realise their developmental objectives, or to pursue their policy goal of improving social welfare. This brings into bold relief the necessity for bonds of cohesion between our three spheres of government.

It has thus become clear for us that we need to make specific interventions in pursuit of the strategic goal of stabilising our intergovernmental system. A total of 15 intervention areas were identified by the Presidents Coordinating Council (PCC) in March 2003. These areas speak directly to the imperative of capacitating governmental structures across all three spheres. Thus, what started as an assessment of progress relating to local government, led us to adopt measures which reverberate throughout the system. So, local government transformation became a catalyst for fine-tuning and refining the entire intergovernmental relations.

With respect to inter-sphere co-ordination, the PCC has succeeded to create a measure of institutional discipline and predictability. There may well be a need however, for refinements in its mode of operation. We also have MINMECs which exist in both statutory and non-statutory forms. It is only in a few sectors such as finance and education where these structures are creatures of statute. A similar pattern exists in the provinces where intergovernmental structures have been established. These vary in purpose, composition and modus operandi. All in all, the structures lack a common sense of rules and protocols and are currently too fluid.

Our strategic priority is to strengthen and increase certainty, stability and predictability in our intergovernmental system. In our view a robust intergovernmental system, underpinned by a capacitated provincial sphere and developmental system of local government, will firmly put us on course to improving the lives of our people.



Sydney Mufamadi

Minister for Provincial and Local Government

30 August 2003

To our Leadership



Minister: **FS Mufamadi**



Deputy Minister: **NWG Botha**

It is my pleasure to present to you the annual report of the Department of Provincial and Local Government in respect of the financial year 2002/03. I would like to record my appreciation to you and the Deputy Minister, Ms NWG Botha, for the support you have given me and the entire departmental staff in the year under review. We value your profound guidance and leadership as we re-dedicate ourselves to

increasingly contribute towards reconstruction and development in our country.



Lindiwe Msengana-Ndlela
Director-General
30 August 2003

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Review by the Director General



This Annual Report reflects on the progress and achievements attained by the Department of Provincial and Local Government (**dplg**) in the 2002/03 financial year. It also contains a summary of the Departmental strategy, achievements which are measured against strategic objectives, outputs and service delivery indicators. We also provide details of Financial Statements and the Oversight Report as required in terms of both the Public Finance Management Act (No. 29) of 1999 and the Public Service Regulations of 2001.

Efforts to Improve the System of Inter-governmental Relations

The reach of the **dplg** and the depth of its services in the interests of service delivery and developmental government, is important. In

essence, our department helps to oversee, support and enable effective democratic governance from national to the local level, the area that impacts most directly on the lives of ordinary South African citizens. Effective governance is central not just to democratisation, but to sustainable local economic development and the qualitative improvement of the lives of the poorest and most marginalised sectors of South African society. The emphasis is on effective governance, integrated government, and developmental government, bringing together all three spheres - national, provincial and local. The developmental imperative guiding the **dplg**'s work is reinforced by focused urban and rural development programmes in development nodes.

Results and Key Initiatives in 2002/03

Programmes which are better integrated at all spheres of government have enabled our department to launch major initiatives, some of which we are reporting upon in this 2002/03 financial review. Positive results were attained in the following areas:

- Policy development and Legislation;
- Co-ordinating the extension of free basic services to the poor with a particular emphasis on water and electricity;
- Incremental capacity building and funding of municipalities as we continue to consolidate the new system of local government since it was inaugurated on 5 December 2000;
- Increasing investment in municipal infrastructure development;
- Raising a collective and heightened national

awareness on Municipal Financial Viability and the development of an appropriate response to this matter;

- Improvement on internal departmental administration and management.

In addition to these major initiatives which were implemented systematically throughout the financial year, the **dplg** was able to reach significant milestones in the 2002/03 financial year as detailed in this report.

Financial Highlights

(i) An unqualified Audit Report

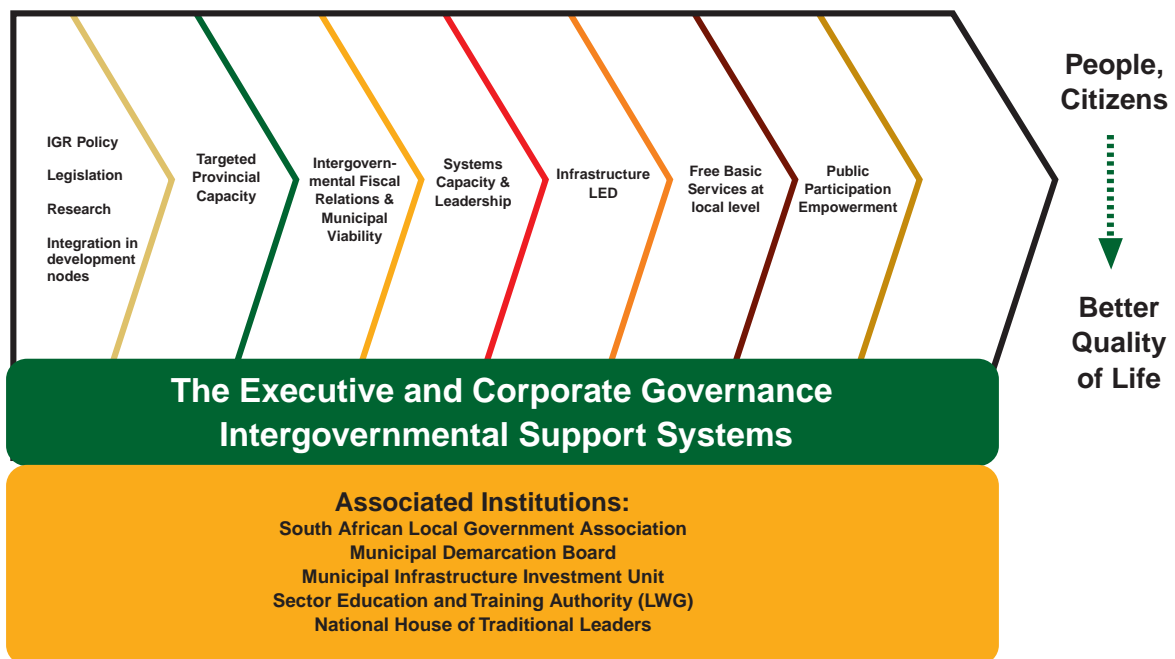
The Department has received an unqualified audit report from the Auditor-General, as reflected in Annexure A. Our Department would like to thank the Auditor-General for its continued support and constructive inputs during the past financial year.

(ii) Improved Financial Management: Actual Expenditure - 99,6% of the Budget

One of the significant financial highlights of this year, has been the improved management of finances and the quality of spending. The rate of under-expenditure has decreased significantly and the analysis thereof reflects such instances as cases which were beyond the control of the Department.

The budget variance of R22 million (0.4%) as at the end of 2002/03 compares with a variance of R107 million (2.8%) and R84 million (1.8%) in the previous two financial years, 2000/01 and 2001/02 respectively. Expenditure trends in the previous years have been analysed and a programme of action has been developed to improve cash flow management and ensure efficient distribution of grants. In addition, in the new financial year there will be more focus on better management of the Division of Revenue Act (DORA), improvement of financial systems and the provision of adequate internal management capacity.

Stabilising the system of inter-governmental relations towards accelerated service delivery to the people



Future Direction: Strategic Plan 2003/05

Towards the end of this report, we highlight our strategic approach to the new financial year and the medium term. The strategic objectives that we have set are contained in the following six external core objectives and two internal objectives:

Core External Objectives:

- Deepening local democracy, accountability and public participation;
- Accelerating the delivery of free basic services at local government level;
- Strengthening institutional and administrative systems for local government;
- Strengthening intergovernmental fiscal relations and enhancing overall municipal viability;

- Supporting provincial government;
- Stabilising the system of intergovernmental relations.

Internal Objectives:

- Deepening Corporate Governance Practices within the **dplg** business culture;
- Strengthening corporate capacity.

A Tribute to all dplg Staff Members

I would like to express my sincere appreciation to Mr Craig Clerihew (who was the Acting Director-General before I joined the Department on 1 August 2002) and to each and every member of our Department for the welcome and co-operation that I received. The contributions of staff members have been most valuable as we worked together to implement

government programmes within the department and in working sessions with stakeholders and counterparts at the National, Provincial and Local Spheres of Government.

Since our Department is about our human capital, our staff members, their opinions, and

their participation and commitment towards realising the goals of government are critical. As we draw close towards Ten Years of Freedom in South Africa, we anticipate a time of celebration of democracy coupled with an increasing dedication to serving our people.



Snapshot of the Year

Key Milestones	
First Quarter	
April 2002	<ul style="list-style-type: none"> • Social Plan Fund evaluation completed. • Completion of the comprehensive audit and development of the database on old order legislation.
June	<ul style="list-style-type: none"> • Local Government: Municipal Structures Amendment Act, 2002 (Enactment of the Crossing of the Floor legislation). • Support together with Provinces, the municipal IDP process (All 284 municipalities completed the first round of IDPs in terms of the Municipal Systems Act). • Disbursements: <ul style="list-style-type: none"> - Consolidated Municipal Infrastructure Programme: R124.2 million and 23 343 households benefiting; - Equitable Share: R761.9 million for the provision of basic services.
Second Quarter	
August	<ul style="list-style-type: none"> • Hosting Women in Local Government Summit. • Effective participation in the World Summit on Sustainable Development (WSSD). Summit session on “IDP: Local pathway to sustainable development in South Africa”.
September	<ul style="list-style-type: none"> • Disbursements: <ul style="list-style-type: none"> - Consolidated Municipal Infrastructure Programme: R279 million and 157 843 households benefiting; - Equitable Share: R1021.8 million for the provision of basic services; and Capacity Building: R64 million for institutional support and systems improvement.
Third Quarter	
October	<ul style="list-style-type: none"> • Cabinet approval of the draft White Paper on Traditional Leadership and Governance for public comment.
October (to March)	<ul style="list-style-type: none"> • Ministerial visits to Provinces and conferences on Inter-governmental Relations and Local Government Transformation.
November	<ul style="list-style-type: none"> • Cabinet approval of the Property Rates Bill for public comment. • Enactment of the Local Government Laws Amendment Act amended various local government laws (e.g. Structures Act.). • Finalisation of the policy on cross boundary municipalities and approval by the President’s Co-ordinating Council.

Key Milestones	
December 2002	<ul style="list-style-type: none"> • Announcement of the National Municipal Revenue Enhancement Programme. • IDP Implementation Guidelines completed and disseminated. • Ward-based planning piloted, guidelines compiled and National Steering Committee established. • Municipal Viability Indaba. • Disbursements: <ul style="list-style-type: none"> - Consolidated Municipal Infrastructure Programme: R502.1 million and 184 377 households benefiting; - Equitable Share: R1010 million for the provision of basic services; and Capacity Building: R108.6 million for institutional support and systems improvement.
December (to March 2003)	<ul style="list-style-type: none"> • Intensified Ministerial visits to Rural and Urban nodes.
Fourth Quarter	
January 2003	<ul style="list-style-type: none"> • The promulgation of the Disaster Management Act (No. 57 of 2002) • Local Government: Municipal Structures Amendment Act (No. 1 of 2003) to regulate the effect of a change in the type of municipality on the terms of office of members of executive committees and executive mayors.
February	<ul style="list-style-type: none"> • Enactment of the Municipal Structures Act, 2nd Amendment Act or Types Act to regulate the effect of a change in the type of municipality on the terms of office of members of executive committees and executive mayors. • Constitutional Amendment on S139 of the Constitution to provide a legal framework for correcting financial and service delivery failures in municipalities.
March	<ul style="list-style-type: none"> • Adoption by the President's Co-ordinating Council (PCC), (consisting of the President, Ministry for Provincial and Local Government, Minister for Public Service and Administration, 9 Provincial Premiers and Chairperson of South African Local Government Association (SALGA)) of key interventions and a common programme of action towards strengthening local government transformation. • Co-hosted the Commonwealth Conference on Local Government. A total of 42 countries attended. <ul style="list-style-type: none"> - Disbursements: <ul style="list-style-type: none"> - Consolidated Municipal Infrastructure Programme: R765.4 million and 164 436 households benefiting; - Equitable Share: R1169.9 million for the provision of basic services; and - Capacity Building: R94.2 million for institutional support and systems improvement.

Our Vision and Mission

Our Vision

An effective and integrated system of government consisting of three spheres, working together to achieve sustainable development and service delivery.

Our Mission

- To develop and promote systems and structures of effective governance, particularly at local sphere; and
- To develop and promote a system of integrated government between the spheres of government.

Our Core Mandate and Values

The core mandate of the **dplg** is contained in Chapters 3 and 7 of the Constitution of the Republic of South Africa (1996).

Further, the **dplg** draws its mandate from policy pronouncements by the National Cabinet and from legislation, inter alia:-

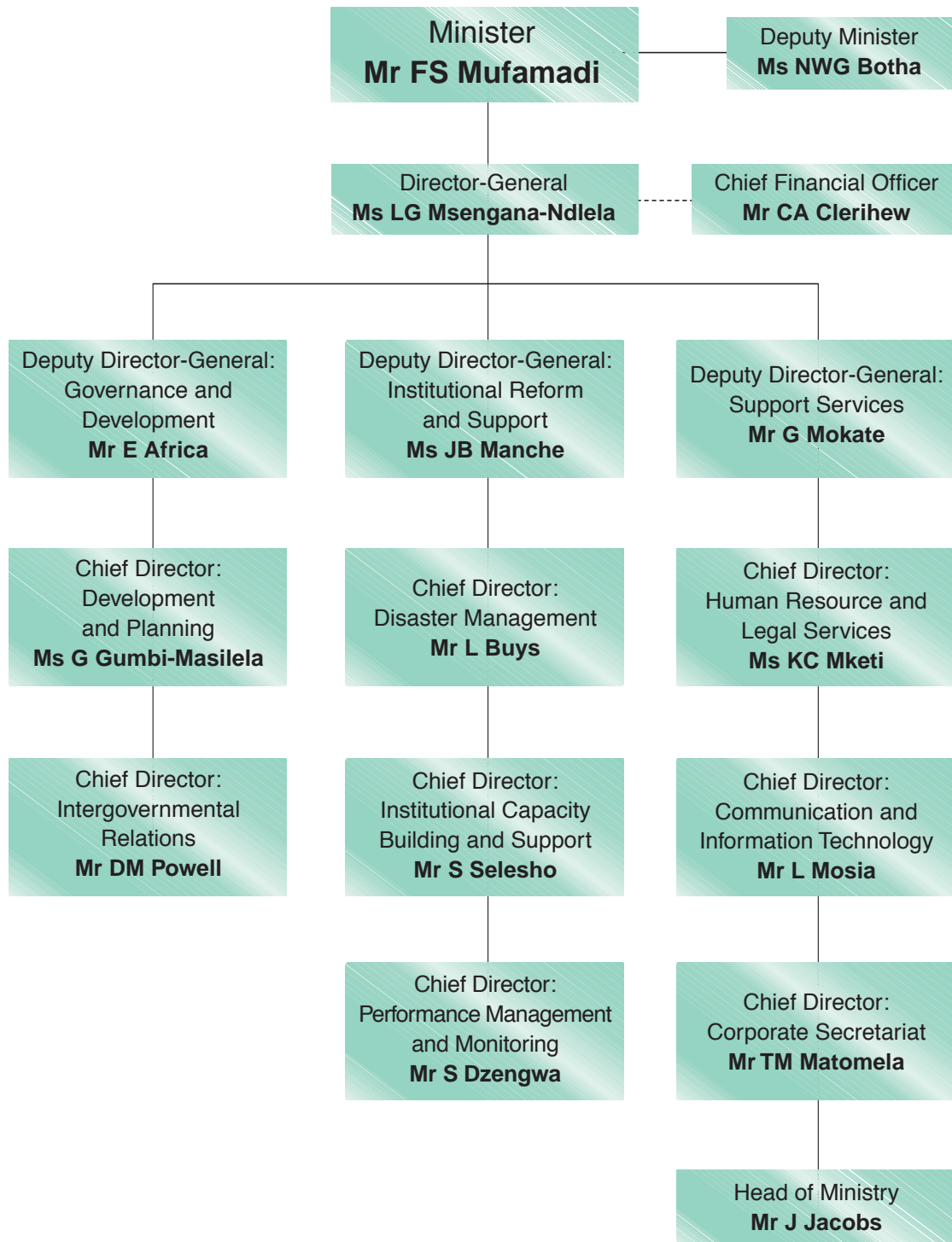
- White Paper on Local Government (1998)
- Local Government: Municipal Demarcation Act (1998)
- Local Government: Municipal Structures Act (1998)
- Local Government: Municipal Systems Act (2000).

For further details, see Annexure E.

Our values are informed by the Batho Pele (People First) principles of the South African Public Service. In addition, we are guided by the following Departmental values:

- **d**edication to service delivery and development in the interest of the public good
- **p**rofessionalism in the conduct of all employees;
- **l**eading and participating towards a collective good; and
- **g**oal-orientation in the manner in which we approach and undertake our mandate.

Our Organisational Structure: 2002/03



Acronyms

BAS	Basic Accounting System
BEE	Black Economic Empowerment
CMIP	Consolidated Municipal Infrastructure Programme
DORA	Division of Revenue Act
dplg	Department of Provincial and Local Government
FBS	Free Basic Services
GDS	Growth and Development Summit
HDIs	Historically Disadvantaged Individuals
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
ISRDP	Integrated Sustainable Rural Development Programme
IT	Information Technology
LED	Local Economic Development
MIG	Municipal Infrastructure Grant
MIIU	Municipal Infrastructure Investment Unit
MINMEC	(Meeting between the) Minister (of dplg) and Members of the Executive Council responsible for local government
MTEF	Medium Term Expenditure Framework
NCOP	National Council of Provinces
PCC	President's Co-ordinating Council
PFMA	Public Finance Management Act
PIMS	Planning and Implementation Management Support
SALGA	South African Local Government Association
SMME	Small, Medium and Micro Enterprises
URP	Urban Renewal Programme
WSSD	World Summit on Sustainable Development

Chapter 1

Introduction to Departmental Programmes

In the 2002/03 financial year, significant progress was made in a number of areas regarding provincial and local government. Our Department's contribution is highlighted in this report, which looks at the work of the four respective programmes that constitute it, including auxiliary and associated services. These programmes are the following:

- **Programme 1: Administration**
- **Programme 2: Governance and Development**
- **Programme 3: Institutional Reform and Support**
- **Programme 4: Auxiliary and Associated Services**

PROGRAMME 1: ADMINISTRATION



Deputy Director-General: Support Services
Mr Godfrey Mokate

The aim of this programme is to conduct the overall management of the Department, formulate policy, and support the leadership

functions of the Ministry and the Department's senior management. In addition the programme has the following features:

- The establishment, maintenance and provision of central administrative systems and services;
- Financial and asset management services;
- Human resource development and management services;
- Corporate planning; and
- Communication, information technology and management services.

During the period under review, the institutional capacity of the Department was strengthened by:

- Implementing internal human resource policies;
- Improving internal administrative systems;
- Providing training and bursaries to staff to develop their appropriate skills as contained in personnel development plans;
- Developing and implementing an appropriate performance management system;
- Recruiting and retaining the best staff possible in the Department;
- Implementing the Public Finance Management Act;
- Implementing the government's policy on preferential procurement;
- Communicating the Department's programme to the public widely.

Generally the programme achieved most of its plans within stipulated timeframes. Human Resource policies were developed and

implemented relating to labour relations. Technical support was successfully provided in all recruitment processes. The **dplg** has maintained a good record of adherence to Public Service Regulations and professional practices in its recruitment and selection processes. The majority of employees have received training in about 37 competency areas, against a target of 41 identified in the overall Workplace Skills Plan. A performance management system was developed and piloted in preparation for implementation from April 2003.

To improve operational capacity, the **dplg** processes, systems and approaches for corporate planning were established and implemented. This resulted in the successful development and presentation of the Department's strategic plan within timeframes and accepted public service guidelines.

Most of the required systems and procedures to implement the Public Finance Management Act are in place. This has resulted in improvement in the overall management of the Department's finances and systems. Procedures were established to implement the Preferential Procurement Policy. As a result about 47% of all procurement by contracts were awarded to Black Economic Empowerment (BEE) companies and historically disadvantaged individuals (HDIs). There was an improvement in the manner in which the **dplg** manages and controls its assets as a result of improvements in the systems, procedures, control measures and training of managers and staff. Approximately 60% of departmental staff received training.

There was an improvement in the image and profile of the Ministry and Department due to an increase in the number of publications, media appearances and exhibitions. The new logo and brand of the Department were developed and launched. New computers and servers were installed in the Pretoria and Cape Town offices which has, *inter alia*, improved the e-mail system. A new and improved website was also launched.

PROGRAMME 2: GOVERNANCE AND DEVELOPMENT



Deputy Director-General:
Governance and Development
Mr Elroy Africa

In the 2002/03 financial year, the overarching goal of this programme was focused on stabilising the system of intergovernmental relations (IGR). Activities included support for the implementation of a national planning framework for Government, the preparation of a policy framework and a Bill pertaining to section 41 and 139 of the Constitution, a Draft Policy Framework for the assignment of powers and

functions to the local government sphere, defining the problems to be addressed for the review of Schedules 4 and 5 of the Constitution, as well as a review of the President's Co-ordinating Council (PCC) with a view to linking the PCC with Cabinet Lekgotla priorities. The draft policy documents that were prepared were extensively consulted upon and will be finalised in the 2003/04 financial year.

In line with the Municipal Systems Act 2000, all municipalities have developed Integrated Development Plans (IDPs), which seek to build a strong local government sphere. Cabinet approved IDPs as a tool for intergovernmental planning and budgeting, to enhance service delivery. The clear need for this was most recently demonstrated at the Growth and Development Summit (GDS) of 2003. There, the core refrain was the critical contribution made by local government to national economic progress and higher rates of economic growth. Local development lies at the heart of the "real economy", that impinges most directly on the quality of people's lives and on the prospects of a better life for all.

Through this process we are addressing the main challenge of stabilising the system of intergovernmental cooperation in order to accelerate the delivery of services at local government level. The quality of the IDPs has significantly improved as a result of structured support and broad interactions with key stakeholders. The key challenge is to ensure

that IDPs are strategic, inclusive and focused.

The Department established 47 Planning and Implementation Management Support (PIMS) Centres to provide technical planning support in the development of the IDPs. The value added by these structures is reflected in the improving quality of the IDPs countrywide.

The establishment of the IDP Nerve Centre inaugurated a new era of strategic information management and coordination. It ensures access to strategic IDP information for all stakeholders, and enhances the ability to monitor and evaluate impact on the ground.

The Consolidated Municipal Infrastructure Programme (CMIP), has made a significant contribution in accelerating access to basic services, the eradication of infrastructure backlogs in previously underserved areas, poverty alleviation and improving the quality of life of communities, through the provision of clean water, sanitation, community lighting and waste management. The provision of infrastructure also supported the roll-out of free basic services to communities.

A significant number of 530 000 households has been reached in addressing basic municipal infrastructure backlogs. A total of 315 projects have been completed and 980 are under construction. Approximately 380 000 person-days of training was provided and about 1.2 million person-days of employment were

created in this financial year. Both urban and rural areas benefited, with a specific focus on women and youth. The training included basic construction, project management, labour relations and procurement skills. In addition 440 emerging contractors took part in the infrastructure projects.

The programme also created empowerment opportunities through the use of local labour, local Small, Medium and Micro Enterprises (SMMEs) and skills development for beneficiary communities. The consolidation of the key infrastructure grants into the Municipal Infrastructure Grant (MIG) will see an accelerated delivery and roll-out of infrastructure in areas that are still underserved, and ensure that national backlog targets are eradicated in the next ten years.

The LED programme focused on providing entrepreneurial support to municipalities and communities in alleviating poverty. The programme targeted women, youth and the disabled. The programme further achieved commendable targets in skills development for both municipalities and beneficiaries.

A number of initiatives have been undertaken to provide an integrated solution to the challenges of rural and urban development. The establishment of key partnerships provided a qualitative impetus to progress made in these nodes.

PROGRAMME 3: INSTITUTIONAL REFORM AND SUPPORT



Deputy Director-General:
Institutional Reform and Support
Ms Jackie Manche

The Department developed and finalised policy on numerous areas that are critical to the transformation of local government. These include the finalisation of their division of powers and functions between category B and C Municipalities, approval of the Property Rates Bill and the draft White Paper on Traditional Leadership and Governance by Cabinet, the promulgation of the Disaster Management Act as well as the adoption of policy on cross-boundary municipalities by the PCC.

The **dplg** also increased support to municipalities. There was a significant increase in the equitable share and capacity-building grants to municipalities. This allowed for

targeted and co-ordinated capacity-building and support interventions in local government with a particular focus on assisting municipalities to develop new systems (IDP, PIMS etc.). It also continued to work with provinces, municipalities and other roleplayers to finalise legislation on disaster management while supporting disaster interventions. The disaster management programme focused on developing an integrated and co-ordinated approach to disaster management, thereby promoting safe and resilient communities.

PROGRAMME 4: AUXILIARY AND ASSOCIATED SERVICES



Chief Financial Officer
Mr Craig Clerihew

The National House of Traditional Leadership continues to receive policy and financial support. Progress has been made in the establishment of the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities.

The Municipal Demarcation Board made a significant contribution to the framework on the division of powers and functions as well as the administration of cross-boundary municipalities.

Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities: Considerable progress has been made in the establishment of this Constitutional institution which should become operational in 2003.

Municipal Demarcation Board: A significant contribution was made towards the framework on the division of powers and functions of municipalities of the alignment of cross-boundary municipalities as well as the various administration boundaries.

Municipal Infrastructure Investment Unit: The work undertaken in driving municipal services partnerships has added value to municipal services. The support has been concentrated on the secondary towns and rural areas where the capacity challenges are the greatest.

South Africa Local Government Association (SALGA): SALGA continues to play a crucial role serving in intergovernmental structures, contributing to national policy and legislation, supporting municipalities and representing them as an employer body in collective bargaining processes.

In the following chapters, we report in greater detail on specific achievements and performance targets that have been met by our Department.

Chapter 2

Achievements and Challenges, per Programme

In the following sections, we briefly assess the performance of the **dplg** against the key objectives according to the Budget Vote Programmes.

PROGRAMME 1: ADMINISTRATION

The aim of this programme is to conduct the overall management of the Department, formulate policy, and provide for the leadership functions of the Ministry and the Department's senior management.

(a) Ministry



Main Function

The main function of the Ministry is to provide political leadership and strategic direction to the **dplg** to enable it to fulfil its primary mandate.

Institutions

The following institutions are the responsibility of the Minister for Provincial and Local Government as part of his portfolio:

- *Municipal Infrastructure Investment Unit*

The Municipal Infrastructure Investment Unit (MIIU), which was established on 20 March 1998, is a Section 21 company established by Government to help municipalities find innovative solutions to critical problems in the financing and management of essential municipal services, such as water supply, sanitation, waste, energy and transport.

These solutions include the involvement of the private sector in service delivery, and in various forms of public-private partnership agreements.

- *Municipal Demarcation Board*

The Municipal Demarcation Board was established on 1 February 1999. In terms of the Municipal Demarcation Act, read with the Constitution and the Municipal Structures Act, the Board must, among others:

- Determine or re-determine the boundaries of the three categories of municipalities identified in the Constitution;
- Delimit wards;
- Fulfil various advisory functions, such as the alignment of functional and/or service delivery boundaries with Constitutional boundaries;
- Perform an advisory role in the division and allocation of functions and powers to municipalities falling outside the metropolitan areas.

- *National House of Traditional Leaders*

The Constitution mandates the establishment of Houses of Traditional Leaders by means of either provincial or national legislation. Provincial Houses of Traditional Leaders have been established in all six provinces where traditional leaders are found, namely the Eastern Cape, KwaZulu-Natal, the Free State, Mpumalanga, Limpopo (formerly the Northern Province) and the North West.

The National House of Traditional Leaders was established in April 1997. Each Provincial House of Traditional Leaders nominates three members to serve in the National House, which then elects its own office-bearers.

The National House advises national government on the role of traditional leaders and on customary law. It may also conduct its own investigations and advise the President on request.

The National House has recently been reconstituted for the second five-year term.

- *South African Local Government Association (SALGA)*

SALGA has a mandate to represent the interests of organised local government in the country's IGR system with a united voice.

SALGA's business plan sets out a series of objectives, namely:

- Promoting sound labour relations practices that can achieve high levels of performance and responsiveness to the needs of citizens;
- Representing, promoting, protecting and giving voice to the interests of local government at national and provincial levels, in intergovernmental processes and in other policy-making fora; and
- Building the capacity of local government to contribute towards a developmental democratic governance system that can meet basic human needs.

SALGA is funded through a combination of sources. These include a percentage share of the national revenue allocated to local government, membership fees from provincial and local government associations that are voluntary members, and donations from the donor community that funds specific projects.

Bills Submitted

The Minister submitted three Bills to Parliament during the period under review:

- The Disaster Management Bill;
- Local Government Laws Amendment Bill;
- Local Government: Structures Amendment Bill (Enactment of the Crossing of the Floor legislation).

Travel Abroad

During the period under review, the Minister undertook visits to India, the United Kingdom, Sudan and Botswana. The Deputy Minister did not travel abroad during this period.

(b) Human Resources and Legal Services



The workplan with regard to Human Resources and Legal Services focused on well co-ordinated recruitment and maintenance of competent staff in the department, the provision of sound legal and labour relations advisory services, the development and implementation of Human Resources policies, strategies and systems, the co-ordination of the **dplg** strategic plan for the period of 2002–2005 and finally, an improved quality of worklife in the department.

(c) Finance and Provisioning



Financial and provisioning services were effectively provided and management reports produced in terms of the Public Finance Management Act (PFMA) and Treasury regulations. Procurement management services were provided effectively in compliance with the nationally-prescribed framework and regulations during the 2002/03 financial year. The Department successfully converted to the Basic Accounting System (BAS) during the year.

(d) Communication and Information Management



There was an improvement in the image and profile of the Ministry and Department due to an increase in the number of publications, media appearances and exhibitions. The new logo and brand of the **dplg** was developed and launched. New computers and servers were installed in Pretoria and Cape Town offices. This has improved the e-mail system. Furthermore, a new and improved website was launched.

PROGRAMME 2: GOVERNANCE AND DEVELOPMENT

The aim of this programme is to support the development and implementation of co-operative governance, intergovernmental relations and an integrated system of planning and delivery.

(a) Intergovernmental Relations (IGR)



The work for the period under review gave priority to integrated governance, adopted by the Governance and Administration Cluster in its work programme for the 2002/03 financial year. The work also sought to stabilise the system of intergovernmental relations. This included support to the implementation of a national planning framework for government, the preparation of a policy framework and a Bill pertaining to Section 41 of the Constitution, a Draft Policy Framework for the assignment of powers and functions to the local government sphere, as well as defining the problems to be addressed for the review or reform of Schedules 4 and 5 of the Constitution. All the draft policy documents were prepared and extensively consulted upon, and will be finalised in the 2003/04 financial year.

The Department worked with the National Treasury (the lead department), on a Constitutional amendment to section 139 of the Constitution, which was introduced into Parliament in 2002 along with the Municipal Finance Management Bill.



Starting left back: Mr FS Mufamadi - Minister of Provincial and Local Government,
 Ms IW Direko - Premier: Free State, Mr NJ Mahlangu - Premier: Mpumalanga,
 Mr M van Schalkwyk - Premier: Western Cape, Rev MA Stofile - Premier: Eastern Cape,
 Dr LPHM Mtshali - Premier: KwaZulu-Natal
Front from left: Adv NA Ramatlhodi - Premier: Limpopo, President: TM Mbeki,
 Mr EM Dipico - Premier: Northern Cape, Ms NGW Botha - Deputy Minister of Provincial and Local Government,
 Mr PS Molefe - Premier: North West, Insert: Mr M Shilowa - Premier: Gauteng

The Department undertook a review of the President's Co-ordinating Council (PCC) with a view to linking the PCC with Cabinet Lekgotla priorities. There were several other initiatives during this period, which included the production of guidelines on provincial-local IGR, intergovernmental dispute resolution mechanisms (pending Section 41 legislation), guidelines on intergovernmental planning, several research projects on municipal service partnerships, local economic development issues in the urban context (for the Cities Network), as well as publication of two research bulletins. The convening of provincial conferences in all the nine provinces during the period under review enhanced intergovernmental relations.

(b) Development and Planning

Key tasks included strengthening municipal-level planning, establishing a conducive environment for inter-sphere planning and co-ordination and providing guidelines and a framework for inter-sphere engagement and co-operation for planning, budgeting and funding allocation.

The guidelines for Integrated Development Planning (IDP) encouraged national and provincial departments to work closely with municipalities to integrate and fast track development at a local level. The IDP process provided a platform for integrated governance, by its inclusive and participatory nature. It promoted community participation in the planning and prioritisation process. Communities are now taking a keen interest in the decisions, programmes and processes of their municipalities. The establishment of the Planning and Implementation Management Support Centres (PIMS Centres) had added immense value to municipalities. This is reflected in the improved quality of the IDPs produced through the annual review process. The establishment of the initial 36 PIMS in district municipalities motivated all the remaining districts to request support for the establishment of their own PIMS Centres.

The PIMS Centres provided hands-on technical and professional support to municipalities. Additional support and training was provided to both the municipalities and the PIMS staff to reinforce their work.

A community-based planning pilot was undertaken to determine the rules of engagement for community participation in the planning and budgeting process of the IDP.

The design and establishment of the IDP Nerve Centre as a strategic information management tool is a notable achievement for the **dplg**. The aim of the Nerve Centre is to summarise key information from the IDPs and sector plans and make it available to all stakeholders to facilitate intergovernmental co-ordination, planning and budgeting.

A major focus of work was the management of one of the largest infrastructure programmes in government – the Consolidated Municipal Infrastructure Programme (CMIP). The size of the grant was substantially increased and the impact on basic infrastructure and service delivery broadened. The CMIP contributed significantly in addressing the historical infrastructure backlogs by targeting the poor and underserved areas. There has been an increase in the number of households who now have access to basic services such as water, sanitation, and lighting. The provision of these services produces a significant improvement in the quality of lives of people served.

The CMIP has also extended support to municipalities and beneficiaries through training and skills development, use of local labour and local SMMEs, and implementation of labour-intensive technologies.

The increased access to basic services has further facilitated the roll-out of free basic services to poor communities. Some of the infrastructure provided has benefited the local economies by providing opportunities for SMME and entrepreneurial development.

The consolidation of all municipal infrastructure grants into the Municipal Infrastructure Grant (MIG) seeks to provide a more streamlined and predictable grant funding mechanism, that will support the IDP and address infrastructure and service needs in a focused and strategic manner. This programme will be piloted in 2003/04 and effectively rolled out in 2005/06.

In an endeavour to minimise basic municipal infrastructure backlogs, CMIP provided services to 530 000 households. Some 315 projects were completed covering the sectors of water, sanitation, roads, community lighting and community facilities. Currently there are 980 projects under construction.

The CMIP recognises the importance of employing local people as the main providers of labour. Approximately 1.2 million person-days of employment were created. A total number of 384 000 person-days of training was provided. This training included basic construction, project management, labour relations and procurement skills. Through CMIP, a total of 440 emerging contractors have been utilised in the implementation of infrastructure projects.

(c) Local Economic Development and Social Plan

The Local Economic Development (LED) programme has also seen the development of SMMEs in communities. This programme has made a significant contribution for the better to the lives of the beneficiaries. A number of LED initiatives with immense potential were showcased in a very successful exhibition at the World Summit on Sustainable Development (WSSD) in 2002. A new policy and strategy to drive the LED programme is currently being developed.

One of the major achievements of the LED programme is the extent to which it has supported women-driven initiatives, with a potential for expansion and creating more jobs.

The social plan focused mainly on supporting the rural development nodes through the preparation of regeneration studies which sought to identify opportunities that exist in the nodal areas.

**(d) Integrated Sustainable Rural Development Programme (ISRDP)
and Urban Renewal Programme (URP)**

The programmes made significant strides in realising their objectives in the last year and, judged against their stated objectives, are firmly on the path to sustainable development. Some of the key areas where the programmes have made significant progress include:

- The completion of Integrated Development Plans (IDPs), the identification of anchor projects and the combined resources from the three spheres that have been brought together in implementation show that government is giving meaning to the notion of integrated governance.
- In KwaMashu township, at the eThekweni metro municipality in KwaZulu-Natal, for instance, one of the key projects is the Safer Cities Project. This complements another project that looks at developing the KwaMashu town centre. In undertaking the latter project it was found that crime, real and perceived, was a persistent challenge, inhibiting the growth of the Town Centre. The Safer Cities Project seeks to address this, but it does so in an interesting manner by mobilising young people to play a key role in crime prevention. This project demonstrates that an integrated problem needs an integrated solution.
- In the district municipality Thabo Mofutsanyana/Maluti A Phofung, in Free State province, the Setsing Shopping Complex project is at implementation stage and has a potential for local economic development. The project will create modern shopping facilities on the community's doorstep, thereby increasing the total facility to 240 000 shoppers. In terms of economic upliftment the shops are made available to local manufacturers in the informal sector to market their goods in the complex. Furthermore, the multiplier effect of money staying within the Maluti A Phofung municipal area will greatly enhance the local economy. When this project was being constructed with the assistance of local contractor groups, it provided 2 312 temporary jobs. Furthermore, additional shops will provide permanent jobs for 724 people. New security measures will provide new permanent jobs for 36 security personnel. Cleaning services and maintenance will also provide a further 41 jobs at the centre.
- Through various interventions in the nodes, mutually beneficial partnerships between government, the community, civil society and the private sector are being established. In Kgalagadi district municipality in the Northern Cape, for instance, partnerships have been established between the Bendel community and Eskom Enterprises. The value of these partnerships goes beyond demonstrating government's ability to forge partnerships, to demonstrating concrete improvements in people's quality of life.

In 2002 the number of anchor projects increased significantly. In 2001 in the ISRDP for instance,

there were just over 100 projects. Currently there are 155 projects, the majority of which are at the implementation phase. These projects straddle a number of sectors and will have a positive impact on people's quality of life in the nodes.

The programmes were defined as being systematic and sustained interventions to eradicate poverty and significantly address underdevelopment. The classic definition of sustainability looks at the relationship between the social, economic and environmental aspects of development. The approach adopted by these programmes however, goes beyond that and looks at the necessary systems and mechanisms of integrated governance and service delivery.

PROGRAMME 3: INSTITUTIONAL REFORM AND SUPPORT

The aim of this programme is to provide fiscal and capacity-building support to provincial and local government and to institutions of transitional leadership, to promote development.

(a) Disaster Management



In a major achievement for the **dplg**, the 2002/03 year saw the disaster management legislative process concluded. As a result the Disaster Management Act, 57 of 2002, was promulgated and published on 15 January 2003 in Government Gazette No. 24252 of 2003.

This Act marks the beginning of a new era in the field of disaster management by emphasising an integrated and co-ordinated disaster management policy that 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 **dplg** also co-ordinated numerous response efforts to disasters that occurred throughout the country. Examples of these are the severe snow storms in the Eastern Cape during August 2002 and veld-fires in various other provinces during August to September 2002.

(b) Institutional Capacity-Building and Support



The Department introduced policy and legislation aimed at stabilising institutional systems in local government. These include the Local Government Laws Amendment Act and the Municipal Structures Amendment Act, to create certainty in the functioning of municipalities for accelerated service delivery. The **dplg** also facilitated the passage of Crossing the Floor legislation to contribute towards further democratisation and the promotion of good local governance. Additionally, significant progress was achieved in finalising the issue of traditional leadership and governance. The draft White Paper on Traditional Leadership and Governance was approved and published for public comment. This marked a major step in transforming the institution, and taking forward government's commitment to finalise this matter before the end of 2003.

(c) Performance Management and Monitoring

Four key work areas formed the core of functions and responsibilities performed in this program, namely fiscal transfers to municipalities; the development of municipal finance and policies; municipal performance monitoring; and municipal finance monitoring. Through these work areas, the Department has been able to increase allocations to municipalities through the equitable share and other grants, has introduced the Property Rates Bill into Parliament, has piloted a performance management system in municipalities and has reported quarterly on the state of municipal finances.

(d) Project Viability

Municipal finances are monitored quarterly and 112 municipalities in financial distress were provided with technical and financial support. A major achievement was the Indaba on Municipal Debt where a report on the debt situation was presented. The Indaba endorsed resolutions aimed at assisting municipalities to recover what is owed to them and to enhance their revenue capacity.

(e) Local Government Support Grant

Through this grant, a number of municipalities have been assisted in the areas of financial management, governance and improving service delivery systems. This has enabled municipalities to fulfil their constitutional obligations to their communities.

(f) Local Government Transition Fund

After the 2000 local government elections, a transition fund was established to assist municipalities with Phase 1 of the transformation process. The aim of the fund was to enable municipalities to amalgamate with no disruption in the delivery of services.

(g) Municipal Systems Improvement Programme

The grant has been used to provide direct support for the establishment of PIMS centres, assist municipalities to review their IDPs and develop their performance management systems. The success of this support can be seen in the improvement in the quality of IDPs.

(h) Local Government Equitable Share

The equitable share is an unconditional general allocation from the national government to all municipalities. There was a major increase in the allocation for 2002/03, giving us room to extend the delivery of free basic services.

PROGRAMME 4: AUXILIARY AND ASSOCIATED SERVICES

In addition to the departmental outputs outlined above, the following associated institutions were allocated funds from this programme:

(a) National House of Traditional Leaders: R4,6 million



The work of the House was conducted through a committee system in order to address the various issues affecting the institution of traditional leadership. Apart from the internal committees, there are committees dealing with Constitutional Development, Social Development and Traditions, Customs and Culture.

The National House of Traditional Leaders contributed to policy processes including the White Paper on Traditional Leadership and Governance, the Communal Land Rights Bill, the Child Justice Bill, the Property Rates Bill, National Water Resource Strategy and the Community Safety Forums. The House interacted with numerous internal and external bodies through various conferences and functions.

The Annual Report of the National House of Traditional Leaders has been presented to Parliament.

(b) Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities (Section 185 of the Constitution): R8,7 million

Progress in 2002/03 in respect of the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities (Section 185 of the Constitution) can be summarised as follows:

- Act of National Assembly (19 March 2002);
- Act of National Council of Provinces (NCOP) (12 June 2002);
- Act signed by President and gazetted (30 July 2002);
- Act assigned by Minister for Provincial and Local Government (8 November 2002);
- Act commenced (30 November 2002);

- Determination of number of Commission members (17) by President (8 December 2002); and
- General notice in Government Gazette inviting nominations (11 February 2003).

The schedule for the implementation process of Act 19 of 2002 is divided into four phases:

- Nominations;
- Selection and Appointment;
- Establishment of the Commission; and
- Consolidation of Systems and process of the Commission.

The Commission will be operational before the end of the 2003/04 financial year.

(c) Municipal Demarcation Board: R11, 6 million

The Municipal Demarcation Board continues to execute its mandate on the review of municipal boundaries and ward limitations based on representations made by various role players. It has also contributed significantly towards supporting the work of government in various areas. These include contributions to the work on the division of powers and functions between category B and C municipalities, and the work on cross-boundary municipalities.

(d) South African Local Government Association (SALGA): R22 million



SALGA continues to make significant contribution to intergovernmental fora, notably MINMEC and now the PCC. The organisation made important contributions in the formulation of policy and legislation affecting local government. These include the division of powers and functions between categories B and C, Assignment Framework, Traditional Leadership and Governance, and amendments to the formulation of new legislation (e.g. IGR Bill, Crossing the Floor legislation). It also continued to support municipalities through various means, including the development of guidelines. As an employer organisation, SALGA is driving the restructuring of conditions of service and pension funds and negotiating wages in the Bargaining Council to ensure uniformity in the sector.

(e) Municipal Infrastructure Investment Unit (MIIU): R7 million

The MIIU has made a significant impact in the support it provides to municipalities in driving the Municipal Services Partnerships. The MIIU has achieved impressive results in the five years since it was established. In the last financial year it disbursed R1, 6 billion, bringing the total to R7, 2 billion over the last five years.

The role played by the MIIU has been critical in adding value to municipalities. Its work has moved from supporting larger cities to secondary towns and rural areas where the need is greater and capacity challenges are greater.

These achievements have also been expressed in the actual performance against the outputs which were stated in the Estimates of National Expenditure, 2002. (For details on indicators and performance, refer to Chapter 4 of this report.)

The original estimate for 2002/03 was supplemented by an amount of R194,662 million in the adjustment estimate, bringing the total appropriation to R6 579,638 million. The final result from all programmes reflects an under-expenditure of 0,4% of the budget (R22,9 million). The main reasons for this under-expenditure are, firstly, that the amount of R8,9 million provided for the Section 185 Commission was not required for that purpose as the Commission will only be established in 2003/2004. Secondly, the allocation for the "Working on Fire" project was only provided in the Adjustment Estimates, and as it is specifically earmarked, the unspent balance of R8,7 million will be rolled over to the next financial year. The remaining R5,3 million is within the operating budget and to a large extent arose from the number of vacancies that were carried throughout the year.

Appropriation Statements

The actual expenditure is reflected against the amounts appropriated by Parliament in the following Tables and Graphs:

When examining the budget against expenditure, the **dplg** shows an encouragingly accurate correlation between the two. This underscores the importance of accurate expenditure projection, sound financial controls and the avoidance of wasteful expenditures and roll-overs.

Chapter 3

Financial Results

A Summary

The original estimate for 2002/03 was supplemented by an amount of R194,662 million in the adjustment estimate, bringing the total appropriation to R6 579,638 million. The final result from all programmes reflects an under-expenditure of 0,4% of the budget (R22,9 million). The main reasons for this under-expenditure are, firstly, that the amount of R8,9 million provided for the Section 185 Commission was not required for that purpose as the Commission will only be established in 2003/04. Secondly, the allocation for the “Working on Fire” project was only provided in

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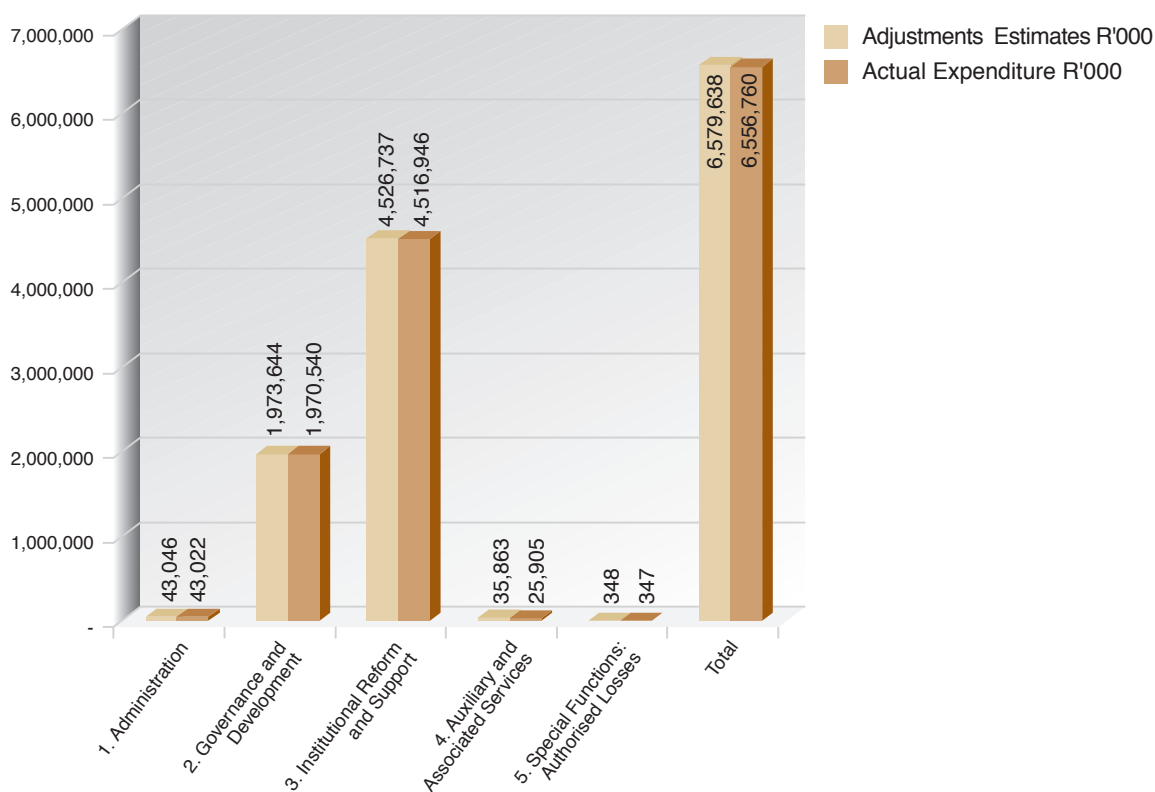
Appropriation Statements

The actual expenditure is reflected against the amounts appropriated by Parliament in the following Tables and Graphs:

Table 1: Actual Expenditure by Programme

Programme	Original Estimate R'000	Adjustments Estimate R'000	Actual Expenditure R'000	Savings (Excess)	
				R'000	%
1. Administration	35 816	43 046	43 022	24	0,1
2. Governance and Development	1 931 993	1 973 644	1 970 540	3 104	0,2
3. Institutional Reform and Support	4 383 012	4 526 737	4 516 946	9 791	0,2
4. Auxiliary and Associated Services	34 155	35 863	25 905	9 958	27,8
5. Special Functions: authorised losses		348	347	1	0,3
TOTAL	6 384 976	6 579 638	6 556 760	22 878	0,4

Graph 1: Budget against Expenditure (R'000)



When examining the budget against expenditure, the **dplg** shows an encouragingly accurate correlation between the two. This underscores the importance of accurate

expenditure projection, sound financial controls and the avoidance of wasteful expenditures and roll-overs.

Table 2: Actual Expenditure by Economic Classification

Economic Classification	Original Estimate R'000	Adjustments Estimate R'000	Actual Expenditure R'000	Savings (Excess)	
				R'000	%
Current	4 629 789	4 779 986	4 771 086	8 900	0,2
Personnel	53 434	50 057	46 315	3 742	7,5
Transfer payments	4 503 069	4 643 084	4 647 925	(4 841)	0,1
Other	73 286	86 845	76 846	9 999	11,5
Capital	1 755 187	1 799 652	1 785 674	13 978	0,8
Transfer payments	1 752 121	1 794 220	1 779 832	14 388	0,8
Acquisition of assets	3 066	5 432	5 842	(410)	(7,6)
TOTAL	6 384 976	6 579 638	6 556 760	22 878	0,4

Table 3: Actual Expenditure by Standard Item

Programme	Original Estimate R'000	Adjustments Estimate R'000	Actual Expenditure R'000	Savings (Excess)	
				R'000	%
Personnel	53 434	50 057	46 315	3 742	7,5
Administrative	20 689	25 505	27 671	(2 166)	8,5
Inventories	3 774	5 630	4 960	670	11,9
Equipment	4 036	6 473	7 763	(1 290)	(19,9)
Professional and Special Services	47 823	54 316	41 936	12 380	22,8
Transfer payments	6 255 190	6 437 304	6 427 757	9 547	0,2
Miscellaneous	30	353	358	(5)	1,4
TOTAL	6 384 976	6 579 638	6 556 760	22 878	0,4

The appropriation statements reflect the overall position of the budget vote and a general insight into the financial position of the Department can be obtained. The figures highlight the magnitude of the funds transferred to the other spheres and related institutions in comparison to the operating costs of the Department. It is also pertinent that within the transfers, the capital

element accounts for 27,3%.

A substantial growth of 43% is projected into the next financial year as can be seen in the Medium Term Expenditure Framework (MTEF), which will be targeted to achieve our six specific core objectives.

Chapter 4

Outputs and Service Delivery Indicators

The following table reflects the original outputs which were set by the Department for the 2002/03 financial year, together with the report on the achievements reached.

Outputs	Service Delivery Indicators	Actual Performance
(a) Human Resources and Legal Services		
Provisioning of effective Legal Services, with a view, amongst others, to enhance legal compliance.	<p>Furnishing legal advice and drafting legislation within two weeks of receipt of a request for advice or drafting.</p> <p>Administering court cases in accordance with the Rules of Court and responding to correspondence from the State Attorney within four days of receipt thereof.</p>	<p>Requests for legal advice and drafting were, on average, attended to within three days. The longest response time was eight days.</p> <p>All correspondence from the State Attorney was attended to within one day. The other actions that were required, such as the filing of papers, were attended to within the timeframes prescribed by the Rules of Court.</p>
Promotion of sound Labour Relations and representivity by, amongst others, developing and reviewing policies and plans.	Finalisation and review of policies and plans by 31 August 2002.	Identified policies and plans were finalised and reviewed by 31 August 2002.
Rendered support services in respect of appointment of staff.	<p>Vacant posts advertised.</p> <p>Applications scheduled and selection interviews for posts arranged.</p> <p>Authorisation for appointments obtained.</p>	<p>76 vacant posts advertised.</p> <p>Applications scheduled and interviews arranged for 75 posts.</p> <p>Authorisations for 75 appointments obtained.</p>
Needs-based training facilitated.	Training provided in 41 competency areas by 31 March 2003.	Training provided in 37 competency areas.
Effective management of staff performance.	Performance management system developed.	Draft performance management system developed and piloted. To be implemented with effect from 1 April 2003.
Effective corporate planning and monitoring facilitated, co-ordinated, and supported.	The Strategic Plan and Business Plan of the Department produced timeously in line with PFMA requirements.	The Strategic Plan was developed and published on time in compliance with PFMA requirements.

Outputs	Service Delivery Indicators	Actual Performance
(b) Finance and Provisioning		
Full implementation of PFMA and Treasury Regulations.	PFMA and Treasury Regulations implemented by March 2003.	Achieved compliance and implementation of the PFMA and Treasury Regulations.
Development and implementation of Departmental financial delegations.	Departmental financial delegations developed and implemented by March 2003.	Achieved compliance with and development and implementation of the financial delegations.
Effective systems, policies and procedures of Financial Administration developed and implemented.	Financial administration systems, policies and procedures developed and implemented by March 2003.	Achieved compliance, development and implementation with the Financial administration systems, policies and procedures.
Preferential Procurement Policy implemented.	60% of contracts awarded in favour of BEE and the advancement of Historically Disadvantaged Individuals.	47% of contracts awarded to BEE and Historically Disadvantaged Individuals.
Asset management system implemented.	100% of staff involved received appropriate training.	60% of staff trained in asset management.
Asset register for dplg assets implemented.	100% of assets accounted for in year-end report.	100% of assets accounted for.
(c) Communication and Information Services		
Development, maintenance and integration of Information Technology Infrastructure and Information Management systems.	IT Infrastructure developed, upgraded and maintained for all staff. All systems to be integrated and fully operational between 2002/5 financial year.	70% of infrastructure effectively functioning and used by staff In the financial year 2002/03, a plan and mechanism for the first phase were developed and implemented.
Increase public awareness of the dplg programmes	Disseminated of information through quarterly adverts, publications and Imbizo Focus Week.	Achieved 70% of intended target.

Outputs	Service Delivery Indicators	Actual Performance
(d) Intergovernmental Relations		
Proposals on the distribution of powers and functions between spheres of government.	<p>Framework for managing assignment of powers and functions to local government.</p> <p>Report assessing schedules 4 and 5 of the Constitution submitted to Cabinet.</p>	<p>A draft policy framework was developed, and submitted to the Governance and Administration Cluster for approval in February 2003, after consultation with national and provincial departments and Organised Local Government.</p> <p>A Draft Report was completed in March 2003.</p>
An enabling legal framework for intergovernmental relations.	Legislation implementing section 41 of the Constitution.	<p>Constitutional amendment to section 139 of the Constitution was passed by the National Assembly in February 2003 (National Treasury lead)</p> <p>Draft Bill on IGR and policy were produced.</p> <p>Guidelines on provincial-local IGR and for intergovernmental dispute settlement were produced.</p> <p>Proposals for strengthening the participation of Organised Local Government were submitted to the Governance and Administration cluster.</p>
(e) Development and Planning		
Consolidated development planning information coordination service.	Establishment of IDP Nerve Centre.	IDP Nerve Centre system designed; 80% IDPs captured electronically.
Build capacity for municipalities to undertake Integrated Development Planning (IDP) and Local Economic Development (LED)	Targeted support to municipalities.	National IDP implementation and review training completed; National LED training completed; 40 PIMS-Centres operating and providing localized support to municipalities.
Develop an intergovernmental integrated development planning framework.	Study on intergovernmental systems of planning and mechanism for implementation.	International study completed; IDP as a building block of intergovernmental planning study completed; and IDP, PGDS and NSDP relationship study completed.

Outputs	Service Delivery Indicators	Actual Performance
(e) Development and Planning (cont.)		
Develop a monitoring and evaluation system for integrated development planning.	Assessment report on IDP implementation, management approaches, and tools developed.	National IDP assessment completed; Guidelines prepared for municipalities on IDP implementation and review; IDP Nerve center system developed as monitoring tool; Evaluation studies conducted; support provided to provinces to establish monitoring systems.
Provision of infrastructure framework to guide infrastructure delivery.	MIG policy developed.	MIG rollout (Pilot) planned for 2003/04. Task Team of Directors-General constituted.
Effective provision of Infrastructure through CMIP programme.	Eradication of infrastructure backlog.	Increased number of citizens accessing basic infrastructure.
(f) Consolidated Municipal Infrastructure Programme		
Provision of developmental and bulk infrastructure.	Infrastructure promoting local economic development, job-creation and poverty alleviation.	315 projects were completed with a CMIP value of R480 million.
Water (150 projects) Sanitation (60 projects) Roads (50 projects)	Categories of projects funded.	Water (460 projects) Sanitation (280 projects) Roads (450 projects)
450 000 households per annum.	Number of beneficiaries	530 000 households
50% - Urban projects 50% - Rural projects 20% of allocation spent on urban and rural nodes.	Location of projects	51% - Urban projects 49% - Rural projects 39% of allocation was spent on nodal areas
30% - Men 30% - Women 30% - Youth	Employment opportunities	35% - Men 17% - Women 48% - Youth (Women youth are reported under youth component).
30% - Men 30% - Women 30% - Youth	Accredited training provided	38% - Men 18% - Women 44% - Youth (Women youth are reported under youth component).
300 SMME's per annum utilise.	SMME involvement	440 SMME's utilised

Outputs	Service Delivery Indicators	Actual Performance
(g) Local Economic Development		
Allocate Social Plan grant to support economic development in the rural areas through regeneration studies.	Seven rural nodes allocated and studies conducted to assess economic potential.	Economic regeneration plans were completed for five nodes.
Refinement of the LED policy.	Government wide LED Policy document.	Stakeholder consultations took place.
LED exhibition to the WSSD.	Showcasing LED programmes.	Successful exhibition.
Management of the LED Fund.	Income generation and job creation.	95 projects with potential for 1400 jobs.
(h) Integrated Sustainable Rural Development Programme (ISRDP) and Urban Renewal Programme (URP)		
Effective intergovernmental management and coordination.	Establish IGR management structures for the URP and the ISRDP.	An Inter-Departmental Task Team (ISRDP) and Urban Renewal Forum (URF) have been established, with national departments and provinces being active members.
Demonstrate visible progress with delivery in nodes.	Identify anchor projects for both programmes.	155 (ISRDP) and 79 (URP) anchor projects have been identified. Many projects are in the implementation phase.
Provide core kick-start funding for both programmes.	Secure funding from key programmes from the dplg and other government programmes.	From the dplg budget, R400m was set aside for the nodes from the Equitable Share and the CMIP.
Dedicated and Effective dplg management capacity.	Develop and advertise posts for both programmes.	Posts for a dedicated Unit for the URP and ISRDP have been created and will be filled in 2003.

Outputs	Service Delivery Indicators	Actual Performance
(i) Disaster Management		
Develop and implement a disaster management system.	<p>National disaster management policy and subordinate legislation.</p> <p>Appropriate funding mechanism for disaster management risk reduction and emergency relief.</p> <p>Disaster management information system.</p> <p>Inter-governmental multi-sectoral response to disasters.</p>	<p>Disaster Management Act 57 of 2002 promulgated on 15 January 2002</p> <p>Prepared recommendations for funding mechanisms for Disaster Management</p> <p>Ongoing development of an integrated Information and Technology system in terms of section 17 of the Disaster Management Act.</p> <p>Responded to various disasters in an intergrated, intergovernmental manner in liason with other relevant stakeholders.</p>
(j) Institutional Capacity-Building and Support		
<p>Capacity-building strategy for local and provincial government.</p> <p>Legislation to reform local government and institutions of traditional leaderships.</p>	<p>Support for the development of local capacity-building plans linked to municipal integrated development plans.</p> <p>Finalisation of the capacity-building financing framework.</p> <p>Promotion of the integration of donor programmes within the national strategic framework for capacity building.</p> <p>Rationalisation and repeal of old traditional leadership.</p>	<p>Draft Capacity Building Strategy developed.</p> <p>Capacity-building financing framework developed and captured in DORA. The framework lays the basis for the consolidation of all capacity grants across government, to be implemented during 2005/06; financial year.</p> <p>Review of donor management and coordination undertaken to create a framework for coordination. Major donors (EU, UN, USAID, DFID, NORAD) mobilized to support priority areas.</p> <p>Audit of all old order local government legislation completed and a database developed. Draft Bill on national framework legislation on traditional leadership being produced parallel to the White Paper process.</p>

Outputs	Service Delivery Indicators	Actual Performance
(k) Local Government Support Grant		
Viable and stable municipalities.	Appointment of management support to assist with fiscal restructuring in financially distressed municipalities.	Management Support Teams were appointed by provinces to assist 116 municipalities in financial distress. An amount of R173 million was used for this purpose. 20% of these municipalities have since improved their financial position, settled their arrear statutory debts and are no longer in the financial support program.
(l) Local Government Transition Fund		
Technical assistance to municipalities during the transition.	Transfer funds to eligible municipalities timeously.	More than 40% of municipalities were supported through the fund. Currently they have systems and institutional capacity to effectively undertake service delivery programs.
(m) Municipal Systems Improvement Programme		
Assistance to municipalities for implementing new operational and organizational systems.	Implementation of new performance management system in pilot municipalities and integrated development plans prepared in line with the legislation.	Through this grant, 36 out of 47 District Municipalities were assisted to establish PIMS Centers, 26 municipalities piloted the implementation of performance management system, and almost all municipalities developed and reviewed their IDP plans.
(n) Local Government Equitable Share		
Transfer funds	Transfer funds to all eligible municipalities.	All funds transferred within second month of quarter (May, August, November and February) as prescribed in the DORA 2002.
Review impact of equitable share on municipalities	Incorporate R293 town personnel allocation into the equitable share for local government.	R293 town personnel allocation incorporated and administered as a separate window of the equitable share.
Implementation of free basic services policy.	Annual measure of appropriateness of formula and size of allocations.	Substantial additional funding was secured for local government in the short to medium-term. The equitable share for local government increased from R2, 8 billion to R3, 96 billion.
	National strategies in place to assist municipalities in the implementation of policy.	All municipalities were given assistance with the implementation of Free Basic Water policy.

Outputs	Service Delivery Indicators	Actual Performance
(o) Project Viability		
Project Viability Monitor municipal finances and performance of municipalities.	Quarterly report on finances and performance.	Three quarterly reports on the state of municipal finances were produced A report on municipal debt was produced and presented to the Municipal Financial Viability Indaba held on 5-6 December 2002.
(p) Performance Management and Monitoring		
Monitoring performance of local and provincial government.	Monitoring reports based on local government key performance indicators produced.	Four quarterly monitoring reports on performance of local government transformation produced.
	Performance monitoring systems established and fully operational in provinces.	A draft framework on provincial performance monitoring has been developed.

Outputs	Output measure / Indicators	Actual Performance
(q) National House of Traditional Leaders		
Negotiate with Government on matters relating to traditional leadership.	Representation of traditional leaders and consultation with other key stakeholders.	An annual report submitted to Parliament
(r) Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities		
Parliament adopts legislation on the Commission.	Establishment of the Commission	The Act was promulgated as No. 9 of 2002.
(s) Municipal Demarcation Board		
Review existing municipal and ward boundaries.	Attend to queries and complaints, particularly about boundaries of tribal authorities.	A separate annual report detailing actual performance is tabled in Parliament.
Update and maintain database.	Up-to-date information on municipalities.	
Attend to requests from the Minister and MECs responsible for local government to re-demarcate municipal boundaries.	Survey all cross-boundary municipalities.	
	Proposal to the Minister and MECs on the boundaries of tribal authorities.	

Chapter 5

The Strategic Context 2003/4 to 2005/6

Based on the organisational performance outlined in the sections above, our management of the budget in the 2003/04 financial year will be guided by a renewed strategic focus. The strategic goals of stability and predictability translates into six specific external **core** objectives and two internal core objectives for the **dplg** during this period, namely:

External focus

Deepening local democracy, accountability and public participation:

Various support measures to secure local participatory governance systems (IDP, ward committees, community development workers) will be strengthened.

Sustainable service delivery is also fundamentally rooted in the need to *deepen the current system of democracy*. A truly liberated nation is one where the populace are able to express their needs and actively participate in service delivery. In an attempt to strengthen this aspect of development, Community Development Workers will be deployed in the various development nodes. This participation has a number of benefits for the various role players. It will strengthen ward committees and civic society structures to be active participants in initiatives intended to improve their lives.

Accelerating the delivery of free basic services (FBS) at local government level

The **dplg**'s main focus under this objective is the effective co-ordination of the FBS program

and ensuring appropriate funding through existing fiscal instruments. The implementation of these programs, however, remains with the sector departments .

Strengthening institutional and administrative systems for local government

A program of targeted support to municipalities, through, amongst other things, trouble-shooting teams working with municipalities in key areas defines the **dplg**'s focus under this objective.

Strengthening intergovernmental fiscal relations and enhancing overall municipal viability

The consolidation of capital grants into a single infrastructure grant, the implementation of the Municipal Finance legislation, the introduction of a Revenue Enhancement Program, a new rates regime, the development of the Local Government Leadership Academy engaging with the process to restructure the electricity sector, the creation of a conducive municipal borrowing environment, and the introduction of an anti-corruption strategy for local government are the main high-level activities under this objective.

Supporting Provincial Government

A dedicated focus on provincial government is a new feature of **dplg** work. Activities will concentrate on supporting the Office of the Premier to coordinate IGR, supporting provincial planning, assessing provincial capacity, and supporting provinces to fulfil their implementation obligations under the new municipal finance legislation.

Stabilising the system of intergovernmental relations (IGR)

The main high-level activity under this objective is to provide legal certainty for IGR through a Bill to implement Section 41 of the Constitution. This Bill will provide a principle-based approach to facilitating IGR, in particular with regard to issues of planning, budgeting and implementation, and will have benefits for Local Municipalities, District Municipalities and Metropolitan Councils by:

- Ensuring savings on opportunity costs and improved service delivery through better coordination in the IGR system;
- Ensuring that IGR planning processes are more predictable;
- Structuring the participation of the three categories of municipalities;
- Improving the predictability of the fiscal allocation processes.

The second activity is the introduction of a framework for the assignment of powers and functions to the local government sphere. The production of the framework will ensure an integrated and co-ordinated approach to assignment.

Internal focus

Deepening corporate governance practices within the dplg business culture

In providing leadership in governance, IGR and transformation of local government, the **dplg** must be a catalyst in corporate governance structures and procedures among clients and

stakeholders, to assist in the prevention of and the fight against corruption. This will also ensure that clients have proper and appropriate legal compliance mechanisms in place to promote good governance.

Strengthening corporate capacity

During the next five years the **dplg** will be faced with the enormous task of providing leadership in the areas of local government transformation, inter-governmental relations, governance, service delivery improvement, development and enabling its clients to deliver through appropriate systems.

In order to achieve its objectives, the Department needs to:

- Be seen as a transformation and change agent;
- Transform with strong and appropriate systems, the best skilled and competent staff and competent managers and leaders;
- Entrench the values of *Batho Pele* (People First); and
- Meet the increasing demands and challenges for information and communication with clients and the public.

The reassessment of powers and functions in Schedules 4 and 5 of the Constitution constitutes another high-level activity. The reassessment of Schedules 4 and 5 powers and functions will provide the basis for decision-making in respect of the possible reallocation of functions across the three spheres of government.

Chapter 6

Conclusion

In conclusion, the financial year under review showed that the Department of Provincial and Local Government has achieved significant milestones under **Programme 1: Administration**. These include the strengthening of our human resources capacity through the competent recruitment and maintenance of staff. The Department also established a stronger internal capacity to improve the quality of work life for staff.

The Department has improved its capacity to manage finances and resources through the establishment of systems that have improved the management of the PFMA and Treasury Regulations.

In communication there was a significant participation in provincial conferences, exhibitions and imbizos, contributing greatly to strengthening the image and profile of the Ministry and the **dplg**. The Department has built its own IT infrastructure, increased the access of staff to computers and developed a website.

In relation to **Programme 2: Governance and Development**, the Annual Report examines the priority of integrated governance adopted by the Governance and Administration Cluster. Other issues of significance are the guidelines for IDP and the establishment of 36 PIMS centres in district municipalities. The design and establishment of the IDP Nerve Centres as a strategic information management tool is another notable achievement.

Significant strides have also been made by the

ISRDP and the URP in meeting their targets of sustainable development.

Programme 3: Institutional Reform and Support was able to conclude the legislative process of disaster management through the promulgation of the Disaster Management Act, 57 of 2002. Other notable achievements were the passage through Cabinet of the Draft White Paper on Traditional Leadership and Governance in October 2002; the introduction of a pilot performance management system in 26 municipalities, and the hosting of the Municipal Debt Indaba in December 2002.

The Annual Report also highlights the achievements of **Programme 4: Auxiliary and Associated Services**. The National House of Traditional Leaders contributed significantly to policy processes. The selection panel for the nomination of commissioners for the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities was appointed after the National Assembly and the National Council of Provinces (NCOP) adopted the Bill in March and June 2002 respectively, and after the President subsequently signed the Act in July 2002. The Municipal Demarcation Board continues with its work on the division of powers and functions between categories B and C municipalities. SALGA continues to make a significant contribution to intergovernmental work through MINMEC and the PCC. Lastly, the MIIU continues to exert its influence and impact in the support it provides to municipalities in driving service partnerships.

The **dplg**'s work, whether in breaking new ground in the field of disaster management, negotiating the concerns of traditional leadership or refining and redefining support for local and provincial government, lies at the heart of the new South African democracy. It also affects the quality of lives of ordinary people, whether in the form of accelerating the delivery of free basic services for the indigent, or ensuring that local government - the prime

driver of development - works effectively with the full participation of civil society. In sum, the **dplg** is helping South Africa to work to its full potential in the service of all its people. The **dplg**, and its staff, takes pride in this key service to the nation and is wholly committed to improving the quality, depth and reach of its services, in pursuit of better delivery and sustainable development.

Report of the Audit Committee

DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2003. It is, however, pertinent to record that the Committee, as presently constituted, was only appointed with effect from 28 March 2003.

Audit Committee Members and Attendance

The Audit Committee was reconstituted during the financial year, therefore the members and attendance for the respective periods have been reflected. It is relevant to record the number of meetings up to the date of this report, as these meetings concentrated on the financial statements and the Draft Auditor General's Report.

Name of Member	Number of Meetings Attended
1 April 2002 - 30 September 2002	
Mr Pierre van der Merwe (Chairperson)	1
Mr Jerry Malaka (Acting Chief Financial Officer)	1
28 March 2003 - 31 March 2004	
Mr Andile Sangqu (Chairperson)	3
Ms Nadira Singh	2
Ms Londiwe Mthembu	2
Ms Nomfuyo Galeni	2
Mr Phakamile Ngaki	2
Ms Lindiwe Msengana-Ndlela (Director-General)	3
Mr Craig Clerihew (Chief Financial Officer)	2
Mr Jerry Malaka (Acting Chief Financial Officer)	1

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee Charter had been formally adopted by the previous Audit Committee. The current Audit Committee has agreed to adopt it as an interim Audit Committee Charter and will ratify it after a full risk assessment of the Department has been conducted. The affairs of the two committees were regulated in compliance with this Charter and the responsibilities contained therein have been discharged.

The Effectiveness of Internal Controls

The records of the previous Audit Committee, the Audit Report on the Annual Financial Statements, the matters of emphasis and the management letter of the Auditor-General have not reported any material non-compliance with the prescribed policies and procedures, with the exception of the management of the various grants in accordance with the Division of Revenue Act, 2002.

The Committee noted the various items which the Office of the Auditor-General had listed as impacting on internal control, and their categorisation into a rating classification of fundamental, serious and housekeeping. Whilst these items are important and Management has acknowledged that they must be addressed, only those considered to be fundamental were recorded in the Auditor-General Report, under Matters of Emphasis. The progress in addressing all the issues will be monitored.

A risk assessment had been conducted in a previous financial year and the high risk areas prioritised for examination by the internal audit unit. The Committee, at its first meeting, resolved that the current risks for the Department should be addressed in a structured and comprehensive manner and that the Committee would facilitate a risk assessment to determine the material risks to which the Department may be exposed and to evaluate the strategy for managing those risks. An independent risk assessment has been commissioned with results expected within three months.

Quality of Management and Monthly/Quarterly Reports Submitted in Terms of the Act and the Division of Revenue Act

The Committee has no evidence, other than the comment of the Auditor-General in his report on the Division of Revenue Act, to express any dissatisfaction with the quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review. However, it was noted that some suspense accounts had not been cleared on a monthly basis. The Department was able to explain the reasons for this.

The non-compliance in terms of the Division of Revenue Act is viewed very seriously, notwithstanding that the Report of the Auditor-General does not record any serious financial loss to the Department. An assurance was given by Management that measures are being introduced to address these matters. The Committee has recommended that a more effective internal reporting system be introduced to ensure that Management is made aware of any problem areas at an early stage. In line with the findings of the Auditor-General, there is concern that the monitoring and evaluation of the utilisation of transferred funds are not, in all cases, as effective as they should be.

Evaluation of Financial Statements

The Audit Committee has

- Reviewed and discussed with the Auditor-General and the Accounting Officer the audited annual financial statements to be included in the annual report; and
- Reviewed the Auditor-General's management letter and management response.

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

Internal Audit Function

The comment by the Auditor-General, that no reliance could be placed on the work of the Internal Audit component, has been noted. It was accepted that this was to a large extent due to capacity constraints within the component which has been acknowledged by Management as a weakness in the Department Structure. This is being addressed by the Department and should be further reinforced as soon as the results and implementation plan of the risk assessment are available. The outlook for the future is therefore seen in a positive light. In the interim, the Internal Audit component will implement the Interim Audit Plan and reports should start to be presented to the Committee.

I would like to record the appreciation of the members of the Audit Committee for the forthrightness of the management of the Department in response to issues raised and the acknowledgement of the need for teamwork. The inputs from the Office of the Auditor-General were also valued.

Mr Andile Sangqu

CHAIRPERSON OF THE AUDIT COMMITTEE

Annexure B

Report of the Auditor-General

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT - VOTE 5 FOR THE YEAR ENDED 31 MARCH 2003

1. AUDIT ASSIGNMENT

The financial statements as set out on pages ??? to ???, for the year ended 31 March 2003, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

I believe that the audit provides a reasonable basis for my opinion.

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Department of Provincial and Local Government (dplg) at 31 March 2003 and the results of its operations and cash flows for the year then ended, in accordance with prescribed accounting practice and Public Finance Management Act.

4. EMPHASIS OF MATTER

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:

4.1 Matters affecting the financial statements

4.1.1 Material contravention of the requirements of the Division of Revenue Act

The department effected transfer payments of R 2,4 billion to various provincial departments and local authorities. This constitutes 35.8% of the department's expenditure. Due to the ineffective monitoring and review over compliance with the requirements of the Division of Revenue Act and gazetted conditions, I could not even through alternative procedures satisfy myself that the transfer payments were utilised as stipulated.

As a result of the internal control weaknesses over the transfer payments in terms of DORA, fifteen payments (R4,8 million) were made in error to local authorities and is included in accounts receivable as amounts disallowed.

4.1 Matters not affecting the financial statements

4.2.1 Control over assets

During the audit of assets, the following shortcomings in the control of assets and inventory were identified and brought to the attention of the accounting officer:

- The Asset Management Policy had not been approved.
- No unique identification number was allocated to control assets and their physical locations.
- Bin cards (control over E-class stock) were not updated regularly, which resulted in inadequate controls over assets.
- Inadequate control over equipment moving to/from the IT section.

4.2.2 Internal audit function

No reliance could be placed on the work of internal audit as no audit reports were finalised and presented to the Audit Committee during the year under review.

4.2.3 Limited scope Information systems audit of the general control environment

A limited scope information systems (IS) audit of the general control environment at the dplg was completed on 2 October 2002 and the findings were brought to the attention of the department.

The findings arising from this audit indicated that some controls were in place in respect of the focus areas in the general control environment at the department.

However, a number of high-risk control weaknesses existed, i.e. no formally approved security policy, no disaster recovery plan, no change control procedures, no backup and restore procedures and no user account management procedures. Furthermore, formally approved service level agreements also did not exist between the department and all the third parties with whom it had arrangements for the delivery of IT services.

5. APPRECIATION

The assistance rendered by the staff of the department during the audit is sincerely appreciated.

Shaunet Fakie

SA Fakie
AUDITOR-GENERAL
Pretoria
29 July 2003

Management Report and Financial Statements

NATIONAL DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT VOTE 5 MANAGEMENT REPORT for the year ended 31 MARCH 2003

Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa

1. General review of the state of financial affairs

1.1 The main estimates of National expenditure provided for the appropriation of an amount of R6 384 976 000 and this was increased by R194 662 000 in the Adjustments Estimate to bring the total amount voted to R6 579 638 000. This represented an increase of R1 842 295 000 (38.9%) over the previous financial year. The main increases were in respect of the equitable share and conditional grants to local government.

1.2 The comparative revised budget allocations are as follows:

Allocations per programme

	Previous year R'000	Current year R'000
Programme 1: Administration	32 673	43 394
Programme 2: Governance and Development	1 192 317	1 973 644
Programme 3: Institutional Reform and Support	3 482 416	4 526 737
Programme 4: Auxiliary and Associated Services	29 937	35 863
Total	4 737 343	6 579 638

Allocation per Standard Item

Personnel	44 801	50 057
Administrative	20 460	25 505
Inventories	3 874	5630
Equipment	7 270	6 473
Professional and Special services	58 112	54 316
Transfer payments	4 602 759	6 437 304
Miscellaneous	67	353
Total	4 737 343	6 579 638

Under/ (over) spending

The total under expenditure amounted to R22 878 990 which is 0.3% of the amount voted. The main contributing factors to this under expenditure and the reasons therefore, are the following:

<i>Working on Fire</i>	R8 712 832
------------------------	------------

The project "Work on Fire" could only become operational after the funds were transferred from the Department of Water Affairs and Forestry during November 2002. The traditional fire season was virtually over for the summer rainfall part of South Africa at that time, and expenditure only occurred in the traditional winter rainfall part of South Africa.

<i>Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities.</i>	R8 923 000
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The Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act was only assigned to the **dplg** on 8 November 2002 and the commission had not been formed by 31 March 2003.

<i>Personnel</i>	R3 741 879
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The Department could not fill all the vacancies throughout the year due to the delay in recruiting competent candidates and the evaluation of posts.

<i>Administrative expenditure</i>	(R2 878 527)
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The over expenditure was mainly as a result of the increased travel expenses, telecommunication costs and the increased needs for stationery.

<i>Professional and special services</i>	R4 380 165
--	------------

The under expenditure was mainly as a result of the delays in the finalisation of tenders and the non-utilisation of the provision for subsidised vehicles.

2. Services rendered by the Department

The Department does not provide services for which a tariff must be determined, or render a free service as contemplated in Treasury regulation 7.3.2.

3. Capacity constraints

The major capacity constraints during the course of the year were mainly in the management of transfer payments and the Internal Audit unit. The re-definition of the required outcomes has resulted in a restructuring process, which will be completed in 2003/04.

4. Utilisation of donor funds

The donor funds were utilised in the following areas:

- Local government capacity building
- Project Viability
- Local government support in Mpumalanga and the Limpopo Provinces
- Winter schools on Intergovernmental Relations
- Sector budget support programme
- Local government support programmes (Direct support to Municipalities)

5. Trading entities/public entities

There are no trading entities under the control of the Department.

The Municipal Infrastructure Investment Unit (MIIU) and The South African Local Government Association (SALGA) are listed public entities.

6. Other organisations to whom transfer payments have been made

- Municipal Demarcation Board
- Municipalities
- Provinces

7. Public/private partnerships

The Department has not entered into any such agreements.

8. Corporate governance arrangements

The internal audit plan was developed in line with relevant priority risk areas and formed the first year of the rolling three year Strategic Internal Audit Plan. The Internal Audit Unit could not fully adhere to the Audit Plan as a result of capacity constraints within the unit.

A fraud prevention policy was developed. The steps implemented have resulted in a decrease in fraud cases from that reported in the previous years. Specific attention was also given to the management of the government vehicle fleet.

9. Discontinued activities/activities to be discontinued

None

10. New/proposed new activities

A new activity was created during the year, namely a Corporate Secretariat. It is also intended to create units, which will be responsible for Corporate Governance and Free Basic Services.

11. Events after the accounting date

None

12. Progress with financial management improvement

The financial delegations, in accordance with the PFMA and the Treasury Regulations were finalised and approved in the first quarter of the 2002/03 financial year. All activities were assigned and programme managers appointed to account for all budgeted funds.

13. Performance information

The PFMA implementation plan was monitored during the year to ensure compliance.

The performance indicators, as contained in the Normative Measures for Financial Management, have been reported on and reflect a substantial degree of implementation.

Approval

The annual financial statements as set out on pages ??? to ??? have been approved by the Accounting Officer.



Ms Lindiwe Msengana-Ndlela

Director General

30 August 2003

STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

for the year ended 31 March 2003

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

1. Basis of preparation

The financial statements have been prepared on the modified cash basis of accounting, except where stated otherwise. The reporting entity is in transition from reporting on a cash basis of accounting to reporting on an accrual basis of accounting. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. Revenue

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimate of National Expenditure. Unexpended voted funds are surrendered to the National Revenue Fund.

Interest and dividends received are recognised upon receipt of the funds, and no accrual is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the financial statements of the department and then transferred to the National Revenue Fund.

3. Donor aid

Donor Aid is recognised in the income statement in accordance with the cash basis of accounting.

4. Current expenditure

Current expenditure is recognised in the income statement when the payment is made.

5. Unauthorised, irregular, and fruitless and wasteful expenditure

Unauthorised expenditure means:

- the overspending of a vote or a main division within a vote, or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act ,
- the State Tender Board Act, or any regulations made in terms of this act.

Irregular expenditure is treated as expenditure in the income statement.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined.

6. Debts written off

Debts are written off when identified as irrecoverable. No provision is made for irrecoverable amounts.

7. Capital expenditure

Expenditure for physical items on hand on 31 March 2003 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement. Physical assets acquired are expensed i.e. written off in the income statement when the payment is made.

8. Investments

Marketable securities are carried at market value. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date.

Non-current investments excluding marketable securities are shown at cost and adjustments are made only where in the opinion of the directors, the investment is impaired. Where an investment has been impaired, it is recognised as an expense in the period in which the impairment is identified.

Increases in the carrying amount of marketable securities classified as non-current assets are credited to revaluation and other reserves in shareholders' equity. Decreases that offset previous increases of the same marketable security are charged to the income statement. Increases/decreases in the carrying amount of marketable securities classified as current assets are credited/charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement. On disposal of a marketable security classified as a non-current asset, amounts in revaluation and other reserves relating to that marketable security, are transferred to retained earnings.

9. Investments in controlled entities

Investments in controlled entities are those entities where the reporting entity has the ability to exercise any of the following powers to govern the financial and operating policies of the entity in order to obtain benefits from its activities:

- To appoint or remove all, or the majority of, the members of that entity's board of directors or equivalent governing body;
- To appoint or remove the entity's chief executive officer;
- To cast all, or the majority of, the votes at meetings of that board of directors or equivalent governing body; or
- To control all, or the majority of, the voting rights at a general meeting of that entity.

Investments in controlled entities are shown at cost.

10. Receivables

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the balance sheet arise from cash payments that are recoverable from another party.

Receivables for services delivered are not recognised in the balance sheet as a current asset or as income in the income statement, as the financial statements are prepared on a cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

11. Payables

Payables are not normally recognised under the cash basis of accounting. However, payables included in the balance sheet arise from cash receipts that are due to either the National Revenue Fund or another party.

12. Provisions

A provision is a liability of uncertain timing or amount. Provisions are not normally recognised under the cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

13. Lease commitments

Lease commitments for the period remaining from the accounting date until the end of the lease contract are disclosed as a note to the financial statements. These commitments are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting.

14. Accruals

This amount represent goods/services that have been delivered, but no invoice has been received from the supplier at year end, OR an invoice has been received but remains unpaid at year end. These amounts are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting, but are however disclosed.

15. Employee benefits

Short-term employee benefits

The cost of short-term employee benefits is expensed in the income statement in the reporting period that the payment is made. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a note to the financial statements and are not recognised in the income statement.

Termination benefits

Termination benefits are recognised and expensed only when the payment is made.

Retirement benefits

The department provides retirement benefits for its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Medical benefits

The department provides medical benefits for (certain/all) its employees through defined benefit plans. These benefits are funded by employer and/or employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the department.

Post retirement medical benefits for retired members are expensed when the payment is made to the fund.

16. Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investments and/or loans capitalised, or deposits paid on behalf of employees of a foreign mission, for the first time in the previous financial year. On disposal, repayment or recovery, such amounts are transferable to the National Revenue Fund.

17. Recoverable revenue

Recoverable revenue represents payments made and recognised in the income statement as an expense in previous years, which have now become recoverable from a debtor due to non-performance in accordance with an agreement. Repayments are transferred to the National Revenue Fund as and when the repayment is received.

18. Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the department may reasonably have available for reporting.

Provincial and Local Government Vote5

APPROPRIATION STATEMENT for the year ended 31 March 2003

Programme	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
1. Administration			
Current	39 432	1 856	41 288
Capital	1 758	–	1 758
2. Governance and development			
Current	193 684	(348)	193 336
Capital	1 780 308	–	1 780 308
3. Institutional reform and support			
Current	4 528 015	(1856)	4 526 159
Capital	578	–	578
4. Auxiliary and associated services			
Current	32 505	–	32 505
Capital	3 358	–	3 358
5. Special functions: Authorised losses			
Current	–	348	348
Capital	–	–	–
Total	6 579 638	–	6 579 638
Economic classification			
Current	4 779 986	–	4 779 986
Personnel	50 477	(420)	50 057
Transfer payments	4 643 084	–	4 643 084
Other	86 425	420	86 845
Capital	1 799 652	–	1 799 652
Transfer payments	1 794 220	–	1 794 220
Acquisition of capital assets	5 432	–	5 432
Total	6 579 638	–	6 579 638

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
41 254	34	100	31 098	29 013
1 768	(10)	101	1 508	934
189 542	3 794	98	67 342	59 102
1 780 998	(690)	100	1 124 975	1 082 708
4 516 388	9 771	100	3 480 708	3 452 785
558	20	97	1 708	1 757
23 556	8 949	72	27 706	23 286
2 349	1 009	70	2 231	3 414
347	1	100	67	67
—	—	—	—	
6 556 760	22 878	100	4 737 343	4 653 066
4 771 086	8 900	100	3 606 853	3 564 252
46 315	3 742	93	44 801	34 182
4 647 925	(4841)	100	3 478 184	3 461 993
76 846	9 999	88	83 868	68 077
1 785 674	13 978	99	1 130 490	1 088 814
1 779 832	14 388	99	1 124 575	1 082 376
5 842	(410)	108	5 915	6 438
6 556 760	22 878	100	4 737 343	4 653 066

APPROPRIATION STATEMENT for the year ended 31 March 2003 (continue)

Standard item classification	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
Personnel	50 477	(420)	50 057
Administrative	24 780	725	25 505
Inventories	6 283	(653)	5 630
Equipment	6 473	–	6 473
Professional and special services	54 316	–	54 316
Transfer payments	6 437 304	–	6 437 304
Miscellaneous	5	348	353
Special functions	–	–	–
Total	6 579 638	–	6 579 638

DETAIL PER PROGRAMME 1 for the year ended 31 March 2003

Programme per subprogramme	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
1.1 Minister			
Current	691	–	691
Capital	–	–	–
1.2 Deputy Minister			
Current	536	–	536
Capital	–	–	–
1.3 Management			
Current	3 774	–	3 774
Capital	30	–	30
1.4 Corporate services			
Current	34 431	1 856	36 287
Capital	1 728	–	1 728
1.5 Special functions: Authorised losses			
Current	–	348	348
Capital	–	–	–
Total	41 190	2 204	43 394

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
46 315	3 742	93	44 801	34 182
27 671	(2166)	108	20 460	17 660
4 960	670	88	3 874	3 157
7 763	(1290)	120	7 270	7 457
41 936	12 380	77	58 112	46 162
6 427 757	9 547	100	4 602 759	4 544 369
358	(5)	101	–	12
–	–	–	67	67
6 556 760	22 878	100	4 737 343	4 653 066

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
691	–	100	634	646
–	–	–	–	–
536	–	100	405	420
–	–	–	–	–
3 211	563	85	3 109	3 063
199	(169)	663	–	–
36 815	(528)	101	26 950	24 884
1 570	158	91	1 508	934
347	1	100	67	67
–	–	–	–	–
43 369	25	100	32 673	30 014

DETAIL PER PROGRAMME 1 for the year ended 31 March 2003 (continue)

	2002/03		
Economic classification	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
Current	39 462	2 204	41 666
Personnel	22 806	666	23 472
Transfer payments	–	–	–
Other	16 656	1 538	18 194
Capital	1 728	–	1 728
Transfer payments	–	–	–
Acquisition of capital assets	1 728	–	1 728
Total	41 190	2 204	43 394
Standard item classification			
Personnel	22 806	666	23 472
Administrative	9 729	725	10 454
Inventories	1 168	465	1 633
Equipment	2 726	–	2 726
Professional and special services	4 761	–	4 761
Transfer payments	–	–	–
Miscellaneous	–	–	–
Special functions	–	348	348
Total	41 190	2 204	43 394

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
41 600	66	100	31 165	29 080
22 474	998	96	17 461	15 944
–	–	–	–	–
19 126	(932)	105	13 704	13 136
1 769	(41)	102	1 508	934
–	–	–	–	–
1 769	(41)	102	1 508	934
43 369	25	100	32 673	30 014
22 474	998	96	17 461	15 944
11 537	(1083)	110	8 592	8 271
1 633	–	100	923	980
2 761	(35)	101	2 460	1 728
4 607	154	97	3 170	3 024
–	–	–	–	–
10	(10)	–	–	–
347	1	100	67	67
43 369	25	100	32 673	30 014

DETAIL PER PROGRAMME 2 for the year ended 31 March 2003

Programme per subprogramme	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
2.1 Management			
Current	1 372	–	1 372
Capital	–	–	–
2.2 Intergovernmental relations			
Current	6 382	–	6 382
Capital	–	–	–
2.3 Development and planning			
Current	10 207	(348)	9 859
Capital	305	–	305
2.4 Consolidated Municipal Infrastructure Programme			
Current	128 299	–	128 299
Capital	1 670 798	–	1 670 798
2.5 Local Economic Development and Social Plan Grant			
Current	4 882	–	4 882
Capital	109 201	–	109 201
2.6 Municipal Infrastructure Investment Unit			
Current	7 000	–	7 000
Capital	–	–	–
2.7 Integrated Sustainable Rural Development Programme			
Current	35 542	–	35 542
Capital	4	–	4
Total	1 973 992	(348)	1 973 644
Economic classification			
Current	180 031	–	179 683
Personnel	9 886	(348)	9 538
Transfer payments	147 008	–	147 008
Other	23 137	–	23 137
Capital	1 793 961	–	1 793 961
Transfer payments	1 793 621	–	1 793 621
Acquisition of capital assets	340	–	340
Total	1 973 992	(348)	1 973 644

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
1 472	(100)	107	1 015	951
42	(42)		–	9
5 795	587	91	4 731	3 870
66	(66)		3	72
9 629	230	98	10 868	7 524
356	(51)	117	348	102
126 425	1 874	99	7 724	4 083
1 670 830	(32)	100	1 026 049	996 151
3 062	1 820	63	3 984	3 656
109 065	136	100	98 575	86 374
7 000	–	100	6 000	6 000
–	–	–	–	–
36 159	(617)	102	33 020	33 018
639	(635)	–	–	–
1 970 540	3 104	100	1 192 317	1 141 810
189 542	(9859)	105	67 342	59 102
7 779	1 759	82	9 601	6 001
160 611	(13603)	109	39 590	39 588
21 152	1 985	91	18 151	13 513
1 780 998	12 963	99	1 124 975	1 082 708
1 779 832	13 789	99	1 124 475	1 082 376
1 166	(826)	343	500	332
1 970 540	3 104	100	1 192 317	1 141 810

DETAIL PER PROGRAMME 2 for the year ended 31 March 2003 (continue)

Standard item classification	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
Personnel	9 886	(348)	9 538
Administrative	4 167	–	4 167
Inventories	1 491	–	1 491
Equipment	343	–	343
Professional and special services	17 476	–	17 476
Transfer payments	1 940 629	–	1 940 629
Miscellaneous	–	–	–
Special functions	–	–	–
Total	1 973 992	(348)	1 973 644

DETAIL PER PROGRAMME 3 for the year ended 31 March 2003

Programme per subprogramme	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
3.1 Management			
Current	1 241	–	1 241
Capital	–	–	–
3.2 Disaster Management			
Current	16 418	–	16 418
Capital	400	–	400
3.3 Institutional capacity building and support			
Current	12 200	(1456)	10 744
Capital	107	–	107
3.4 Performance management and monitoring			
Current	8 556	(400)	8 156
Capital	71	–	71
3.5 South African Local Government Association			
Current	22 000	–	22 000
Capital	–	–	–
3.6 Project viability			
Current	13 917	–	13 917
Capital	–	–	–

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
7 779	1 759	82	9 601	6 001
5 617	(1450)	135	4 311	3 346
1 752	(261)	118	1 022	1 464
1 219	(876)	355	568	363
13 730	3 746	79	12 750	8 672
1 940 443	186	100	1 164 065	1 121 964
–	–	–	–	–
–	–	–	–	–
1 970 540	3 104	100	1 192 317	1 141 810

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
1 621	(380)	131	1 246	1 144
102	(102)		–	–
8 043	8 375	49	26 656	26 515
198	202	50	1 700	1 708
10 435	309	97	11 846	6 732
214	(107)	200	8	43
6 588	1 568	81	8 307	4 249
44	27	62	–	7
22 000	–	100	16 000	16 000
–	–	–	–	–
14 057	(140)	101	17 659	12 580
–	–	–	–	–

DETAIL PER PROGRAMME 3 for the year ended 31 March 2003 (continue)

Programme per subprogramme	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
3.7 Local government support			
Current	173 000	–	173 000
Capital	–	–	–
3.8 Local Government Transition Fund			
Current	223 238	–	223 238
Capital	–	–	–
3.9 Municipal systems improvement programme			
Current	93 831	–	93 831
Capital	–	–	–
3.10 Local government equitable share			
Current	3 963 614	–	3 963 614
Capital	–	–	–
Total	4 528 593	(1856)	4 526 737
Economic classification			
Current	4 528 018	(1856)	4 526 162
Personnel	14 575	(738)	13 837
Transfer payments	4 475 683	-	4 475 683
Other	37 760	(1118)	36 642
Capital	575	-	575
Transfer payments	-	-	-
Acquisition of capital assets	575	-	575
Total	4 528 593	(1856)	4 526 737
Standard item classification			
Personnel	14 575	(738)	13 837
Administrative	6 340	-	6 340
Inventories	2 025	(1118)	907
Equipment	578	-	578
Professional and special services	29 387	-	29 387
Transfer payments	4 475 683	-	4 475 683
Miscellaneous	5	-	5
Special functions	-	-	-
Total	4 528 593	(1856)	4 526 737

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
173 000	–	100	160 000	160 000
–	–	–	–	–
223 199	39	100	578 000	577 072
–	–	–	–	–
93 831	–	100	42 871	41 236
–	–	–	–	–
3 963 614	–	100	2 618 123	2 607 256
–	–	–	–	–
4 516 946	9 791	100	3 482 416	3 454 542
4 516 388	9 774	100	3 480 708	3 452 785
12 989	848	94	14 826	10 586
4 475 644	39	100	3 419 994	3 406 563
27 755	8 887	76	45 888	35 636
558	17	97	1 708	1 757
-	-	-	-	-
558	17	97	1 708	1 757
4 516 946	9 791	100	3 482 416	3 454 542
12 989	848	94	14 826	10 586
6 060	280	96	4 644	2 964
528	379	58	1 387	254
776	(198)	134	2 111	1 894
20 949	8 438	71	39 454	32 270
4 475 644	39	100	3 419 994	3 406 563
-	5	-	-	11
-	-	-	-	-
4 516 946	9 791	100	3 482 416	3 454 542

DETAIL PER PROGRAMME 4 for the year ended 31 March 2003

Programme per subprogramme	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
4.1 Communication service			
Current	7 799	–	7 799
Capital	2 259	–	2 259
4.2 National House of Traditional Leaders			
Current	4 113	–	4 113
Capital	500	–	500
4.3 Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities			
Current	8 923	–	8 923
Capital	–	–	–
4.4 Municipal Demarcation Board			
Current	11 670	–	11 670
Capital	–	–	–
4.5 Government motor transport			
Current	–	–	–
Capital	599	–	599
4.6 Public Sector Education and Training Authority			
Current	–	–	–
Capital	–	–	–
Total	35 863	–	35 863
Economic classification			
Current	32 505	–	32 505
Personnel	3 210	–	3 210
Transfer payments	20 393	–	20 393
Other	8 902	–	8 902
Capital	3 358	–	3 358
Transfer payments	599	–	599
Acquisition of capital assets	2 759	–	2 759
Total	35 863	–	35 863

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
7 531	268	97	5 319	3 688
2 329	(70)	103	997	1 904
4 355	(242)	106	3 747	3 736
20	480	4	168	168
–	8 923		2 698	20
–	–	–	–	–
11 670	–	100	15 842	15 842
–	–	–	–	–
–	–	–	–	
–	599	–	1 066	1 342
–	–	–	100	–
–	–	–	–	–
25 905	9 958	72	29 937	26 700
23 556	8 949	72	27 706	23 286
3 074	136	96	2 913	1 651
11 670	8 723	57	18 600	15 842
8 812	90	99	6 193	5 793
2 349	1 009	70	2 231	3 414
–	599		100	–
2 349	410	85	2 131	3 414
25 905	9 958	72	29 937	26 700

DETAIL PER PROGRAMME 4 for the year ended 31 March 2003 (continue)

Standard item classification	2002/03		
	Adjusted Appropriation R'000	Virement R'000	Revised Allocation R'000
Personnel	3 210	—	3 210
Administrative	4 544	—	4 544
Inventories	1 599	—	1 599
Equipment	2 826	—	2 826
Professional and special services	2 692	—	2 692
Transfer payments	20 992	—	20 992
Miscellaneous	—	—	—
Special functions	—	—	—
Total	35 863	—	35 863

PROVINCIAL AND LOCAL GOVERNMENT VOTE 5 - NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2003

1. Detail of current and capital transfers as per Appropriation Act (after Virement):

Details of these transactions can be viewed in note 8 (Transfer payments) to the annual financial statements.

2. Details of special functions (theft and losses)

Details of these transactions per programme can be viewed in note 10.3 (Details of special functions) to the annual financial statements.

3. Explanations of material variances from Amount Voted (after Virement):

3.1 Per programme:

Programme 2: Governance and development

The underspending is mainly on:

2002/03			2001/02	
Actual Expenditure R'000	Savings (Excess) R'000	Expenditure as % of revised allocation	Revised Allocation R'000	Actualv Expenditure R'000
3 074	136	96	2 913	1 651
4 456	88	98	2 913	3 080
1 047	552	65	542	459
3 008	(182)	106	2 131	3 472
2 650	42	98	2 738	2 196
11 670	9 322	56	18 700	15 842
–	–	–	–	–
–	–	–	–	–
25 905	9 958	72	29 937	26 700

- personnel expenditure due to vacant posts; and
- professional services on the management of the Consolidated Municipal Infrastructure Programme.

Programme 3: Institutional reform and support

The underspending is mainly on:

- personnel expenditure due to vacant posts; and
- project “Working on Fire” due to the funds only being transferred from the Department of Water Affairs and Forestry during November 2002. The traditional fire season was virtually over for the summer rainfall part of South Africa at that time, and expenditure only occurred in the traditional winter rainfall part of South Africa.

Programme 4: Auxiliary and associated services

The underspending is mainly due to the legislation for the establishment of the Commission for The Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities only being assigned to **dplg** on 8 November 2002. In addition no subsidised vehicles were purchased.

**PROVINCIAL AND LOCAL GOVERNMENT VOTE 5 -
NOTES TO THE APPROPRIATION STATEMENT for the year ended
31 March 2003 (continue)**

3.2 Per standard item:

Personnel expenditure

The underspending is mainly due to vacant posts.

Professional and special services

The underspending is mainly on:

- professional services for project managing of CMIP; and
- project "Working on Fire" due to the funds only being transferred from the Department of Water Affairs and Forestry during November 2002. The traditional fire season was virtually over for the summer rainfall part of South Africa at that time, and expenditure only occurred in the traditional winter rainfall part of South Africa.

Transfer payments

The underspending is mainly due to the legislation for the establishment of the Commission for The Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities only being assigned to **dplg** on 8 November 2002. In addition no subsidised vehicles were purchased.

4. Reconciliation of appropriation statement to income statement:

	2002/03 R'000	2001/02 '000
Total expenditure per Appropriation Statement	6 556 760	4 653 066
Add: Local and foreign aid assistance (including RDP funds)	22 044	36 921
Add: Unauthorised expenditure approved	217	—
Actual expenditure per Income Statement	6 579 021	4 689 987

Provincial and Local Government Vote5

INCOME STATEMENT (STATEMENT OF FINANCIAL PERFORMANCE) for the year ended 31 March 2003

REVENUE			
	Note	2002/03 R'000	2001/02 R'000
Voted funds			
Charge to National Revenue Fund	1	6 579 638	4 737 343
Appropriation for unauthorised expenditure		217	–
Non voted funds			
Other revenue to be surrendered to the revenue fund	2	1 202	4 024
Local and foreign aid assistance (incl. RDP funds)	3	9 287	59 621
TOTAL REVENUE		6 590 344	4 800 988
EXPENDITURE			
Current			
Personnel	4	46 315	34 182
Administrative		27 671	17 660
Inventories	5	4 960	3 157
Equipment	6	1 921	1 019
Professional and special services	7	41 936	46 162
Transfer payments	8	4 647 925	3 461 993
Miscellaneous	9	11	12
Special functions: authorised losses	10	347	67
Local and foreign aid assistance (incl. RDP funds)	3	21 111	36 868
Unauthorised expenditure approved	11	217	–
Total Current Expenditure		4 792 414	3 601 120
Capital			
Equipment	6	5 842	6 438
Transfer payments	8	1 779 832	1 082 376
Local and foreign aid assistance (incl. RDP funds)	3	933	53
Total Capital Expenditure		1 786 607	1 088 867
TOTAL EXPENDITURE		6 579 021	4 689 987
NET SURPLUS		11 323	111 001
NET SURPLUS FOR THE YEAR	12	11 323	111 001

BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
for the year ended 31 March 2003

ASSETS			
	Note	2002/03 R'000	2001/02 R'000
Current assets		92 455	126 935
Unauthorised, irregular, and fruitless and wasteful expenditure	11	74 253	74 471
Cash and cash equivalents	13	–	16 497
Receivables	14	9 677	14 685
Local and foreign aid assistance (including RDP funds) received from donors	3	8 525	21 282
Non-current assets		97	145
Receivables	15	97	145
TOTAL ASSETS		92 552	127 080
LIABILITIES			
Current liabilities		83 911	105 638
Voted funds to be surrendered	16	22 878	84 277
Revenue funds to be surrendered	17	29	21
Bank overdraft	18	49 542	
Payables	19	2 937	58
Local and foreign aid assistance (including RDP funds) repayable to donors	3	8 525	21 282
TOTAL LIABILITIES		83 911	105 638
NET ASSETS/LIABILITIES		8 641	21 442
EQUITY		8 641	21 442
Recoverable revenue		116	160
Local and foreign aid assistance (including RDP funds) rolled over	3	8 525	21 282
TOTAL EQUITY		8 641	21 442

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
Recoverable revenue			
Opening balance		160	247
Transfer to Revenue Fund	17	(95)	(87)
Debts raised		51	–
Closing balance		116	160
Local and foreign aid assistance (including RDP funds) rolled over			
Opening balance		21 282	(1 418)
Transfer from other reserves		(12 757)	22 700
Closing balance		8 525	21 282
TOTAL EQUITY		8 641	21 442

CASH FLOW STATEMENT
for the year ended 31 March 2003

	Note	2002/03 R'000	2001/02 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flow generated by operating activities	20	1 818 279	1 198 397
Cash generated(utilised) to (increase)/decrease working capital	21	(4 648)	16 541
Voted funds and Revenue funds surrendered	22	(85 471)	(111 163)
Local and foreign aid assistance (including RDP funds)		(8 525)	(21 282)
Net cash flow available from operating activities		1 719 635	1 082 493
CASH FLOWS FROM INVESTING ACTIVITIES			
		(1 785 674)	(1 088 814)
Proceeds from sale of equipment	6.1	(5 842)	(6 438)
Transfer payments (Capital Expenditure)	8.2	(1 779 832)	(1 082 376)
Net cash flows from operating and investing activities		(66 039)	(6 321)
Net increase/(decrease) in cash and cash equivalents		(66 039)	(6 321)
Cash and cash equivalents at beginning of period	13	16 497	22 818
Cash and cash equivalents at end of period	13	(49 542)	16 497

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2003

1 Charge to National Revenue Fund

1.1 Included in the above are funds specifically and exclusively appropriated for National Departments (Voted funds):

Programmes	Total Appropriation	Actual	Variance over/(under)	Total Appropriation 2001/02
Administration	43 046	43 046	–	32 606
Governance and development	1 973 644	1 973 644	–	1 192 317
Institutional reform and support	4 526 737	4 526 737	–	3 482 416
Auxiliary and associated services	35 863	35 863	–	29 937
Special functions: Authorised losses	348	348	–	67
TOTAL	6 579 638	6 579 638	–	4 737 343

1.2 Although there is not a variance between the total appropriation and the funds actually withdrawn an underspending of R 22 878 million realised which was requested to be rolled over.

2 Other revenue to be surrendered to revenue fund

	Note	2002/03 R'000	2001/02 R'000
Description			
Sales of goods		1	–
Commission - insurance		15	12
Rental of produced assets		30	25
Cheques written back		18	36
Interest received		23	29
Capital received (subsidised transport and bursaries)		103	99
Recovery prior year expenditure		1 012	3 732
Unclaimed balance of the abolished Local Government Affairs Council		–	91
		1 202	4 024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2003

3 Local and foreign aid assistance (including RDP)

3.1 Assistance received in cash	Opening Balance	Revenue	Expenditure Current	Expenditure Capital	Closing Balance
Name of Donor and purpose					
Foreign					
Norwegian Government – Local government capacity building	970	7 898	5 766	–	3 102
Norwegian Government – SADC conference	130	–	–	–	130
Norwegian Government – White Paper on Traditional Affairs	439	–	–	–	439
Norwegian Government – Project viability	3 096	–	2 736	–	360
Norwegian Government – LFA workshops	58	(58)	–	–	–
European Union – Local government support: Mpumalanga/ Northern Province	3 108	–	3 994	29	(915)
Netherlands – Sectoral budget support	13 012	240	8 411	904	3 937
Netherlands – Masibambane project	–	1 000	–	–	1 000
Conseil de L'Europe – Local government workshops	4	–	–	–	4
Conseil de L'Europe – Winter schools intergovernmental relations	(1)	207	204	–	2
Raoul Wallenberg – Conference on Traditional Leaders	23	–	–	–	23
UNDP – White Paper on Disaster Management	443	–	–	–	443
	21 282	9 287	21 111	933	8 525

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

	2002/03 R'000	2001/02 R'000
Analysis of balance		
Amounts owing by donors	(915)	(1)
Amounts owing to donors	9 440	21 283
Assistance rolled over	8 525	21 282

3.2 Assistance received in kind (Value not included in the income statement)	2002/03 R'000	2001/02 R'000
Name of donor and purpose		
Foreign aid assistance		
DFID – LOGOSUL	410	–
DFID – Local government support	10 625	–
USAID– dplg support	102 520	–
Total local and foreign aid assistance received in kind	113 555	–

4 Personnel	2002/03 R'000	2001/02 R'000
4.1 Current expenditure		
Appropriation to Executive and Legislature	1 228	1 066
Basic salary costs	29 600	21 502
Pension contributions	1 687	2 992
Medical aid contributions	4 002	1 265
Other salary related costs	9 798	7 357
Total Personnel Costs	46 315	34 182
Average number of employees	253	213

5 Inventories	2002/03 R'000	2001/02 R'000
5.1 Current expenditure		
Inventories purchase during the year		
Computer hardware consumables	847	–
Book, magazines and publications	372	335
Printing	2 595	1 830
Stationary	678	400
Other	468	592
Total costs of inventories	4 960	3 157

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

6 Equipment	Note	2002/03 R'000	2001/02 R'000
Current (Rentals, maintenance and sundry)		1 921	1 019
Capital	6.1	5 842	6 438
		7 763	7 457

6.1 Capital equipment analysed as follows:	2002/03 R'000	2001/02 R'000
Computer equipment	2 562	3 775
Furniture and office equipment	3 280	1 153
Transport	–	1 510
	5 842	6 438

7 Professional and special services	2002/03 R'000	2001/02 R'000
7.1 Current expenditure		
Auditors' remuneration	1 272	922
Departmental committees	–	355
Computer services	1 364	556
Contractors	1 137	–
Consultants and advisory services	37 274	43 488
Traditional Leaders	236	576
Legal costs	653	265
Total Professional and special services	41 936	46 162

8 Transfer payments	Note	2002/03 R'000	2001/02 R'000
Conditional grant transfers	Annexure 1A &B	2 423 473	1 899 271
Transfers to public entities and institutions	Annexure 1C	40 670	37 842
Other transfers to municipalities	Annexure 1D(1)	3 963 614	2 607 256
		6 427 757	4 544 369
Analysis of payments			
Capital	1 779 832	1 082 376	
Current	4 647 925	3 461 993	
	6 427 757	4 544 369	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

9	Miscellaneous	Note	2002/03 R'000	2001/02 R'000
9.1	Current expenditure			
	Gifts, donations and sponsorships made	9.2	11	12
	Total miscellaneous expenditure		11	12

9.2	Gifts, donations and sponsorships paid in cash by the department (items expensed during the current year)		2002/03 R'000	2001/02 R'000
	Nature of gifts, donations and sponsorships			
	Cash donation		–	10
	Oil painting		9	–
	Other		2	2
			11	12

10	Special functions: Authorised losses	Note	2002/03 R'000	2001/02 R'000
	Material losses through criminal conduct	10.1	201	–
	Other material losses written off	10.2	146	67
			347	67

10.1	Material losses through criminal conduct		2002/03 R'000	2001/02 R'000
	Nature of Losses			
	Warrant voucher fraud		201	–
			201	–

10.2	Other material losses written off in income statement in current period		2002/03 R'000	2001/02 R'000
	Nature of losses			
	Replacement of cellular phones		–	4
	Cancellation fees on transport and subsistence		25	26
	Cancellation of contract		60	34
	Cancellation of community month launch		34	–
	Excess payment on insurance of rental cars		–	3
	Double payment to Karos Leisure Wilderness Hotel		27	–
			146	67

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

10.3 Details of special functions (theft and losses)		2002/03	2001/02
Per programme		R'000	R'000
Programme 1 – Administration		347	67
		347	67

11	Unauthorised, irregular and fruitless and wasteful expenditure disallowed	Note	2002/03	2001/02
			R'000	R'000
	Unauthorised expenditure	11.2	66 387	66 604
	Irregular expenditure	11.3	7 866	7 866
			74 253	74 470

11.1 Reconciliation of unauthorised expenditure balance		2002/03	2001/02
		R'000	R'000
	Opening balance	66 604	66 604
	Approved by Parliament	217	–
	Closing balance	66 387	66 604

11.2	Unauthorised expenditure Incident	Disciplinary steps taken/ criminal proceedings	2002/03	2001/02
			R'000	R'000
	Savings on capital expenditure used for current Professional fees paid to R. Tomlinson	Requested approval by Parliament	160	160
		Approved by Parliament	–	217
	Conference facilities at the World Trade Centre	Requested National Treasury to included in Adjustment		
		Estimate of 2003/04 *	66 227	66 227
			66 387	66 604

11.3	Irregular expenditure Incident	Disciplinary steps taken/ criminal proceedings	2002/03	2001/02
			R'000	R'000
	Contracts were entered into between the Command Centre and various third parties without adhering to State Tender Board procedures	Requested ex post facto approval from State Tender Board	7 866	7 866
			7 866	7 866

* amount adjusted due to round off

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2003 (continue)

12 Analysis of surplus	2002/03 R'000	2001/02 R'000
Voted funds to be surrendered to the Revenue Fund	22 878	84 277
Non voted funds	(11555)	26 724
Other revenue to be surrendered to the Revenue Fund	1 202	4 024
Local and foreign aid assistance (incl. RDP funds) rolled over	(12757)	22 700
Total	11 323	111 001

13 Cash and cash equivalents	2002/03 R'000	2001/02 R'000
Paymaster General Account	(49565)	274 852
Cash on hand	14	14
ACB Control account EFT payments	-	(248954)
ACB Rejection EFT payment	-	(9415)
Conversion EBT payments	1	-
Conversion orders payable	8	-
	(49542)	16 497

14 Receivables - current	Note	2002/03 R'000	2001/02 R'000
Amounts owing by other departments		5	102
Staff debtors	14.3	255	36
Other debtors	14.4	8 297	14 374
Advances	14.5	1 120	173
		9 677	14 685

14.1 Amounts of R 199 486.48 (2003: R 199 486.48) included above may not be recoverable, but has not been written off in the income statement.

14.2 Age analysis - receivables current	2002/03 R'000	2001/02 R'000
Less than one year	7 477	9 962
One to two years	19	2 224
More than two years	2 181	2 499
	9 677	14 685

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

14.3 Staff debtors	2002/03 R'000	2001/02 R'000
Subsidised transport	11	13
Tax	29	22
Contract debt bursaries	8	–
Damage GG vehicles	199	–
Other	8	1
	255	36

14.4 Other debtors	2002/03 R'000	2001/02 R'000
Fraud warrant vouchers	2 131	4 546
Suppliers	657	17
Karos Wildernis Hotel	–	27
Municipalities	5 413	9 768
VAT on Donor projects	46	–
Other	50	16
	8 297	14 374

14.5 Advances	2002/03 R'000	2001/02 R'000
Nature of advances		
Standing advance Government Printing Works	34	34
Standing advance Department of Justice and Constitutional Development	5	5
Advance Department of Public Works	1 038	–
Advances salaries	3	8
Advance transport and subsistence	40	126
	1 120	173

15 Receivables – non-current	2002/03 R'000	2001/02 R'000
Nature of advances		
Subsidised transport	82	145
Contract debt bursaries	15	–
	97	145

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2003 (continue)

16 Voted funds to be surrendered	Note	2002/03 R'000	2001/02 R'000
Opening balance		84 277	107 160
Transfer from income statement		22 878	84 277
Paid during the year	22	84 277	107 160
Closing balance		22 878	84 277

17 Revenue funds to be surrendered	Note	2002/03 R'000	2001/02 R'000
Opening balance		21	–
Transfer from income statement for revenue to be surrendered *		1 202	4 024
Paid during the year	22	1 194	4 003
Closing balance		29	21

* Includes an amount of R 94 698.78 for recoverable revenue

18 Bank overdraft	2002/03 R'000	2001/02 R'000
Paymaster General Account (Exchequer account)	49 542	–
	49 542	–

19 Payables – Current Description	Note	2002/03 R'000	2001/02 R'000
Other payables	19.1	3 053	218
		3 053	218

19.1 Other payables	2002/03 R'000	2001/02 R'000
Recoverable revenue	116	160
Claims payable	–	6
Salaries and deductions	259	52
Leave pay	666	–
Municipalities	1 996	–
Other	16	–
	3 053	218

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

20 Net cash flow generated by operating activities	Note	2002/03 R'000	2001/02 R'000
Net surplus as per Income Statement		32 605	109 583
Adjusted for items separately disclosed		1 785 674	1 088 814
Proceeds from sale of equipment	6.1	5 842	6 438
Transfer payments (Capital expenditure)	8.2	1 779 832	1 082 376
Net cash flow generated by operating activities		1 818 279	1 198 397

21 Cash generated (utilised) to (increase)/decrease working capita	2002/03 R'000	2001/02 R'000
(Increase)/decrease in receivables – current	5 956	(7434)
Decrease in receivables – non current	48	101
(Increase)/decrease in prepayments and advances	(947)	1 553
Increase in payables	2 879	(326)
Increase/(decrease) in other current liabilities	(12801)	22 613
Increase/ (decrease) in unauthorized, irregular and fruitless and wasteful expenditure	217	34
	(4648)	16 541

22 Voted funds and Revenue funds surrendered	Note	2002/03 R'000	2001/02 R'000
Voted funds paid during the year	16	84 277	107 160
Revenue funds paid during the year	17	1 194	4 003
		85 471	111 163

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2003

These amounts are not recognised in the financial statements, and are disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

23	Contingent liabilities Liable to	Nature	Note	2002/03 R'000	2001/02 R'000
	Housing loan guarantees	Employees	Annexure 2	729	651
				729	651

24	Commitments Current expenditure	2002/03 R'000	2001/02 R'000
	Approved and contracted/ordered	3 468	1 935
	Total commitments	3 468	1 935

25	Accruals	2002/03 R'000	2001/02 R'000
25.1	Listed by standard item		
	Administrative	30	70
	Inventories	3	93
	Equipment	185	91
	Professional and special services	220	230
		438	484

25.2	Listed by programme level	2002/03 R'000	2001/02 R'000
	Programme 1: Administration	186	174
	Programme 2: Governance and development	78	179
	Programme 3: Institutional reform and support	18	88
	Programme 4: Auxiliary and associated services	156	43
		438	484

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

26 Employee benefits	2002/03 R'000	2001/02 R'000
Leave entitlement	4 982	5 242
Thirteenth cheque	1 130	544
	6 112	5 786

27 Leases

27.1 Operating leases	Equipment	Total 2002/03 R'000	Total 2001/02 R'000
Name of lease institution			
Later than 1 year and not later than 3 years			
Cannon	–	–	1
Konica	–	–	2
Minolco	323	323	–
Xerox Colour Copier	235	235	–
Nashua	56	56	381
Future finance charges	614	614	384

28 Irregular expenditure

28.1 Movement Schedule of irregular expenditure	2002/03 R'000	2001/02 R'000
Opening balance	12 693	–
Irregular expenditure current year	–	–
Expenditure not condoned	–	–
Expenditure awaiting condonement	–	12 693
Closing balance	12 693	12 693
Analysis		
Current	–	12 693
Prior years	12 693	–
	12 693	12 693

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

29 Key management personnel

29.1 Remuneration	2002/03 R'000	2001/02 R'000
- Minister	816	762
- Deputy Minister	634	592
- Director-General	758	718
- Deputy Director-General (3)	1 626	1 521
- Chief Director (9)	4 088	3 407
	7 922	7 000

The aggregate remuneration of 15 key management personnel amounted to R 7,922 million.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003

ANNEXURE 1A

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Consolidated Municipal Infrastructure Programme				
Western Cape				
City of Cape Town	83 737	–	–	83 737
West Coast	6 259	–	–	6 259
Drakenstein	3 657	–	–	3 657
Stellenbosch	2 142	–	–	2 142
Boland	5 261	–	–	5 261
Overberg	5 513	–	–	5 513
George	2 779	–	–	2 779
Garden Route/Klein Karoo	6 565	–	–	6 565
Central Karoo	18 094	–	–	18 094
	134 007	–	–	134 007
Northern Cape				
Kgalagadi	23 303	–	–	23 303
Namakwa	5 225	–	–	5 225
Karoo	5 888	–	–	5 888
Siyanda	6 569	–	–	6 569
Sol Plaatjie	12 299	–	–	12 299
Frances Baard	4 057	–	–	4 057
	57 341	–	–	57 341

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
83 737	–	100	83 737	–	83 737	83 737	100
6 259	–	100	6 259	–	6 259	6 259	100
3 657	–	100	3 657	–	3 657	3 657	100
2 142	–	100	2 142	–	2 142	2 142	100
5 261	–	100	5 261	–	5 261	5 261	100
5 513	–	100	5 513	–	5 513	5 513	100
2 779	–	100	2 779	–	2 779	2 779	100
6 565	–	100	6 565	–	6 565	6 565	100
18 094	–	100	18 094	–	18 094	18 094	100
134 007	–	100	134 007	–	134 007	134 007	100
23 303	–	100	23 303	–	23 303	23 303	100
5 225	–	100	5 225	–	5 225	5 225	100
5 888	–	100	5 888	–	5 888	5 888	100
6 569	–	100	6 569	–	6 569	6 569	100
12 299	–	100	12 299	–	12 299	12 299	100
4 057	–	100	4 057	–	4 057	4 057	100
57 341	–	100	57 341	–	57 341	57 341	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Consolidated Municipal Infrastructure Programme (cont.)				
Eastern Cape				
Nelson Mandela	39 756	–	–	39 756
Cacadu	16 933	–	–	16 933
Buffalo City	30 628	–	–	30 628
Amatole	46 579	–	–	46 579
Chris Hani	71 663	–	–	71 663
Ukhahlamba	38 921	–	–	38 921
O.R Tambo	124 037	–	–	124 037
Alfred Nzo	48 227	–	–	48 227
	416 744	–	–	416 744
Free State				
Xhariep	7 577	–	–	7 577
Mangaung	22 853	–	–	22 853
Motheo	4 867	–	–	4 867
Matjhabeng	13 795	–	–	13 795
Lejweleputswa	9 088	–	–	9 088
Thabo Mafutsanyana	46 791	–	–	46 791
Northern Free State	17 879	–	–	17 879
	122 850	–	–	122 850

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
39 756	–	100	39 756	–	39 756	39 756	100
16 933	–	100	16 933	–	16 933	16 933	100
30 628	–	100	30 628	–	30 628	30 628	100
46 579	–	100	46 579	–	46 579	46 579	100
71 663	–	100	71 663	–	71 663	71 663	100
38 921	–	100	38 921	–	38 921	38 921	100
124 037	–	100	124 037	–	124 037	124 037	100
48 227	–	100	48 227	–	48 227	48 227	100
416 744	–	100	416 744	–	416 744	416 744	100
7 577		100	7 577	–	7 577	7 577	100
22 853	–	100	22 853	–	22 853	22 853	100
4 867	–	100	4 867	–	4 867	4 867	100
13 795	–	100	13 795	–	13 795	13 795	100
9 088	–	100	9 088	–	9 088	9 088	100
46 791	–	100	46 791	–	46 791	46 791	100
17 879	–	100	17 879	–	17 879	17 879	100
122 850	–	100	122 850	–	122 850	122 850	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Consolidated Municipal Infrastructure Programme (cont.)				
Kwazulu Natal				
eThekweni	89 094	–	–	89 094
Ugu	44 538	–	–	44 538
Msunduzi	11 977	–	–	11 977
uMgungundlovu	12 298	–	–	12 298
Uthukela	13 333	–	–	13 333
Umzinyathi	35 842	–	–	35 842
Newcastle	5 096	–	–	5 096
Amajuba	8 584	–	–	8 584
Zululand	39 298	–	–	39 298
Umkhanyakude	37 925	–	–	37 925
uMhlathuze	5 324	–	–	5 324
uThungulu	20 917	–	–	20 917
King Shaka	23 759	–	–	23 759
Greater Kokstad	–	–	9 000	9 000
Sisonke	14 887	–	–	14 887
	362 872	–	9 000	371 872

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
89 094	–	100	89 094	–	89 094	89 094	100
44 538	–	100	44 538	–	44 538	44 538	100
11 977	–	100	11 977	–	11 977	11 977	100
12 298	–	100	12 298	–	12 298	12 298	100
13 333	–	100	13 333	–	13 333	13 333	100
35 842	–	100	35 842	–	35 842	35 842	100
5 096	–	100	5 096	–	5 096	5 096	100
8 584	–	100	8 584	–	8 584	8 584	100
39 298	–	100	39 298	–	39 298	39 298	100
37 925	–	100	37 925	–	37 925	37 925	100
5 324	–	100	5 324	–	5 324	5 324	100
20 917	–	100	20 917	–	20 917	20 917	100
23 759	–	100	23 759	–	23 759	23 759	100
9 000	–	100	9 000	–	9 000	9 000	100
14 887	–	100	14 887	–	14 887	14 887	100
371 872	–	100	371 872	–	371 872	371 872	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Consolidated Municipal Infrastructure Programme (cont.)				
Mpumalanga				
Govan Mbeki	5 810	–	–	5 810
Eastvaal	15 863	–	–	15 863
Emalahleni	6 904	–	–	6 904
Middelburg	5 307	–	–	5 307
Ngankala	13 780	–	–	13 780
Mbombela	12 396	–	–	12 396
Ehlanzeni	12 610	–	–	12 610
	72 670	–	–	72 670
Limpopo				
Sekhukhune	45 703	–	–	45 703
Bohlabela	32 059	–	–	32 059
Mopani	20 538	–	–	20 538
Vhembe	23 845	–	–	23 845
Polokwane	10 084	–	–	10 084
Capricorn	16 056	–	–	16 056
Waterberg	19 627	–	–	19 627
	167 912	–	–	167 912

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
5 810	–	100	5 810	–	5 810	5 810	100
15 863	–	100	15 863	–	15 863	15 863	100
6 904	–	100	6 904	–	6 904	6 904	100
5 307	–	100	5 307	–	5 307	5 307	100
13 780	–	100	13 780	–	13 780	13 780	100
12 396	–	100	12 396	–	12 396	12 396	100
12 610	–	100	12 610	–	12 610	12 610	100
72 670	–	100	72 670	–	72 670	72 670	100
45 703	–	100	45 703	–	45 703	45 703	100
32 059	–	100	32 059	–	32 059	32 059	100
20 538	–	100	20 538	–	20 538	20 538	100
23 845	–	100	23 845	–	23 845	23 845	100
10 084	–	100	10 084	–	10 084	10 084	100
16 056	–	100	16 056	–	16 056	16 056	100
19 627	–	100	19 627	–	19 627	19 627	100
167 912	–	100	167 912	–	167 912	167 912	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Consolidated Municipal Infrastructure Programme (cont.)				
North West				
Madibeng	12 035	–	–	12 035
Rustenburg	10 503	–	–	10 503
Bojanala Platinum	12 898	–	–	12 898
Central	21 429	–	–	21 429
Bophirima	14 999	–	–	14 999
Potchefstroom	4 093	–	–	4 093
Klerksdorp	7 308	–	–	7 308
Southern	4 915	–	–	4 915
	88 180	–	–	88 180
Gauteng				
Ekurhuleni	55 885	–	–	55 885
City of Johannesburg	88 497	(28 000)	–	60 497
City of Tshwane	48 452	–	–	48 452
Metsweding	5 316	–	–	5 316
Emfuleni	11 824	–	–	11 824
Sedibeng	5 514	28 000	–	33 514
Mogale City	6 822	–	–	6 822
West Rand	9 636	–	7 245	16 881
	231 946	–	7 245	239 191
Sub total	1 654 522	–	16 245	1 670 767

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
12 035	–	100	12 035	–	12 035	12 035	100
10 503	–	100	10 503	–	10 503	10 503	100
12 898	–	100	12 898	–	12 898	12 898	100
21 429	–	100	21 429	–	21 429	21 429	100
14 999	–	100	14 999	–	14 999	14 999	100
4 093	–	100	4 093	–	4 093	4 093	100
7 308	–	100	7 308	–	7 308	7 308	100
4 915	–	100	4 915	–	4 915	4 915	100
88 180	–	100	88 180	–	88 180	88 180	100
55 885	–	100	55 885	–	55 885	55 885	100
60 497	–	100	60 497	–	60 497	60 497	100
48 452	–	100	48 452	–	48 452	48 452	100
5 316	–	100	5 316	–	5 316	5 316	100
11 824	–	100	11 824	–	11 824	11 824	100
33 514	–	100	33 514	–	33 514	33 514	100
6 822	–	100	6 822	–	6 822	6 822	100
16 881	–	100	16 881	–	16 881	16 881	100
239 191	–	100	239 191	–	239 191	239 191	100
1 670 767	–	100	1 670 767	–	1 670 767	1 670 767	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant				
Western Cape				
City of Cape Town	950	–	290	1 240
Matzikama	350	–		350
Cederberg	–	–	200	200
West Coast DMA	791	–	(791)	–
West Coast	–	–	791	791
Witzenburg	692	–	210	902
Stellenbosch	600	–	333	933
Breede Valley	643	–	540	1 183
Breede River/Winelands	272	–	–	272
Boland	109	–	–	109
Cape Agulhas	262	–	–	262
Swellendam	600	–	–	600
Kannaland	281	–	–	281
Oudtshoorn	115	–	210	325
Plettenberg Bay	100	–	–	100
Garden Route/Klein Karoo	500	–	–	500
Laingsburg	117	–	–	117
Beaufort West	506	–	–	506
Central Karoo	150	–	–	150
	7 038	–	1 783	8 821

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 240	–	100	1 240	–	1 240	1 240	100
350	–	100	350	–	350	350	100
200	–	100	200	–	200	200	100
	–	–	–	–	–	–	–
791	–	100	791	–	791	791	100
902	–	100	902	–	902	902	100
933	–	100	783	150	933	933	100
1 183	–	100	1 183	–	1 183	1 183	100
272	–	100	272	–	272	272	100
109	–	100	109	–	109	109	100
262	–	100	262	–	262	262	100
600	–	100	600	–	600	600	100
281	–	100	281	–	281	281	100
314	11	96.6	314	–	325	314	96.6
100	–	100	100	–	100	100	100
500	–	100	500	–	500	500	100
117	–	100	117	–	117	117	100
506	–	100	506	–	506	506	100
150	–	100	–	150	150	150	100
8 810	11	99.9	8 510	300	8 821	8 810	99.9

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
Northern Cape				
Kgalagadi	900	–	750	1 650
Richtersveld	500	–	–	500
Namakwa	250	–	200	450
Umsobomvu	470	–	–	470
Thembelihle	1 000	–	–	1 000
Khara Hais	500	–	–	500
Siyanda	1 036	–	349	1 385
Sol Plaatjie	1 159	–	–	1 159
Dikgatlong	1 500	–	–	1 500
Phokwane	224	–	–	224
	7 539	–	1 299	8 838

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 650	–	100	1 500	150	1 650	1 650	100
500	–	100	500	–	500	500	100
450	–	100	450	–	450	450	100
470	–	100	470	–	470	470	100
1 000	–	100	1 000	–	1 000	1 000	100
500	–	100	500	–	500	500	100
1 385	–	100	1 385	–	1 385	1 385	100
1 159	–	100	1 159	–	1 159	1 159	100
1 500	–	100	1 500	–	1 500	1 500	100
224	–	100	224	–	224	224	100
8 838	–	100	8 688	150	8 838	8 838	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
Eastern Cape				
Nelson Mandela	191	–	–	191
Ndlambe	1 266	–	153	1 419
Kouga	1 882	–	30	1 912
Koukamma	267	–	750	1 017
Nkonkobe	305	–	(305)	–
Amatole	897	–	–	897
Inxuba Yethemba	231	–	49	280
Tsolwana	–	–	67	67
Inkwanca	–	–	350	350
Lukanji	–	–	67	67
Intsika Yethu	–	–	200	200
Emalahleni	396	–	–	396
Engcobo	–	–	289	289
Sakhisizwe	–	–	105	105
Chris Hani	1 578	–	(1 578)	–
Elundini	438	–	–	438
Senqu	1 266	–	–	1 266
Malethswai	493	–	104	597
Ukhahlamba	100	–	50	150
Mhlontlo	600	–	–	600
King Sabata Dalindyebo	383	–	200	583
O.R Tambo	820	–	–	820
Umzimvubu	–	–	200	200
Alfred Nzo	3 641	–	(200)	3 441
	14 754	–	531	15 285

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
191	–	100	191	–	191	191	100
1 419	–	100	1 419	–	1 419	1 419	100
1 912	–	100	1 912	–	1 912	1 912	100
1 017	–	100	1 017	–	1 017	1 017	100
–	–	–	–	–	–	–	–
897	–	100	897	–	897	897	100
280	–	100	280	–	280	280	100
67	–	100	67	–	67	67	100
350	–	100	350	–	350	350	100
67	–	100	67	–	67	67	100
200	–	100	200	–	200	200	100
396	–	100	396	–	396	396	100
289	–	100	289	–	289	289	100
105	–	100	105	–	105	105	100
–	–	–	–	–	–	–	–
438	–	100	438	–	438	438	100
1 266	–	100	1 266	–	1 266	1 266	100
597	–	100	597	–	597	597	100
150	–	100	–	150	150	150	100
600	–	100	600	–	600	600	100
583	–	100	583	–	583	583	100
820	–	100	820	–	820	820	100
200	–	100	200	–	200	200	100
3 441	–	100	3 291	150	3 441	3 441	100
15 285	–	100	14 985	300	15 285	15 285	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
Free State				
Kopanong	400	–	237	637
Mangaung	2 664	–	–	2 664
Masilonyana	720	–	–	720
Matjhabeng	–	–	627	627
Setsoto	3 051	–	(110)	2 941
Dihlabeng	1 587	–	–	1 587
Maluti a Phofung	405	–	–	405
Thabo Mafutsanyana	150	–	–	150
Moqhaka	600	–	–	600
	9 577	–	754	10 331

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
637	–	100	637	–	637	637	100
2 664	–	100	2 664	–	2 664	2 664	100
720	–	100	720	–	720	720	100
627	–	100	627	–	627	627	100
2 870	71	97.6	2 870	–	2 941	2 870	97.6
1 587	–	100	1 587	–	1 587	1 587	100
405	–	100	405	–	405	405	100
150	–	100	–	150	150	150	100
600	–	100	600	–	600	600	100
10 260	71	99.3	10 110	150	10 331	10 260	99.3

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
Kwazulu Natal				
eThekwini	–	–	129	129
Umdoni	500	–	–	500
Hibiscus Coast	500	–	–	500
Ugu	150	–	–	150
Emnambithi–Ladysmith	1 404	–	–	1 404
Indaka	–	–	500	500
Umtshezi	1 500	–	1 000	2 500
Okhahlamba	500	–	–	500
Imbabazane	–	–	500	500
Endumeni	350	–	–	350
Umvoti	1 187	–	–	1 187
Utrecht	1 500	–	–	1 500
eDumbe	884	–	–	884
uPhongolo	460	–	–	460
Abaqulusi	300	–	–	300
Ulundi	426	–	–	426
Umkhanyakude	–	–	1 000	1 000
Jozini	375	–	–	375
Umkhanyakude	150	–	–	150
eNdongakusuka	1 350	–	–	1 350
KwaDukuza	1 350	–	–	1 350
Matatiele	180	–	–	180
Greater Kokstad	500	–	–	500
Ubuhlebezwe	500	–	–	500
	14 066	–	3 129	17 195

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
129	–	100	129	–	129	129	100
500	–	100	500	–	500	500	100
500	–	100	500	–	500	500	100
150	–	100	–	150	150	150	100
1 404	–	100	1 404	–	1 404	1 404	100
500	–	100	500	–	500	500	100
2 500	–	100	2 500	–	2 500	2 500	100
480	20	96	480	–	500	480	96
500	–	100	500	–	500	500	100
350	–	100	350	–	350	350	100
1 187	–	100	1 187	–	1 187	1 187	100
1 500	–	100	1 500	–	1 500	1 500	100
884	–	100	884	–	884	884	100
460	–	100	460	–	460	460	100
300	–	100	300	–	300	300	100
426	–	100	426	–	426	426	100
1 000	–	100	1 000	–	1 000	1 000	100
375	–	100	375	–	375	375	100
150	–	100	–	150	150	150	100
1 350	–	100	1 350	–	1 350	1 350	100
1 350	–	100	1 350	–	1 350	1 350	100
180	–	100	180	–	180	180	100
500	–	100	500	–	500	500	100
500	–	100	500	–	500	500	100
17 175	20	100	16 875	300	17 195	17 175	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
Mpumalanga				
Msukaligwa	218	–	–	218
Seme	1 840	–	–	1 840
Emalahleni	1 136	–	–	1 136
Middelburg	1 550	–	–	1 550
Highlands	–	–	1 347	1 347
Dr JS Moroka	1 855	–	–	1 855
Mbombela	2 617	–	837	3 454
Umjindi	411	–	–	411
Nkomazi	1 475	–	–	1 475
	11 102	–	2 184	13 286

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
218	–	100	218	–	218	218	100
1 840	–	100	1 840	–	1 840	1 840	100
1 136	–	100	1 136	–	1 136	1 136	100
1 550	–	100	1 550	–	1 550	1 550	100
1 347	–	100	1 347	–	1 347	1 347	100
1 855	–	100	1 855	–	1 855	1 855	100
3 454	–	100	3 454	–	3 454	3 454	100
411	–	100	411	–	411	411	100
1 475	–	100	1 475	–	1 475	1 475	100
13 286	–	100	13 286	–	13 286	13 286	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
Limpopo				
Makhuduthamaga	998	–	–	998
Greater Marble Hall	1 926	–	–	1 926
Maruleng	1 926	–	(426)	1 500
Bushbuckridge	2 663	–	–	2 663
Bohlabela	150	–	–	150
Greater Giyani	1 500	–	–	1 500
Ba–Phalaborwa	155	–	–	155
Musina	500	–	–	500
Mutale	426	–	–	426
Molemole	994	–	–	994
Polokwane	426	–	714	1 140
Lepelle–Nkumpi	1 485	–	–	1 485
Capricorn	–	–	833	833
Lephalale	426	–	–	426
Waterberg	999	–	–	999
	14 574	–	1 121	15 695

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
998	–	100	998	–	998	998	100
1 926	–	100	1 926	–	1 926	1 926	100
1 500	–	100	1 500	–	1 500	1 500	100
2 663	–	100	2 663	–	2 663	2 663	100
150	–	100	–	150	150	150	100
1 500	–	100	1 500	–	1 500	1 500	100
155	–	100	155	–	155	155	100
500	–	100	500	–	500	500	100
426	–	100	426	–	426	426	100
994	–	100	994	–	994	994	100
1 140	–	100	1 140	–	1 140	1 140	100
1 485	–	100	1 485	–	1 485	1 485	100
833	–	100	833	–	833	833	100
426	–	100	426	–	426	426	100
999	–	100	999	–	999	999	100
15 695	–	100	15 545	150	15 695	15 695	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
North West				
Bojanala Platinum	–	–	161	161
Setla–Kgobi	–	–	265	265
Mafikeng	1 076	–	(1 076)	–
Lichtenburg	–	–	1 076	1 076
Central	–	–	300	300
Naledi	2 174	–	–	2 174
Greater Taung	1 350	–	50	1 400
Lekwa–Teemane	753	–	–	753
Potchefstroom	1 000	–	–	1 000
Klerksdorp	2 126	–	150	2 276
Maquassi Hills	396	–	–	396
Southern	1 485	–	–	1 485
	10 360	–	926	11 286

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
161	–	100	161	–	161	161	100
265	–	100	265	–	265	265	100
–	–	–	–	–	–	–	–
1 076	–	100	1 076	–	1 076	1 076	100
300	–	100	300	–	300	300	100
2 174	–	100	2 174	–	2 174	2 174	100
1 400	–	100	1 400	–	1 400	1 400	100
753	–	100	753	–	753	753	100
1 000	–	100	1 000	–	1 000	1 000	100
2 276	–	100	2 126	150	2 276	2 276	100
396	–	100	396	–	396	396	100
1 485	–	100	1 485	–	1 485	1 485	100
11 286	–	100	11 136	150	11 286	11 286	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Economic Development and Social Grant (cont.)				
Gauteng				
Ekurhuleni	1 060	–	–	1 060
City of Johannesburg	2 828	–	(750)	2 078
City of Tshwane	200	–	965	1 165
Emfuleni		–	750	750
Lesedi	912	–	–	912
Randfontein		–	999	999
Westonaria	2 000	–	–	2 000
Merafong	1 490	–	(1 490)	–
Sterkfontein	1 000	–	–	1 000
	9 490	–	474	9 964
Unallocated	50	–	–	50
Sub total	98 550	–	12 201	110 751

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 060	–	100	1 060	–	1 060	1 060	100
2 078	–	100	2 078	–	2 078	2 078	100
1 165	–	100	1 165	–	1 165	1 165	100
716	34	95.5	716	–	750	716	95.5
912	–	100	912	–	912	912	100
999	–	100	999	–	999	999	100
2 000	–	100	2 000	–	2 000	2 000	100
–	–	–	–	–	–	–	–
1 000	–	100	1 000	–	1 000	1 000	100
9 930	34	99.7	9 930	–	9 964	9 930	99.7
–	50	–	–	–	50	–	–
110 565	186	99.8	109 065	1 500	110 751	110 565	99.8

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Intergrated Sustainable Rural Development Programme				
Central Karoo	2 557	—	—	2 557
Kgalagadi	2 357	—	—	2 357
Chris Hani	2 357	—	—	2 357
Ukhahlamba	2 357	—	—	2 357
O.R Tambo	2 357	—	—	2 357
Alfred Nzo	2 357	—	—	2 357
Thabo Mafutsanyana	2 357	—	—	2 357
Ugu	2 543	—	—	2 543
Umzinyathi	2 557	—	—	2 557
Zululand	2 542	—	—	2 542
Umkhanyakude	2 557	—	—	2 557
Sekhukhune	2 542	—	—	2 542
Bohlabela	2 540	—	—	2 540
Subtotal	31 980	—	—	31 980

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
2 557	–	100	–	2 557	2 557	2 557	100
2 357	–	100	–	2 357	2 357	2 357	100
2 357	–	100	–	2 357	2 357	2 357	100
2 357	–	100	–	2 357	2 357	2 357	100
2 357	–	100	–	2 357	2 357	2 357	100
2 357	–	100	–	2 357	2 357	2 357	100
2 357	–	100	–	2 357	2 357	2 357	100
2 543	–	100	–	2 543	2 543	2 543	100
2 557	–	100	–	2 557	2 557	2 557	100
2 542	–	100	–	2 542	2 542	2 542	100
2 557	–	100	–	2 557	2 557	2 557	100
2 542	–	100	–	2 542	2 542	2 542	100
2 540	–	100	–	2 540	2 540	2 540	100
31 980	–	100	–	31 980	31 980	31 980	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund				
Western Cape				
Matzikama	119	–	–	119
Cederberg	238	–	–	238
Bergrivier	238	–	–	238
Saldanha Bay	685	–	–	685
Swartland	685	–	295	980
West Coast	119	–	–	119
Witzenburg	924	–	–	924
Drakenstein	1 192	–	–	1 192
Stellenbosch	924	–	–	924
Breede Valley	1 072	–	–	1 072
Breede River/Winelands	1 043	–	–	1 043
Boland	399	–	–	399
Theewaterskloof	895	–	–	895
Overstrand	685	–	–	685
Cape Agulhas	119	–	–	119
Swellendam	215	–	–	215
Overberg	399	–	–	399
Kannaland	275	–	–	275
Langeberg	1 043	–	–	1 043
Mossel Bay	804	–	–	804
George	804	–	–	804
Oudtshoorn	1 192	–	–	1 192
Plettenberg Bay	459	–	–	459
Knysna	649	–	–	649
Garden Route / Klein Karoo	518	–	–	518

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
119	–	100	–	119	119	119	100
238	–	100	–	238	238	238	100
238	–	100	–	238	238	238	100
685	–	100	–	685	685	685	100
980	–	100	–	980	980	980	100
119	–	100	–	119	119	119	100
924	–	100	–	924	924	924	100
1 192	–	100	–	1 192	1 192	1 192	100
924	–	100	–	924	924	924	100
1 072	–	100	–	1 072	1 072	1 072	100
1 043	–	100	–	1 043	1 043	1 043	100
399	–	100	–	399	399	399	100
895	–	100	–	895	895	895	100
685	–	100	–	685	685	685	100
119	–	100	–	119	119	119	100
215	–	100	–	215	215	215	100
399	–	100	–	399	399	399	100
275	–	100	–	275	275	275	100
1 043	–	100	–	1 043	1 043	1 043	100
804	–	100	–	804	804	804	100
804	–	100	–	804	804	804	100
1 192	–	100	–	1 192	1 192	1 192	100
459	–	100	–	459	459	459	100
649	–	100	–	649	649	649	100
518	–	100	–	518	518	518	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Western Cape (cont.)				
Laingsburg	507	–	–	507
Prince Albert	238	–	–	238
Beaufort West	459	–	–	459
Central Karoo	626	–	–	626
	17 525	–	295	17 820
Northern Cape				
Gammagara	483	–	–	483
Moshaweng	1 062	–	–	1 062
Ga–Segonyana	483	–	–	483
Kgalagadi	2 800	–	–	2 800
Richtersveld	722	–	–	722
Kai Garib	126	–	–	126
Kamiesberg	126	–	–	126
Hantam	126	–	–	126
Karoo Hoogland	126	–	–	126
Khai–Ma	533	–	–	533
Namakwa	659	–	–	659
Ubuntu	125	–	–	125
Umsobomvu	377	–	–	377
Emthanjeni	797	–	–	797
Kareeberg	125	-	-	125
Renosterberg	125	-	-	125
Thembelihle	377	-	-	377
Siyathemba	533	-	-	533

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
507	–	100	–	507	507	507	100
238	–	100	–	238	238	238	100
459	–	100	–	459	459	459	100
626	–	100	–	626	626	626	100
17 820	–	100	–	17 820	17 820	17 820	100
483	–	100	–	483	483	483	100
1 062	–	100	–	1 062	1 062	1 062	100
483	–	100	–	483	483	483	100
2 800	–	100	–	2 800	2 800	2 800	100
722	–	100	–	722	722	722	100
126	–	100	–	126	126	126	100
126	–	100	–	126	126	126	100
126	–	100	–	126	126	126	100
126	–	100	–	126	126	126	100
533	–	100	–	533	533	533	100
659	–	100	–	659	659	659	100
125	–	100	–	125	125	125	100
377	–	100	–	377	377	377	100
797	–	100	–	797	797	797	100
125	-	100	-	125	125	125	100
125	-	100	-	125	125	125	100
377	-	100	-	377	377	377	100
533	-	100	-	533	533	533	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Northern Cape (cont.)				
Siyancuma	377	–	–	377
Karoo	659	–	–	659
Mier	533	–	–	533
Kai Garib	377	–	–	377
Khara Hais	377	–	–	377
! Kheis	483	–	–	483
Tsantsabane	483	–	–	483
Kgatelopele	483	–	–	483
Siyanda	659	–	–	659
Sol Plaatjie	723	–	–	723
Dikgatlong	377	–	–	377
Magareng	483	–	–	483
Phokwane	483	–	–	483
Frances Baard	421	–	–	421
	16 623	–	–	16 623

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
377	–	100	–	377	377	377	100
659	–	100	–	659	659	659	100
533	–	100	–	533	533	533	100
377	–	100	–	377	377	377	100
377	–	100	–	377	377	377	100
483	–	100	–	483	483	483	100
483	–	100	–	483	483	483	100
483	–	100	–	483	483	483	100
659	–	100	–	659	659	659	100
723	–	100	–	723	723	723	100
377	–	100	–	377	377	377	100
483	–	100	–	483	483	483	100
483	–	100	–	483	483	483	100
421	–	100	–	421	421	421	100
16 623	–	100	–	16 623	16 623	16 623	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Eastern Cape				
Nelson Mandela	4 800	–	–	4 800
Camdeboo	693	–	–	693
Blue Crane Route	122	–	–	122
Ikwezi	101	–	–	101
Makana	693	–	–	693
Ndlambe	122	–	–	122
Sunday's River Valley	101	–	–	101
Baviaans	112	–	–	112
Kouga	830	–	–	830
Koukamma	831	–	–	831
Cacadu	280	–	–	280
Mbhashe	101	–	–	101
Mnquma	693	–	–	693
Great Kei	466	–	–	466
Amahlati	112	–	–	112
Buffalo City	1 600	–	–	1 600
Ngqushwa	101	–	–	101
Nkonkobe	112	–	–	112
Nxuba	101	–	–	101
Amatole	120	–	–	120
Inxuba Yethemba	810	–	–	810
Tsolwana	101	–	–	101
Inkwanca	101	–	–	101
Lukanji	693	–	–	693
Intsika Yethu	101	–	–	101

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
4 800	–	100	–	4 800	4 800	4 800	100
693	–	100	–	693	693	693	100
122	–	100	–	122	122	122	100
101	–	100	–	101	101	101	100
693	–	100	–	693	693	693	100
122	–	100	–	122	122	122	100
102	(1)	101	–	102	101	102	101
112	–	100	–	112	112	112	100
830	–	100	–	830	830	830	100
831	–	100	–	831	831	831	100
280	–	100	–	280	280	280	100
101	–	100	–	101	101	101	100
693	–	100	–	693	693	693	100
466	–	100	–	466	466	466	100
112	–	100	–	112	112	112	100
1 600	–	100	–	1 600	1 600	1 600	100
101	–	100	–	101	101	101	100
112	–	100	–	112	112	112	100
101	–	100	–	101	101	101	100
120	–	100	–	120	120	120	100
810	–	100	–	810	810	810	100
101	–	100	–	101	101	101	100
101	–	100	–	101	101	101	100
693	–	100	–	693	693	693	100
101	–	100	–	101	101	101	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Eastern Cape (cont.)				
Emalahleni	101	–	–	101
Engcobo	465	–	–	465
Sakhisizwe	101	–	–	101
Chris Hani	634	–	–	634
Elundini	101	–	–	101
Senqu	101	–	–	101
Maletswai	693	–	–	693
Khara Hais	101	–	–	101
Ukhahlamba	634	–	–	634
Mbizana	466	–	–	466
Ntabankulu	466	–	–	466
Ingquza	101	–	–	101
Port St Johns	466	–	–	466
Nyandeni	466	–	–	466
Mhlontlo	101	–	–	101
King Sabata Dalindyebo	466	–	–	466
O.R Tambo	424	–	–	424
Umzimkulu	466	–	–	466
Umzimvubu	693	–	–	693
Alfred Nzo	365	–	–	365
	21 308	–	–	21 308

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
101	–	100	–	101	101	101	100
465	–	100	–	465	465	465	100
101	–	100	–	101	101	101	100
634	–	100	–	634	634	634	100
101	–	100	–	101	101	101	100
101	–	100	–	101	101	101	100
693	–	100	–	693	693	693	100
101	–	100	–	101	101	101	100
634	–	100	–	634	634	634	100
466	–	100	–	466	466	466	100
466	–	100	–	466	466	466	100
101	–	100	–	101	101	101	100
466	–	100	–	466	466	466	100
466	–	100	–	466	466	466	100
101	–	100	–	101	101	101	100
466	–	100	–	466	466	466	100
424	–	100	–	424	424	424	100
466	–	100	–	466	466	466	100
693	–	100	–	693	693	693	100
365	–	100	–	365	365	365	100
21 309	(1)	100	–	21 309	21 308	21 309	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Free State				
Letsemeng	300	–	–	300
Kopanong	720	–	–	720
Mohokare	300	–	–	300
Xhariep	1 200	–	–	1 200
Naledi	225	–	–	225
Mangaung	825	–	–	825
Mansopa	225	–	–	225
Motheo	353	–	–	353
Masilonyana	300	–	–	300
Tokologo	300	–	–	300
Tswelopele	637	–	–	637
Matjhabeng	1 125	–	–	1 125
Nala	225	–	–	225
Lejweleputswa	503	–	–	503
Setsoto	300	–	–	300
Dihlabeng	840	–	–	840
Nketoana	300	–	–	300
Maluti a Phofung	862	–	–	862
Phumelela	300	–	–	300
Thabo Mofutsanyane	900	–	–	900
Moqhaka	1 035	–	–	1 035
Ngwathe	1 185	–	–	1 185
Metsimaholo	862	–	–	862
Mafube	900	–	–	900
Northern Free State	900	–	–	900
	15 622	–	–	15 622

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
300	–	100	–	300	300	300	100
720	–	100	–	720	720	720	100
300	–	100	–	300	300	300	100
1 200	–	100	–	1 200	1 200	1 200	100
225	–	100	–	225	225	225	100
825	–	100	–	825	825	825	100
225	–	100	–	225	225	225	100
353	–	100	–	353	353	353	100
300	–	100	–	300	300	300	100
300	–	100	–	300	300	300	100
637	–	100	–	637	637	637	100
1 125	–	100	–	1 125	1 125	1 125	100
225	–	100	–	225	225	225	100
503	–	100	–	503	503	503	100
300	–	100	–	300	300	300	100
840	–	100	–	840	840	840	100
300	–	100	–	300	300	300	100
862	–	100	–	862	862	862	100
300	–	100	–	300	300	300	100
900	–	100	–	900	900	900	100
1 035	–	100	–	1 035	1 035	1 035	100
1 185	–	100	–	1 185	1 185	1 185	100
862	–	100	–	862	862	862	100
900	–	100	–	900	900	900	100
900	–	100	–	900	900	900	100
15 622	–	100	–	15 622	15 622	15 622	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Kwazulu-Natal				
Vulamehlo	1 450	–	–	1 450
Umdoni	740	–	–	740
Umzumbe	1 450	–	–	1 450
uMuziwabantu	876	–	–	876
Ezingolweni	1 450	–	–	1 450
Hibiscus Coast	503	–	–	503
Ugu	503	–	–	503
uMshwathi	740	–	–	740
uMgeni	740	–	–	740
Mpofana	876	–	–	876
Impendle	1 450	–	–	1 450
Msunduzi	825	–	–	825
Mkhambathini	876	–	–	876
Richmond	876	–	–	876
uMgungundlovu	503	–	–	503
Emnambithi	503	–	–	503
Indaka	1 450	–	–	1 450
Umtshezi	740	–	–	740
Okhahlamba	876	–	–	876
Imbabazane	1 450	–	–	1 450
Uthukela	503	8 390	–	8 893
Endumeni	740	–	–	740
Nquthu	1 450	–	–	1 450
Msinga	1 450	–	–	1 450
Umvoti	740	–	–	740

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 450	–	100	–	1 450	1 450	1 450	100
740	–	100	–	740	740	740	100
1 450	–	100	–	1 450	1 450	1 450	100
876	–	100	–	876	876	876	100
1 450	–	100	–	1 450	1 450	1 450	100
503	–	100	–	503	503	503	100
503	–	100	–	503	503	503	100
740	–	100	–	740	740	740	100
740	–	100	–	740	740	740	100
876	–	100	–	876	876	876	100
1 450	–	100	–	1 450	1 450	1 450	100
825	–	100	–	825	825	825	100
876	–	100	–	876	876	876	100
876	–	100	–	876	876	876	100
503	–	100	–	503	503	503	100
503	–	100	–	503	503	503	100
1 450	–	100	–	1 450	1 450	1 450	100
740	–	100	–	740	740	740	100
876	–	100	–	876	876	876	100
1 450	–	100	–	1 450	1 450	1 450	100
8 893	–	100	–	8 893	8 893	8 893	100
740	–	100	–	740	740	740	100
1 450	–	100	–	1 450	1 450	1 450	100
1 450	–	100	–	1 450	1 450	1 450	100
740	–	100	–	740	740	740	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Kwazulu-Natal (cont.)				
Umzinyathi	740	–	–	740
Newcastle	504	–	251	755
Utrecht	740	–	–	740
Dannhauser	876	–	–	876
Amajuba	714	3 256	–	3 970
eDumbe	876	–	–	876
uPhongolo	876	–	–	876
Abaqulusi	740	–	–	740
Nongoma	876	–	–	876
Ulundi	740	–	–	740
Zululand	504	10 664	–	11 168
Umkhanyakude	1 450	–	–	1 450
Jozini	1 450	–	–	1 450
The Big Five False Bay	1 450	–	–	1 450
Hlabisa	1 450	–	–	1 450
Mtubatuba	740	–	–	740
Umkhanyakude	876	–	–	876
Mbonambi	1 450	–	–	1 450
uMhlathuze	337	–	–	337
Ntambanana	1 450	–	–	1 450
Umlalazi	740	–	–	740
Mthonjaneni	740	–	–	740
Nkandla	1 450	–	–	1 450
uThungulu	503	–	–	503
eNdondakusuka	876	–	–	876

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
740	–	100	–	740	740	740	100
755	–	100	–	755	755	755	100
740	–	100	–	740	740	740	100
876	–	100	–	876	876	876	100
3 970	–	100	–	3 970	3 970	3 970	100
876	–	100	–	876	876	876	100
876	–	100	–	876	876	876	100
740	–	100	–	740	740	740	100
876	–	100	–	876	876	876	100
740	–	100	–	740	740	740	100
11 168	–	100	–	11 168	11 168	11 168	100
1 450	–	100	–	1 450	1 450	1 450	100
1 450	–	100	–	1 450	1 450	1 450	100
1 450	–	100	–	1 450	1 450	1 450	100
1 450	–	100	–	1 450	1 450	1 450	100
740	–	100	–	740	740	740	100
876	–	100	–	876	876	876	100
1 450	–	100	–	1 450	1 450	1 450	100
337	–	100	–	337	337	337	100
1 450	–	100	–	1 450	1 450	1 450	100
740	–	100	–	740	740	740	100
740	–	100	–	740	740	740	100
1 450	–	100	–	1 450	1 450	1 450	100
503	–	100	–	503	503	503	100
876	–	100	–	876	876	876	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Kwazulu-Natal (cont.)				
KwaDukuza	504	–	–	504
Ndwedwe	1 450	–	–	1 450
Maphumulo	1 450	–	–	1 450
King Shaka	504	–	–	504
Ingwe	876	–	–	876
Kwa Sani	740	–	–	740
Matatiele	740	–	–	740
Greater Kokstad	740	–	–	740
Ubuhlebezwe	876	–	–	876
Sisonke	876	–	–	876
	55 664	22 310	251	78 225

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
504	–	100	–	504	504	504	100
1 450	–	100	–	1 450	1 450	1 450	100
1 450	–	100	–	1 450	1 450	1 450	100
504	–	100	–	504	504	504	100
876	–	100	–	876	876	876	100
740	–	100	–	740	740	740	100
740	–	100	–	740	740	740	100
740	–	100	–	740	740	740	100
876	–	100	–	876	876	876	100
876	–	100	–	876	876	876	100
78 225	–	100	–	78 225	78 225	78 225	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Mpumalanga				
Albert Luthuli	882	—	—	882
Msukaligwa	1 267	—	—	1 267
Mkhondo	661	—	—	661
Seme	882	—	—	882
Lekwa	827	—	—	827
Dipaleseng	661	—	—	661
Govan Mbeki	1 488	—	—	1 488
Eastvaal	738	—	—	738
Delmas	220	—	—	220
Emalahleni	1 521	—	—	1 521
Middelburg	1 267	—	—	1 267
Highlands	661	—	—	661
Thembisile	849	—	—	849
Dr JS Moroka	849	—	—	849
Ngankala	738	—	—	738
Thaba Chweu	661	—	—	661
Mbombela	1 488	—	—	1 488
Umjindi	220	—	—	220
Nkomazi	882	—	—	882
Ehlanzeni	738	—	—	738
	17 500	—	—	17 500

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
882	–	100	–	882	882	882	100
1 267	–	100	–	1 267	1 267	1 267	100
661	–	100	–	661	661	661	100
882	–	100	–	882	882	882	100
827	–	100	–	827	827	827	100
661	–	100	–	661	661	661	100
1 488	–	100	–	1 488	1 488	1 488	100
738	–	100	–	738	738	738	100
220	–	100	–	220	220	220	100
1 521	–	100	–	1 521	1 521	1 521	100
1 267	–	100	–	1 267	1 267	1 267	100
661	–	100	–	661	661	661	100
849	–	100	–	849	849	849	100
849	–	100	–	849	849	849	100
738	–	100	–	738	738	738	100
661	–	100	–	661	661	661	100
1 488	–	100	–	1 488	1 488	1 488	100
220	–	100	–	220	220	220	100
882	–	100	–	882	882	882	100
738	–	100	–	738	738	738	100
17 500	–	100	–	17 500	17 500	17 500	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Limpopo				
Makhuduthamaga	1 050	–	–	1 050
Fetakgomo	1 050	–	–	1 050
Greater Marble Hall	785	–	–	785
Groblersdal	785	–	–	785
Greater Tubatse	786	–	–	786
Sekhukhune	2 300	–	–	2 300
Maruleng	345	–	–	345
Bushbuckridge	835	–	–	835
Bohlabela	445	–	–	445
Greater Giyani	720	–	–	720
Greater Letaba	249	–	–	249
Greater Tzaneen	336	–	–	336
Ba–Phalaborwa	336	–	–	336
Mopani	2 611	–	–	2 611
Musina	371	–	–	371
Mutale	720	–	–	720
Thulamela	336	–	–	336
Makhado	371	–	–	371
Vhembe	2 550	–	–	2 550
Blouberg	720	–	–	720
Aganang	720	–	–	720
Molemole	720	–	–	720
Polokwane	825	–	–	825
Lepelle–Nkumpi	720	–	–	720
Capricorn	132	–	–	132

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 050	–	100	–	1 050	1 050	1 050	100
1 050	–	100	–	1 050	1 050	1 050	100
785	–	100	–	785	785	785	100
785	–	100	–	785	785	785	100
786	–	100	–	786	786	786	100
2 300	–	100	–	2 300	2 300	2 300	100
345	–	100	–	345	345	345	100
835	–	100	–	835	835	835	100
445	–	100	–	445	445	445	100
720	–	100	–	720	720	720	100
249	–	100	–	249	249	249	100
336	–	100	–	336	336	336	100
336	–	100	–	336	336	336	100
2 611	–	100	–	2 611	2 611	2 611	100
371	–	100	–	371	371	371	100
720	–	100	–	720	720	720	100
336	–	100	–	336	336	336	100
371	–	100	–	371	371	371	100
2 550	–	100	–	2 550	2 550	2 550	100
720	–	100	–	720	720	720	100
720	–	100	–	720	720	720	100
720	–	100	–	720	720	720	100
825	–	100	–	825	825	825	100
720	–	100	–	720	720	720	100
132	–	100	–	132	132	132	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Limpopo (cont.)				
Thabazimbi	361	–	–	361
Lephalale	401	–	–	401
Mookgapong	400	–	–	400
Modimolle	336	–	–	336
Bela Bela	100	–	–	100
Mogalakwena	100	–	–	100
Waterberg	100	–	–	100
	22 616	–	–	22 616
North West				
Moretele	900	–	–	900
Madibeng	636	–	–	636
Rustenburg	636	–	–	636
Kgetlengriver	110	–	–	110
Moses Kotane	900	–	–	900
Bojanala Platinum	372	–	–	372
Setla-Kgobi	900	–	190	1 090
Tswaing	111	–	–	111
Mafikeng	427	–	–	427
Lichtenburg	636	–	–	636
Zeerust	470	–	–	470
Central	111	–	–	111
Kagisano	1 024	–	–	1 024
Naledi	702	–	–	702
Mamusa	427	–	–	427

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
361	–	100	–	361	361	361	100
401	–	100	–	401	401	401	100
400	–	100	–	400	400	400	100
336	–	100	–	336	336	336	100
100	–	100	–	100	100	100	100
100	–	100	–	100	100	100	100
100	–	100	–	100	100	100	100
22 616	–	100	–	22 616	22 616	22 616	100
900	–	100	–	900	900	900	100
636	–	100	–	636	636	636	100
636	–	100	–	636	636	636	100
110	–	100	–	110	110	110	100
900	–	100	–	900	900	900	100
372	–	100	–	372	372	372	100
1 050	40	96.3	–	1 050	1 090	1 050	96.3
111	–	100	–	111	111	111	100
427	–	100	–	427	427	427	100
636	–	100	–	636	636	636	100
470	–	100	–	470	470	470	100
111	–	100	–	111	111	111	100
1 024	–	100	–	1 024	1 024	1 024	100
702	–	100	–	702	702	702	100
427	–	100	–	427	427	427	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
North West (cont.)				
Greater Taung	427	–	–	427
Molopo	1 024	–	–	1 024
Lekwa–Teemane	111	–	–	111
Bophirima	372	–	–	372
Ventersdorp	426	–	–	426
Potchefstroom	426	–	192	618
Klerksdorp	897	–	–	897
Maquassi Hills	111	–	–	111
Southern	372	–	–	372
	12 528	–	382	12 910

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
427	–	100	–	427	427	427	100
1 024	–	100	–	1 024	1 024	1 024	100
111	–	100	–	111	111	111	100
372	–	100	–	372	372	372	100
426	–	100	–	426	426	426	100
618	–	100	–	618	618	618	100
897	–	100	–	897	897	897	100
111	–	100	–	111	111	111	100
372	–	100	–	372	372	372	100
12 870	40	100	–	12 870	12 910	12 870	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Transition Fund (cont.)				
Gauteng				
Ekurhuleni	6 388	–	–	6 388
Nokeng tsa Taemane	1 242	–	–	1 242
Kungwini	1 242	–	–	1 242
Metsweding	640	–	–	640
Emfuleni	1 920	–	–	1 920
Midvaal	195	–	–	195
Lesedi	960	–	–	960
Sedibeng	1 280	–	–	1 280
Mogale City	960	–	–	960
Randfontein	1 241	–	–	1 241
Westonaria	1 241	–	–	1 241
Merafong	1 385	–	–	1 385
West Rand	1 920	–	–	1 920
	20 614	–	–	20 614
Subtotal	200 000	22 310	928	223 238

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
6 388	–	100	–	6 388	6 388	6 388	100
1 242	–	100	–	1 242	1 242	1 242	100
1 242	–	100	–	1 242	1 242	1 242	100
640	–	100	–	640	640	640	100
1 920	–	100	–	1 920	1 920	1 920	100
195	–	100	–	195	195	195	100
960	–	100	–	960	960	960	100
1 280	–	100	–	1 280	1 280	1 280	100
960	–	100	–	960	960	960	100
1 241	–	100	–	1 241	1 241	1 241	100
1 241	–	100	–	1 241	1 241	1 241	100
1 385	–	100	–	1 385	1 385	1 385	100
1 920	–	100	–	1 920	1 920	1 920	100
20 614	–	100	–	20 614	20 614	20 614	100
223 199	39	100	–	223 199	223 238	223 199	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Municipal Systems Improvement Programme				
Western Cape				
Boland	1 900	–	–	1 900
Overstrand	500	–	–	500
Garden Route / Klein Karoo	1 900	–	–	1 900
Central Karoo	2 400	–	–	2 400
	6 700	–	–	6 700
Northern Cape				
Ga–Segonyana	500	–	–	500
Kgalagadi	2 600	–	–	2 600
Namakwa	2 800	–	–	2 800
Karoo	1 300	–	–	1 300
Khara Hais	500	–	–	500
Frances Baard	2 800	–	–	2 800
	10 500	–	–	10 500
Eastern Cape				
Nelson Mandela	500	–	–	500
Cacadu	2 800	–	–	2 800
Buffalo City	500	–	–	500
Amatole	2 400	–	–	2 400
Chris Hani	2 400	–	–	2 400
Ukhahlamba	2 800	–	–	2 800
O.R Tambo	1 900	–	–	1 900
Alfred Nzo	1 800	–	–	1 800
	15 100	–	–	15 100

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 900	–	100	–	1 900	1 900	1 900	100
500	–	100	–	500	500	500	100
1 900	–	100	–	1 900	1 900	1 900	100
2 400	–	100	–	2 400	2 400	2 400	100
6 700	–	100	–	6 700	6 700	6 700	100
500	–	100	–	500	500	500	100
2 600	–	100	–	2 600	2 600	2 600	100
2 800	–	100	–	2 800	2 800	2 800	100
1 300	–	100	–	1 300	1 300	1 300	100
500	–	100	–	500	500	500	100
2 800	–	100	–	2 800	2 800	2 800	100
10 500	–	100	–	10 500	10 500	10 500	100
500	–	100	–	500	500	500	100
2 800	–	100	–	2 800	2 800	2 800	100
500	–	100	–	500	500	500	100
2 400	–	100	–	2 400	2 400	2 400	100
2 400	–	100	–	2 400	2 400	2 400	100
2 800	–	100	–	2 800	2 800	2 800	100
1 900	–	100	–	1 900	1 900	1 900	100
1 800	–	100	–	1 800	1 800	1 800	100
15 100	–	100	–	15 100	15 100	15 100	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Municipal Systems Improvement Programme (cont.)				
Free State				
Xhariep	1 200	–	–	1 200
Mangaung	500	–	–	500
Motheo	1 200	–	–	1 200
Lejweleputswa	2 400	–	–	2 400
Maluti a Phofung	500	–	–	500
Thabo Mafutsanyana	2 400	–	–	2 400
Northern Free State	500	–	–	500
	8 700	–	–	8 700
Kwazulu Natal				
Hibiscus Coast	500	–	–	500
Ugu	2 400	–	–	2 400
uMgungundlovu	2 200	–	–	2 200
Uthukela	2 400	–	–	2 400
Umvoti	500	–	–	500
Umzinyathi	2 200	–	–	2 200
Newcastle	500	–	–	500
Amajuba	1 100	–	–	1 100
Zululand	2 200	–	–	2 200
Umkhanyakude	2 400	–	–	2 400
uThungulu	2 200	–	–	2 200
King Shaka	2 200	–	–	2 200
Sisonke	2 200	–	–	2 200
	23 000	–	–	23 000

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 200	–	100	–	1 200	1 200	1 200	100
500	–	100	–	500	500	500	100
1 200	–	100	–	1 200	1 200	1 200	100
2 400	–	100	–	2 400	2 400	2 400	100
500	–	100	–	500	500	500	100
2 400	–	100	–	2 400	2 400	2 400	100
500	–	100	–	500	500	500	100
8 700	–	100	–	8 700	8 700	8 700	100
500	–	100	–	500	500	500	100
2 400	–	100	–	2 400	2 400	2 400	100
2 200	–	100	–	2 200	2 200	2 200	100
2 400	–	100	–	2 400	2 400	2 400	100
500	–	100	–	500	500	500	100
2 200	–	100	–	2 200	2 200	2 200	100
500	–	100	–	500	500	500	100
1 100	–	100	–	1 100	1 100	1 100	100
2 200	–	100	–	2 200	2 200	2 200	100
2 400	–	100	–	2 400	2 400	2 400	100
2 200	–	100	–	2 200	2 200	2 200	100
2 200	–	100	–	2 200	2 200	2 200	100
2 200	–	100	–	2 200	2 200	2 200	100
23 000	–	100	–	23 000	23 000	23 000	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Municipal Systems Improvement Programme (cont.)				
Mpumalanga				
Eastvaal	1 900	–	–	1 900
Ngankala	1 900	–	–	1 900
Mbombela	500	–	–	500
Ehlanzeni	1 900	–	–	1 900
	6 200	–	–	6 200
Limpopo				
Sekhukhune	2 400	–	–	2 400
Bohlabela	1 900	–	200	2 100
Greater Tzaneen	500	–	–	500
Mopani	1 300	–	–	1 300
Musina	500	–	–	500
Vhembe	2 400	–	–	2 400
Capricorn	1 300	–	–	1 300
Waterberg	2 400	–	–	2 400
	12 700	–	200	12 900

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 900	–	100	–	1 900	1 900	1 900	100
1 900	–	100	–	1 900	1 900	1 900	100
500	–	100	–	500	500	500	100
1 900	–	100	–	1 900	1 900	1 900	100
6 200	–	100	–	6 200	6 200	6 200	100
2 400	–	100	–	2 400	2 400	2 400	100
2 100	–	100	–	2 100	2 100	2 100	100
500	–	100	–	500	500	500	100
1 300	–	100	–	1 300	1 300	1 300	100
500	–	100	–	500	500	500	100
2 400	–	100	–	2 400	2 400	2 400	100
1 300	–	100	–	1 300	1 300	1 300	100
2 400	–	100	–	2 400	2 400	2 400	100
12 900	–	100	–	12 900	12 900	12 900	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1A (continue)

**STATEMENT OF CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Municipal Systems Improvement Programme (cont.)				
North West				
Bojanala Platinum	1 900	–	–	1 900
Lichtenburg	500	–	–	500
Central	–	–	141	141
Bophirima	2 400	–	200	2 600
Potchefstroom	500	–	–	500
	5 300	–	341	5 641
Gauteng				
Ekurhuleni	290	–	–	290
Kungwini	500	–	–	500
Sedibeng	1 900	–	–	1 900
Randfontein	500	–	–	500
West Rand	1 900	–	–	1 900
	5 090	–	–	5 090
Subtotal	93 290	–	541	93 831
TOTAL	2 078 342	22 310	29 915	2 130 567

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 900	–	100	–	1 900	1 900	1 900	100
500	–	100	–	500	500	500	100
141	–	100	–	141	141	141	100
2 600	–	100	–	2 600	2 600	2 600	100
500	–	100	–	500	500	500	100
5 641	–	100	–	5 641	5 641	5 641	100
290	–	100	–	290	290	290	100
500	–	100	–	500	500	500	100
1 900	–	100	–	1 900	1 900	1 900	100
500	–	100	–	500	500	500	100
1 900	–	100	–	1 900	1 900	1 900	100
5 090	–	100	–	5 090	5 090	5 090	100
93 831	–	100	–	93 831	93 831	93 831	100
2 130 342	225	100	1 779 832	350 510	2 130 567	2 130 342	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1B

**STATEMENT OF CONDITIONAL GRANTS TO PROVINCES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003**

NAME OF PROVINCE	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Consolidated Municipal Infrastructure Programme				
Western Cape	8 357	486	–	8 843
Northern Cape	2 509	1 000	–	3 509
Eastern Cape	27 266	–	–	27 266
Free State	8 609	–	–	8 609
Kwazulu Natal	14 322	514	13 653	28 489
Mpumalanga	5 999	–	–	5 999
Limpopo	10 901	–	–	10 901
North West	7 221	–	–	7 221
Gauteng	19 294	–	–	19 294
Subtotal	104 478	2 000	13 653	120 131
Local Government Support				
Western Cape	16 500	–	–	16 500
Northern Cape	15 550	1 500	–	17 050
Eastern Cape	31 200	–	–	31 200
Free State	26 450	–	–	26 450
Kwazulu Natal	26 450	–	–	26 450
Mpumalanga	12 750	–	–	12 750
Limpopo	15 100	–	–	15 100
North West	16 550	1 500	–	18 050
Gauteng	9 450	–	–	9 450
Subtotal	170 000	3 000	–	173 000
TOTAL	274 478	5 000	13 653	293 131

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
8 843	–	100	–	8 843	8 843	8 843	100
3 509	–	100	–	3 509	3 509	3 509	100
27 266	–	100	–	27 266	27 266	27 266	100
8 609	–	100	–	8 609	8 609	8 609	100
28 489	–	100	–	28 489	28 489	28 489	100
5 999	–	100	–	5 999	5 999	5 999	100
10 901	–	100	–	10 901	10 901	10 901	100
7 221	–	100	–	7 221	7 221	7 221	100
19 294	–	100	–	19 294	19 294	19 294	100
120 131	–	100	–	120 131	120 131	120 131	100
16 500	–	100	–	16 500	16 500	16 500	100
17 050	–	100	–	17 050	17 050	17 050	100
31 200	–	100	–	31 200	31 200	31 200	100
26 450	–	100	–	26 450	26 450	26 450	100
26 450	–	100	–	26 450	26 450	26 450	100
12 750	–	100	–	12 750	12 750	12 750	100
15 100	–	100	–	15 100	15 100	15 100	100
18 050	–	100	–	18 050	18 050	18 050	100
9 450	–	100	–	9 450	9 450	9 450	100
173 000	–	100	–	173 000	173 000	173 000	100
	–						
293 131	–	200	–	293 131	293 131	293 131	200

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1C

STATEMENT OF TRANSFERS TO PUBLIC ENTITIES AND INSTITUTIONS BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF PUBLIC ENTITY/ INSTITUTION	GRANT ALLOCATION			
	Appropriations Act R'000	Adjustments Estimate R'000	Roll Overs R'000	Total Available R'000
Municipal Infrastructure Investment Unit	7 000	–	–	7 000
South African Local Government Association	22 000	–	–	22 000
Municipal Demarcation Board	11 570	100	–	11 670
TOTAL	40 570	100	–	40 670

EXPENDITURE				
Actual Transfer	Amount not Transferred	% of Available Transferred	Capital	Current
R'000	R'000	R'000	R'000	R'000
7 000	–	100	–	7 000
22 000	–	100	–	22 000
11 670	–	100	–	11 670
40 670	–	100	–	40 670

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share				
Western Cape				
City of Cape Town	97 946	2 549	–	100 495
Matzikama	2 977	77	–	3 054
Cederberg	2 473	64	–	2 537
Bergrivier	1 762	46	–	1 808
Saldanha Bay	1 473	38	–	1 511
Swartland	3 220	84	–	3 304
West Coast DMA	1 138	30	–	1 168
West Coast	502	13	–	515
Witzenberg	4 179	109	–	4 288
Drakenstein	6 765	177	–	6 942
Stellenbosch	3 736	97	–	3 833
Breede Valley	6 109	159	–	6 268
Breede River/Winelands	4 168	108	–	4 276
Breede River DMA	1 447	38	–	1 485
Boland	548	14	–	562
Theewaterskloof	3 827	99	–	3 926
Overstrand	2 004	52	–	2 056
Cape Agulhas	1 097	29	–	1 126
Swellendam	1 950	51	–	2 001
Overberg DMA	412	11	–	423
Overberg	571	15	–	586
Kannaland	2 308	60	–	2 368
Langeberg	2 275	59	–	2 334
Mossel Bay	2 088	54	–	2 142
George	3 633	94	–	3 727

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
100 495	–	100	–	100 495	100 495	100 495	100
3 054	–	100	–	3 054	3 054	3 054	100
2 537	–	100	–	2 537	2 537	2 537	100
1 808	–	100	–	1 808	1 808	1 808	100
1 511	–	100	–	1 511	1 511	1 511	100
3 304	–	100	–	3 304	3 304	3 304	100
1 168	–	100	–	1 168	1 168	1 168	100
515	–	100	–	515	515	515	100
4 288	–	100	–	4 288	4 288	4 288	100
6 942	–	100	–	6 942	6 942	6 942	100
3 833	–	100	–	3 833	3 833	3 833	100
6 268	–	100	–	6 268	6 268	6 268	100
4 276	–	100	–	4 276	4 276	4 276	100
1 485	–	100	–	1 485	1 485	1 485	100
562	–	100	–	562	562	562	100
3 926	–	100	–	3 926	3 926	3 926	100
2 056	–	100	–	2 056	2 056	2 056	100
1 126	–	100	–	1 126	1 126	1 126	100
2 001	–	100	–	2 001	2 001	2 001	100
423	–	100	–	423	423	423	100
586	–	100	–	586	586	586	100
2 368	–	100	–	2 368	2 368	2 368	100
2 334	–	100	–	2 334	2 334	2 334	100
2 142	–	100	–	2 142	2 142	2 142	100
3 727	–	100	–	3 727	3 727	3 727	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Western Cape (cont.)				
Oudtshoorn	2 712	71	–	2 783
Plettenberg Bay	1 828	47	–	1 875
Knysna	2 393	63	–	2 456
South Cape DMA	1 785	47	–	1 832
Garden Route / Klein Karoo	438	12	–	450
Laingsburg	1 707	45	–	1 752
Prince Albert	1 981	51	–	2 032
Beaufort West	1 937	50	–	1 987
Central Karoo DMA	1 310	34	–	1 344
Central Karoo	2 638	68	–	2 706
	177 337	4 615	–	181 952
Northern Cape				
Gammagara	2 268	59	–	2 327
Moshaweng	10 210	266	–	10 476
Ga–Segonyana	6 137	160	–	6 297
Kalahari DMA	1 575	41	–	1 616
Kgalagadi	6 781	177	–	6 958
Richtersveld	1 744	45	–	1 789
Nama Khoi	3 609	94	–	3 703
Kamiesberg	2 598	68	–	2 666
Hantam	3 701	97	–	3 798
Karoo Hoogland	2 954	77	–	3 031
Khai–Ma	1 837	48	–	1 885
Namaqualand	957	25	–	982

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
2 783	–	100	–	2 783	2 783	2 783	100
1 875	–	100	–	1 875	1 875	1 875	100
2 456	–	100	–	2 456	2 456	2 456	100
1 832	–	100	–	1 832	1 832	1 832	100
450	–	100	–	450	450	450	100
1 752	–	100	–	1 752	1 752	1 752	100
2 032	–	100	–	2 032	2 032	2 032	100
1 987	–	100	–	1 987	1 987	1 987	100
1 344	–	100	–	1 344	1 344	1 344	100
2 706	–	100	–	2 706	2 706	2 706	100
181 952	–	100	–	181 952	181 952	181 952	100
2 327	–	100	–	2 327	2 327	2 327	100
10 476	–	100	–	10 476	10 476	10 476	100
6 297	–	100	–	6 297	6 297	6 297	100
1 616	–	100	–	1 616	1 616	1 616	100
6 958	–	100	–	6 958	6 958	6 958	100
1 789	–	100	–	1 789	1 789	1 789	100
3 703	–	100	–	3 703	3 703	3 703	100
2 666	–	100	–	2 666	2 666	2 666	100
3 798	–	100	–	3 798	3 798	3 798	100
3 031	–	100	–	3 031	3 031	3 031	100
1 885	–	100	–	1 885	1 885	1 885	100
982	–	100	–	982	982	982	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Northern Cape (cont.)				
Namakwa	650	17	–	667
Ubuntu	3 518	92	–	3 610
Umsobomvu	4 673	122	–	4 795
Emthanjeni	5 201	135	–	5 336
Kareeberg	2 719	71	–	2 790
Renosterberg	2 783	72	–	2 855
Thembelihle	2 856	75	–	2 931
Siyathemba	3 536	92	–	3 628
Siyancuma	5 547	144	–	5 691
Karoo DMA	1 478	38	–	1 516
Karoo	1 942	50	–	1 992
Mier	2 068	53	–	2 121
Kai !Gariep	5 385	140	–	5 525
Khara Hais	4 866	126	–	4 992
! Kheis	2 733	72	–	2 805
Tsantsabane	3 712	96	–	3 808
Kgatelopele	2 730	71	–	2 801
Siyanda DMA	1 982	51	–	2 034
Siyanda	796	21	–	817
Sol Plaatjie	16 584	431	–	17 015
Dikgatlong	6 772	176	–	6 948
Magareng	4 609	120	–	4 729
Phokwane	8 270	215	–	8 485
Frances Baard DMA	1 473	38	–	1 511
Frances Baard	236	6	–	242
	141 490	3 681	–	145 172

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
667	–	100	–	667	667	667	100
3 610	–	100	–	3 610	3 610	3 610	100
4 795	–	100	–	4 795	4 795	4 795	100
5 336	–	100	–	5 336	5 336	5 336	100
2 790	–	100	–	2 790	2 790	2 790	100
2 855	–	100	–	2 855	2 855	2 855	100
2 931	–	100	–	2 931	2 931	2 931	100
3 628	–	100	–	3 628	3 628	3 628	100
5 691	–	100	–	5 691	5 691	5 691	100
1 516	–	100	–	1 516	1 516	1 516	100
1 992	–	100	–	1 992	1 992	1 992	100
2 121	–	100	–	2 121	2 121	2 121	100
5 525	–	100	–	5 525	5 525	5 525	100
4 992	–	100	–	4 992	4 992	4 992	100
2 805	–	100	–	2 805	2 805	2 805	100
3 808	–	100	–	3 808	3 808	3 808	100
2 801	–	100	–	2 801	2 801	2 801	100
2 034	–	100	–	2 034	2 034	2 034	100
817	–	100	–	817	817	817	100
17 015	–	100	–	17 015	17 015	17 015	100
6 948	–	100	–	6 948	6 948	6 948	100
4 729	–	100	–	4 729	4 729	4 729	100
8 485	–	100	–	8 485	8 485	8 485	100
1 511	–	100	–	1 511	1 511	1 511	100
242	–	100	–	242	242	242	100
145 172	–	100	–	145 172	145 172	145 172	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Eastern Cape				
Nelson Mandela	92 132	2 398	–	94 530
Camdeboo	4 037	105	–	4 142
Blue Crane Route	5 728	149	–	5 877
Ikwezi	2 599	68	–	2 667
Makana	7 308	190	–	7 498
Ndlambe	6 775	176	–	6 951
Sunday's River Valley	6 205	161	–	6 366
Baviaans	3 044	79	–	3 123
Kouga	5 008	130	–	5 138
Kou–Kamma	3 662	95	–	3 757
Aberdeen Plain DMA	1 592	41	–	1 633
Cacadu	3 507	91	–	3 598
Mbhashe	32 949	858	–	33 807
Mnquma	39 560	1 030	–	40 590
Great Kei	7 139	185	–	7 324
Amahlathi	19 299	502	–	19 801
Buffalo City	122 337	3 184	–	125 521
Ngqushwa	13 450	350	–	13 800
Nkonkobe	17 993	468	–	18 461
Nxuba	4 971	129	–	5 100
Amatole	8 854	231	–	9 085
Inxuba Yethemba	6 188	161	–	6 349
Tsolwana	6 036	157	–	6 193
Inkwanca	3 885	101	–	3 986
Lukanji	20 494	533	–	21 027
Intsika Yethu	27 123	706	–	27 829

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
94 530	–	100	–	94 530	94 530	94 530	100
4 142	–	100	–	4 142	4 142	4 142	100
5 877	–	100	–	5 877	5 877	5 877	100
2 667	–	100	–	2 667	2 667	2 667	100
7 498	–	100	–	7 498	7 498	7 498	100
6 951	–	100	–	6 951	6 951	6 951	100
6 366	–	100	–	6 366	6 366	6 366	100
3 123	–	100	–	3 123	3 123	3 123	100
5 138	–	100	–	5 138	5 138	5 138	100
3 757	–	100	–	3 757	3 757	3 757	100
1 633	–	100	–	1 633	1 633	1 633	100
3 598	–	100	–	3 598	3 598	3 598	100
33 807	–	100	–	33 807	33 807	33 807	100
40 590	–	100	–	40 590	40 590	40 590	100
7 324	–	100	–	7 324	7 324	7 324	100
19 801	–	100	–	19 801	19 801	19 801	100
125 521	–	100	–	125 521	125 521	125 521	100
13 800	–	100	–	13 800	13 800	13 800	100
18 461	–	100	–	18 461	18 461	18 461	100
5 100	–	100	–	5 100	5 100	5 100	100
9 085	–	100	–	9 085	9 085	9 085	100
6 349	–	100	–	6 349	6 349	6 349	100
6 193	–	100	–	6 193	6 193	6 193	100
3 986	–	100	–	3 986	3 986	3 986	100
21 027	–	100	–	21 027	21 027	21 027	100
27 829	–	100	–	27 829	27 829	27 829	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Eastern Cape (cont.)				
Engcobo	22 125	576	–	22 701
Sakhisizwe	8 231	214	–	8 445
Mount Zebra NP	442	12	–	454
Chris Hani	27 128	706	–	27 834
Elundini	18 012	469	–	18 481
Senqu	17 135	446	–	17 581
Malethswai	4 677	121	–	4 798
Gariep	4 681	122	–	4 803
Ukhahlamba	19 131	498	–	19 629
Mbizana	30 588	796	–	31 384
Ntabankulu	19 092	497	–	19 589
Qaukeni	33 516	872	–	34 388
Port St Johns	20 025	522	–	20 547
Nyandeni	37 725	981	–	38 706
Mhlontlo	26 527	690	–	27 217
King Sabata Dalindyebo	51 467	1 340	–	52 807
O.R Tambo	43 556	1 133	–	44 689
Umzimkulu	22 686	591	–	23 277
Umzimvubu	51 358	1 337	–	52 695
Alfred Nzo	21 863	569	–	22 432
	969 350	25 225	–	994 575

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
22 701	–	100	–	22 701	22 701	22 701	100
8 445	–	100	–	8 445	8 445	8 445	100
454	–	100	–	454	454	454	100
27 834	–	100	–	27 834	27 834	27 834	100
18 481	–	100	–	18 481	18 481	18 481	100
17 581	–	100	–	17 581	17 581	17 581	100
4 798	–	100	–	4 798	4 798	4 798	100
4 803	–	100	–	4 803	4 803	4 803	100
19 629	–	100	–	19 629	19 629	19 629	100
31 384	–	100	–	31 384	31 384	31 384	100
19 589	–	100	–	19 589	19 589	19 589	100
34 388	–	100	–	34 388	34 388	34 388	100
20 547	–	100	–	20 547	20 547	20 547	100
38 706	–	100	–	38 706	38 706	38 706	100
27 217	–	100	–	27 217	27 217	27 217	100
52 807	–	100	–	52 807	52 807	52 807	100
44 689	–	100	–	44 689	44 689	44 689	100
23 277	–	100	–	23 277	23 277	23 277	100
52 695	–	100	–	52 695	52 695	52 695	100
22 432	–	100	–	22 432	22 432	22 432	100
994 575	–	100	–	994 575	994 575	994 575	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Free State				
Letsemeng	6 199	162	–	6 361
Kopanong	8 429	220	–	8 649
Mohokare	8 255	215	–	8 470
Xhariep	2 092	54	–	2 146
Naledi	6 087	158	–	6 245
Mangaung	127 285	3 312	8 255	138 852
Mansopa	8 866	231	57	9 154
Motheo	611	15	–	626
Masilonyana	12 769	333	–	13 102
Tokologo	6 174	161	–	6 335
Tswelopele	10 490	273	–	10 763
Matjhabeng	57 001	1 484	–	58 485
Nala	15 365	400	–	15 765
Lejweleputswa	2 160	56	–	2 216
Setsoto	15 369	400	–	15 769
Dihlabeng	11 675	304	–	11 979
Nketoana	11 968	311	–	12 279
Maluti a Phofung	61 647	1 604	2 555	65 806
Phumelela	7 742	201	–	7 943
Golden Gate Highlands NP	657	17	–	674
Thabo Mafutsanyana	18 554	483	–	19 037
Moqhaka	19 771	514	–	20 285
Ngwathe	19 740	513	–	20 253
Metsimaholo	11 245	293	–	11 538
Mafube	8 976	233	–	9 209
Northern Free State	1 509	39	–	1 548
	460 636	11 986	10 867	483 489

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
6 361	–	100	–	6 361	6 361	6 361	100
8 649	–	100	–	8 649	8 649	8 649	100
8 470	–	100	–	8 470	8 470	8 470	100
2 146	–	100	–	2 146	2 146	2 146	100
6 245	–	100	–	6 245	6 245	6 245	100
138 852	–	100	–	138 852	138 852	138 852	100
9 154	–	100	–	9 154	9 154	9 154	100
626	–	100	–	626	626	626	100
13 102	–	100	–	13 102	13 102	13 102	100
6 335	–	100	–	6 335	6 335	6 335	100
10 763	–	100	–	10 763	10 763	10 763	100
58 485	–	100	–	58 485	58 485	58 485	100
15 765	–	100	–	15 765	15 765	15 765	100
2 216	–	100	–	2 216	2 216	2 216	100
15 769	–	100	–	15 769	15 769	15 769	100
11 979	–	100	–	11 979	11 979	11 979	100
12 279	–	100	–	12 279	12 279	12 279	100
65 806	–	100	–	65 806	65 806	65 806	100
7 943	–	100	–	7 943	7 943	7 943	100
674	–	100	–	674	674	674	100
19 037	–	100	–	19 037	19 037	19 037	100
20 285	–	100	–	20 285	20 285	20 285	100
20 253	–	100	–	20 253	20 253	20 253	100
11 538	–	100	–	11 538	11 538	11 538	100
9 209	–	100	–	9 209	9 209	9 209	100
1 548	–	100	–	1 548	1 548	1 548	100
483 489	–	100	–	483 489	483 489	483 489	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Kwazulu Natal				
eThekweni	228 523	5 948	–	234 471
Vulamehlo	7 120	185	–	7 305
Umdoni	2 516	66	–	2 582
Umzumbe	10 213	266	–	10 479
Umuziwabantu	6 482	168	–	6 650
Ezingolweni	4 371	114	–	4 485
Hibiscus Coast	8 271	216	–	8 487
Ugu	18 645	486	–	19 131
Umshwathi	8 672	226	–	8 898
Umnjeni	6 182	161	–	6 343
Mpofana	2 321	60	–	2 381
Impendle	3 417	89	–	3 506
Msunduzi	49 449	1 287	–	50 736
Mkhambathini	4 011	104	–	4 115
Richmond	3 286	85	–	3 371
Highmoor/ Kamberg Park DMA	427	11	–	438
Umgungundlovu	7 188	187	–	7 375
Emnambithi	12 191	317	–	12 508
Indaka	5 391	141	–	5 532
Umtshezi	5 681	148	–	5 829
Okhahlamba	5 282	137	–	5 419
Imbabazane	4 752	124	–	4 876
Giants Castle Game Reserve	600	16	–	616
Uthukela	11 791	307	–	12 098
Endumeni	2 608	68	–	2 676

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
234 471	–	100	–	234 471	234 471	234 471	100
7 305	–	100	–	7 305	7 305	7 305	100
2 582	–	100	–	2 582	2 582	2 582	100
10 479	–	100	–	10 479	10 479	10 479	100
6 650	–	100	–	6 650	6 650	6 650	100
4 485	–	100	–	4 485	4 485	4 485	100
8 487	–	100	–	8 487	8 487	8 487	100
19 131	–	100	–	19 131	19 131	19 131	100
8 898	–	100	–	8 898	8 898	8 898	100
6 343	–	100	–	6 343	6 343	6 343	100
2 381	–	100	–	2 381	2 381	2 381	100
3 506	–	100	–	3 506	3 506	3 506	100
50 736	–	100	–	50 736	50 736	50 736	100
4 115	–	100	–	4 115	4 115	4 115	100
3 371	–	100	–	3 371	3 371	3 371	100
438	–	100	–	438	438	438	100
7 375	–	100	–	7 375	7 375	7 375	100
12 508	–	100	–	12 508	12 508	12 508	100
5 532	–	100	–	5 532	5 532	5 532	100
5 829	–	100	–	5 829	5 829	5 829	100
5 419	–	100	–	5 419	5 419	5 419	100
4 876	–	100	–	4 876	4 876	4 876	100
616	–	100	–	616	616	616	100
12 098	–	100	–	12 098	12 098	12 098	100
2 676	–	100	–	2 676	2 676	2 676	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Kwazulu Natal (cont.)				
Nquthu	9 308	243	–	9 551
Msinga	11 751	306	–	12 057
Umvoti	7 709	200	–	7 909
Umzinyathi	10 971	286	–	11 257
Newcastle	20 559	535	–	21 094
Utrecht	2 378	62	–	2 440
Dannhauser	5 713	149	–	5 862
Amajuba	3 256	85	–	3 341
eDumbe	3 656	95	–	3 751
uPhongolo	6 473	168	–	6 641
Abaqulusi	8 045	210	–	8 255
Nongoma	10 135	264	–	10 399
Ulundi	13 069	340	–	13 409
Zululand	21 454	559	–	22 013
Umhlabuyalingana	8 497	221	–	8 718
Jozini	9 896	257	–	10 153
The Big Five False Bay	2 930	76	–	3 006
Hlabisa	7 762	202	–	7 964
Mtubatuba	4 887	127	–	5 014
St Lucia Park DMA	1 597	42	–	1 639
Umkhanyakude	14 489	377	–	14 866
Mbonambi	4 916	128	–	5 044
uMhlathuze	21 386	557	–	21 943
Ntambanana	4 731	123	–	4 854
Umlalazi	11 263	294	–	11 557

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
9 551	–	100	–	9 551	9 551	9 551	100
12 057	–	100	–	12 057	12 057	12 057	100
7 909	–	100	–	7 909	7 909	7 909	100
11 257	–	100	–	11 257	11 257	11 257	100
21 094	–	100	–	21 094	21 094	21 094	100
2 440	–	100	–	2 440	2 440	2 440	100
5 862	–	100	–	5 862	5 862	5 862	100
3 341	–	100	–	3 341	3 341	3 341	100
3 751	–	100	–	3 751	3 751	3 751	100
6 641	–	100	–	6 641	6 641	6 641	100
8 255	–	100	–	8 255	8 255	8 255	100
10 399	–	100	–	10 399	10 399	10 399	100
13 409	–	100	–	13 409	13 409	13 409	100
22 013	–	100	–	22 013	22 013	22 013	100
8 718	–	100	–	8 718	8 718	8 718	100
10 153	–	100	–	10 153	10 153	10 153	100
3 006	–	100	–	3 006	3 006	3 006	100
7 964	–	100	–	7 964	7 964	7 964	100
5 014	–	100	–	5 014	5 014	5 014	100
1 639	–	100	–	1 639	1 639	1 639	100
14 866	–	100	–	14 866	14 866	14 866	100
5 044	–	100	–	5 044	5 044	5 044	100
21 943	–	100	–	21 943	21 943	21 943	100
4 854	–	100	–	4 854	4 854	4 854	100
11 557	–	100	–	11 557	11 557	11 557	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Kwazulu Natal (cont.)				
Mthonjaneni	1 438	37	–	1 475
Nkandla	8 333	217	–	8 550
uThungulu	9 472	247	–	9 719
eNdongakusuka	11 026	287	–	11 313
Kwadukuza	13 986	364	–	14 350
Ndwedwe	9 790	255	–	10 045
Maphumulo	9 085	237	–	9 322
King Shaka	9 100	237	–	9 337
Ingwe	8 010	208	–	8 218
Kwa Sani	2 655	69	–	2 724
Matatiele	2 225	58	–	2 283
Greater Kokstad	5 240	137	–	5 377
Ubuhlebezwe	6 913	180	–	7 093
Mkhomazi Wilderness DMA	818	22	–	840
Sisonke	2 710	70	–	2 780
	747 022	19 448	–	766 470
Mpumalanga				
Albert Luthuli	14 816	385	–	15 201
Msukaligwa	8 627	225	–	8 852
Mkhondo	5 576	146	–	5 722
Seme	4 465	116	–	4 581
Lekwa	6 855	179	–	7 034
Dipaleseng	3 639	94	–	3 733
Goven Mbeki	17 018	443	–	17 461

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
1 475	–	100	–	1 475	1 475	1 475	100
8 550	–	100	–	8 550	8 550	8 550	100
9 719	–	100	–	9 719	9 719	9 719	100
11 313	–	100	–	11 313	11 313	11 313	100
14 350	–	100	–	14 350	14 350	14 350	100
10 045	–	100	–	10 045	10 045	10 045	100
9 322	–	100	–	9 322	9 322	9 322	100
9 337	–	100	–	9 337	9 337	9 337	100
8 218	–	100	–	8 218	8 218	8 218	100
2 724	–	100	–	2 724	2 724	2 724	100
2 283	–	100	–	2 283	2 283	2 283	100
5 377	–	100	–	5 377	5 377	5 377	100
7 093	–	100	–	7 093	7 093	7 093	100
840	–	100	–	840	840	840	100
2 780	–	100	–	2 780	2 780	2 780	100
766 470	–	100	–	766 470	766 470	766 470	100
15 201	–	100	–	15 201	15 201	15 201	100
8 852	–	100	–	8 852	8 852	8 852	100
5 722	–	100	–	5 722	5 722	5 722	100
4 581	–	100	–	4 581	4 581	4 581	100
7 034	–	100	–	7 034	7 034	7 034	100
3 733	–	100	–	3 733	3 733	3 733	100
17 461	–	100	–	17 461	17 461	17 461	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Mpumalanga (cont.)				
Eastvaal	4 385	115	–	4 500
Delmas	3 055	79	–	3 134
Emalahleni	13 678	356	–	14 034
Middelburg	8 378	218	–	8 596
Highlands	3 627	95	–	3 722
Thembisile	10 600	276	–	10 876
Dr JS Moroka	12 079	314	–	12 393
Mdala Nature Reserve DMA	271	7	–	278
Ngankala	1 673	44	–	1 717
Thaba Chweu	7 229	188	–	7 417
Mbombela	28 691	747	–	29 438
Umjindi	4 797	125	–	4 922
Nkomazi	17 037	444	–	17 481
Ehlanzeni	7 282	189	–	7 471
	183 778	4 785	–	188 563
Limpopo				
Makhuduthamaga	12 653	329	–	12 982
Fetakgomo	5 946	155	–	6 101
Greater Marble Hall	7 153	186	–	7 339
Groblersdal	15 037	391	–	15 428
Greater Tubatse	13 349	348	–	13 697
Schuinsdraai Nature Reserve	295	8	–	303
Sekhukhune Cross Boundary	30 526	795	–	31 321
Maruleng	6 386	166	–	6 552

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
4 500	–	100	–	4 500	4 500	4 500	100
3 134	–	100	–	3 134	3 134	3 134	100
14 034	–	100	–	14 034	14 034	14 034	100
8 596	–	100	–	8 596	8 596	8 596	100
3 722	–	100	–	3 722	3 722	3 722	100
10 876	–	100	–	10 876	10 876	10 876	100
12 393	–	100	–	12 393	12 393	12 393	100
278	–	100	–	278	278	278	100
1 717	–	100	–	1 717	1 717	1 717	100
7 417	–	100	–	7 417	7 417	7 417	100
29 438	–	100	–	29 438	29 438	29 438	100
4 922	–	100	–	4 922	4 922	4 922	100
17 481	–	100	–	17 481	17 481	17 481	100
7 471	–	100	–	7 471	7 471	7 471	100
188 563	–	100	–	188 563	188 563	188 563	100
12 982	–	100	–	12 982	12 982	12 982	100
6 101	–	100	–	6 101	6 101	6 101	100
7 339	–	100	–	7 339	7 339	7 339	100
15 428	–	100	–	15 428	15 428	15 428	100
13 697	–	100	–	13 697	13 697	13 697	100
303	–	100	–	303	303	303	100
31 321	–	100	–	31 321	31 321	31 321	100
6 552	–	100	–	6 552	6 552	6 552	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Limpopo (cont.)				
Bushbuckridge	44 644	1 162	–	45 806
Eastern DMA	925	24	–	949
Bohlabela	14 825	386	–	15 211
Greater Giyani	29 072	757	–	29 829
Greater Letaba	13 845	361	–	14 206
Greater Tzaneen	22 640	589	–	23 229
Ba–Phalaborwa	14 304	372	–	14 676
Mopani	12 252	319	–	12 571
Musina	5 079	132	–	5 211
Mutale	10 875	283	–	11 158
Thulamela	42 221	1 099	–	43 320
Makhado	39 484	1 028	–	40 512
Vhembe	4 187	109	–	4 296
Blouberg	11 626	302	–	11 928
Aganang	7 026	183	–	7 209
Molemole	5 186	135	–	5 321
Polokwane	21 590	561	–	22 151
Lepelle–Nkumpi	9 263	241	–	9 504
Capricorn	23 274	605	–	23 879
Thabazimbi	4 618	120	–	4 738
Lephalale	5 115	133	–	5 248
Mookgophong	1 812	47	–	1 859
Modimolle	3 566	93	–	3 659
Bela Bela	2 985	77	–	3 062
Mogalakwena	13 131	342	–	13 473
Waterberg	7 380	192	–	7 572
	462 270	12 030	–	474 300

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
45 806	–	100	–	45 806	45 806	45 806	100
949	–	100	–	949	949	949	100
15 211	–	100	–	15 211	15 211	15 211	100
29 829	–	100	–	29 829	29 829	29 829	100
14 206	–	100	–	14 206	14 206	14 206	100
23 229	–	100	–	23 229	23 229	23 229	100
14 676	–	100	–	14 676	14 676	14 676	100
12 571	–	100	–	12 571	12 571	12 571	100
5 211	–	100	–	5 211	5 211	5 211	100
11 158	–	100	–	11 158	11 158	11 158	100
43 320	–	100	–	43 320	43 320	43 320	100
40 512	–	100	–	40 512	40 512	40 512	100
4 296	–	100	–	4 296	4 296	4 296	100
11 928	–	100	–	11 928	11 928	11 928	100
7 209	–	100	–	7 209	7 209	7 209	100
5 321	–	100	–	5 321	5 321	5 321	100
22 151	–	100	–	22 151	22 151	22 151	100
9 504	–	100	–	9 504	9 504	9 504	100
23 879	–	100	–	23 879	23 879	23 879	100
4 738	–	100	–	4 738	4 738	4 738	100
5 248	–	100	–	5 248	5 248	5 248	100
1 859	–	100	–	1 859	1 859	1 859	100
3 659	–	100	–	3 659	3 659	3 659	100
3 062	–	100	–	3 062	3 062	3 062	100
13 473	–	100	–	13 473	13 473	13 473	100
7 572	–	100	–	7 572	7 572	7 572	100
474 300	–	100	–	474 300	474 300	474 300	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
North West				
Moretele	8 386	218	–	8 604
Madibeng	25 304	658	–	25 962
Rustenburg	26 315	685	–	27 000
Kgetlengriver	3 938	102	–	4 040
Moses Kotane	18 181	473	–	18 654
Bojanala Platinum	19 335	503	–	19 838
Setla–Kgobi	11 297	294	–	11 591
Tswaing	8 891	231	–	9 122
Mafikeng	16 150	421	–	16 571
Lichtenburg	10 261	267	–	10 528
Zeerust	10 844	282	–	11 126
Central	16 106	419	–	16 525
Kagisano	12 009	312	–	12 321
Naledi	4 716	123	–	4 839
Mamusa	5 835	152	–	5 987
Greater Taung	20 328	529	–	20 857
Molopo	2 817	73	–	2 890
Lekwa–Teemane	4 079	106	–	4 185
Bophirima	8 419	220	–	8 639
Ventersdorp	5 192	136	–	5 328
Potchefstroom	8 003	209	–	8 212
Klerksdorp	26 291	685	–	26 976
Maquassi Hills	6 838	178	–	7 016
Southern	1 619	42	–	1 661
	281 154	7 318	–	288 472

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
8 604	–	100	–	8 604	8 604	8 604	100
25 962	–	100	–	25 962	25 962	25 962	100
27 000	–	100	–	27 000	27 000	27 000	100
4 040	–	100	–	4 040	4 040	4 040	100
18 654	–	100	–	18 654	18 654	18 654	100
19 838	–	100	–	19 838	19 838	19 838	100
11 591	–	100	–	11 591	11 591	11 591	100
9 122	–	100	–	9 122	9 122	9 122	100
16 571	–	100	–	16 571	16 571	16 571	100
10 528	–	100	–	10 528	10 528	10 528	100
11 126	–	100	–	11 126	11 126	11 126	100
16 525	–	100	–	16 525	16 525	16 525	100
12 321	–	100	–	12 321	12 321	12 321	100
4 839	–	100	–	4 839	4 839	4 839	100
5 987	–	100	–	5 987	5 987	5 987	100
20 857	–	100	–	20 857	20 857	20 857	100
2 890	–	100	–	2 890	2 890	2 890	100
4 185	–	100	–	4 185	4 185	4 185	100
8 639	–	100	–	8 639	8 639	8 639	100
5 328	–	100	–	5 328	5 328	5 328	100
8 212	–	100	–	8 212	8 212	8 212	100
26 976	–	100	–	26 976	26 976	26 976	100
7 016	–	100	–	7 016	7 016	7 016	100
1 661	–	100	–	1 661	1 661	1 661	100
288 472	–	100	–	288 472	288 472	288 472	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(1) (continue)

STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Division of Revenue Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Local Government Equitable Share (cont.)				
Gauteng				
Ekurhuleni	106 656	2 776	–	109 432
City of Johannesburg	138 323	3 600	–	141 923
City of Tshwane	86 665	2 256	–	88 921
Nokeng Tsa Taemane	2 569	67	–	2 636
Kungwini	4 061	106	–	4 167
Metsweding	3 368	87	–	3 455
Emfuleni	31 370	817	–	32 187
Midvaal	5 397	141	–	5 538
Lesedi	4 392	115	–	4 507
Sedibeng	995	26	–	1 021
Mogale City	12 400	323	–	12 723
Randfontein	6 498	169	–	6 667
Westonaria	12 041	313	–	12 354
Merafong	12 823	334	–	13 157
Sterkfontein DMA	1 099	29	–	1 128
West Rand	785	20	–	805
	429 442	11 179	–	440 621
TOTAL	3 852 479	100 267	10 867	3 963 614

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
109 432	–	100	–	109 432	109 432	109 432	100
141 923	–	100	–	141 923	141 923	141 923	100
88 921	–	100	–	88 921	88 921	88 921	100
2 636	–	100	–	2 636	2 636	2 636	100
4 167	–	100	–	4 167	4 167	4 167	100
3 455	–	100	–	3 455	3 455	3 455	100
32 187	–	100	–	32 187	32 187	32 187	100
5 538	–	100	–	5 538	5 538	5 538	100
4 507	–	100	–	4 507	4 507	4 507	100
1 021	–	100	–	1 021	1 021	1 021	100
12 723	–	100	–	12 723	12 723	12 723	100
6 667	–	100	–	6 667	6 667	6 667	100
12 354	–	100	–	12 354	12 354	12 354	100
13 157	–	100	–	13 157	13 157	13 157	100
1 128	–	100	–	1 128	1 128	1 128	100
805	–	100	–	805	805	805	100
440 621	–	100	–	440 621	440 621	440 621	100
3 963 614	–	100	–	3 963 614	3 963 614	3 963 614	100

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 1D(2)

STATEMENT OF OTHER TRANSFERS TO INSTITUTIONS BY NATIONAL DEPARTMENT
AS AT 31 MARCH 2003

NAME OF MUNICIPALITY	GRANT ALLOCATION			
	Appropriation Act	Adjustments Estimate	Roll Overs	Total Available
	R'000	R'000	R'000	R'000
Commision for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	8 723	–	–	8 723
Government Motor Transport	599	–	–	599
TOTAL	9 322	–	–	9 322

Note:

The saving is mainly due to the legislation for the establishment of the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities only being assigned to dplg on 8 November 2002.
In addition no subsidised vehicles were purchased.

EXPENDITURE					SPENT		
Actual Transfer R'000	Amount not Transferred R'000	% of Available Transferred R'000	Capital R'000	Current R'000	Actual amount received R'000	Actual amount Spent R'000	% of amount Transferred Spent R'000
–	8 723	–	–	8 723	8 723	–	
–	599	–	599	–	599	–	
–	9 322	–	599	8 723	9 322	–	

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2003 (continue)

ANNEXURE 2

**STATEMENT OF FINANCIAL GUARRANTEES ISSUED
AS AT 31 MARCH 2003**

DOMESTIC		
Gauranteed institution	Guarantee in respect of	Original Guaranteed capital amont
	R'000	R'000
ABSA Bank	Housing loans	193
First National Bank	Housing loans	210
Natal Building Society	Housing loans	21
Nedcor Bank	Housing loans	190
Old Mutual Bank	Housing loans	52
Standard Bank	Housing loans	63
Total		729

ANNEXURE 3

PHYSICAL ASSET MOVEMENT SCHEDULE (Not including inventories)

PHYSICAL ASSETS ACQUIRED DURING FINANCIAL YEAR 2002/03	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers In R'000	Transfers Out R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	–	5,842	–	–	–	5,842
Computer equipment	–	2,562	–	–	–	2,562
Furniture and office equipment	–	3,280	–	–	–	3,280
	–	5,842	–	–	–	5,842

Opening Balance	Guarantees issued during the year	Guarantees released during the year	Guaranteed interest outstanding as at 31/03/2003	Closing Balance 31/03/2003	Realised losses i.r.o. claims paid out
R'000	R'000	R'000	R'000	R'000	R'000
223	–	30	–	193	–
117	114	21	–	210	–
21	–	–	–	21	–
175	19	4	–	190	–
52	–	–	–	52	–
63	–	–	–	63	–
651	133	55	–	729	–

ANNEXURE 4

INTANGIBLE ASSET MOVEMENT SCHEDULE (Not including inventories)

INTANGIBLE ASSETS ACQUIRED DURING FINANCIAL YEAR 2002/03	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers In R'000	Transfers Out R'000	Closing Balance R'000
Computer software	–	807	–	–	–	807
	–	807	–	–	–	807

Human Resource Management (Oversight Report)

PUBLIC SERVICE REGULATIONS

The statistics and information published in this part of the annual report are required in terms of Chapter 1, Part III J.3 of the Public Service Regulations, 2001 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service.

The statistical tables provide high-level information on key human resource issues. The information aims to empower legislatures, the media, the public and other key stakeholders to monitor whether departments:-

- Are exercising the powers granted under Public Service and Public Finance legislation in a responsible manner,
- Are achieving national transformation priorities established by the Cabinet, for example, affirmative action.

Annual reports are produced after the end of the financial year. This is aimed at strengthening the accountability of departments to key stakeholders.

1 Service delivery

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

Table 1.1 - Main services provided and standards

<i>Main services</i>	Actual customers	Potential customers	Standard of service	Actual achievement against standards
1 Systems 2. Legislation, Regulations 3. Advice, technical support 4. Grants, funding resources 5. Policy analysis & development	<ul style="list-style-type: none"> - Municipalities - Organised Local Government - Provincial Governments - Traditional Leaders and their Institutions - Parliament - Cabinet 	<ul style="list-style-type: none"> - Private Sector - NGO's - Academic Institutions 	<ul style="list-style-type: none"> - Develop systems - Develop legislation - Transfer of Grants 	<ul style="list-style-type: none"> - Systems developed - Legislation developed - Grants transferred for upgrading

Table 1.2 - Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
<ul style="list-style-type: none"> - Provincial visits to consult on strategic plan - Provincial conferences - Develop policies with other National Departments 	<ul style="list-style-type: none"> - Provincial Departments of Local Government - Municipalities - Premiers offices 	<ul style="list-style-type: none"> - Communities - Civil Society 	<ul style="list-style-type: none"> - Provincial inputs on the strategy - Improved communication channels and relations - Worked with other National Departments to develop policies on the roll-out of Free Basic Services

Table 1.3- Service delivery access strategy

Access Strategy	Actual achievements
<ul style="list-style-type: none"> - dplg Website - Publications - On site visits 	<ul style="list-style-type: none"> - dplg website improved and accessible to all clients - dplg work continuously publicized and communicated

Table 1.4 - Service information tool

Types of information tool	Actual achievements
<ul style="list-style-type: none"> - Publications - Information technology - Imbizo - IDP Nerve centre - PIMS Centres 	

Table 1.5 - Complaints mechanism

Complaints Mechanism	Actual achievements
<ul style="list-style-type: none"> - Telephone system - Letters of complaints - Suggestion boxes - Meetings 	<ul style="list-style-type: none"> - Transparent and open communication - Service Delivery improved

2 Expenditure

Department's budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the Department.

TABLE 2.1 – Personnel costs by programme, 2002/ 03

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost (R'000)
Programme1 Administration	43 022	22 474	454	4 607	52.2	184
Programme 2 Governance and Development	1 970 540	7 779	108	13 730	0.4	251
Programme 3 Institutional Reform and Support	4 516 946	12 989	107	20 949	0.3	245
Programme 4 Auxiliary and Associated Services	25 905	3 074	36		9.1	219
Total	6 556 413	46 316	705	41 936	0.7	203

TABLE 2.2 – Personnel costs by salary bands, 2002/ 03

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	1 526	3.3	73
Skilled (Levels 3-5)	3 928	8.4	51
Highly skilled production (Levels 6-8)	6 057	13.1	173
Highly skilled supervision (Levels 9-12)	14 305	30.9	234
Senior management (Levels 13-16)	20 500	44.3	603
Total	46 316	100	203

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2002/ 03

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Auxiliary and Associated Services: Programme 4	2 195	71.5	10	0.2	21	0.7	64	2.1
Administration: Programme 1	13 696	63.3	187	0.8	276	1.3	922	4.1
Governance and Development: Programme 2	5 143	65.8	39	0.5	94	1.2	260	3.4
Institutional Reform and Support: Programme 3	8 566	65.4	12	0.1	198	1.5	477	4.7
Total	29 600	63.9	248	0.01	589	1.3	1 723	3.7

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2002/ 03

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	996	65.3	29	1.9	33	2.2	106	6.9
Skilled (Levels 3-5)	2 509	63.9	103	2.6	104	2.6	316	8
Highly skilled production (Levels 6-8)	4 106	67.8	52	0.9	111	1.8	338	5.6
Highly skilled supervision (Levels 9-12)	10 095	70.6	64	0.4	247	1.7	447	3.1
Senior management (Levels 13-16)	11 894	63.1	0	0	94	0.5	516	2.7
Total	29 600	63.9	248	0.01	589	1.3	1 723	3.9

3 Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:- programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). (Departments have identified critical occupations that need to be monitored.) Table 3.3 provides establishment and vacancy information for the key critical occupations of the Department. The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by programme, 31 March 2003

Programme	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Governance and Development	37	31	16.21	6
Urban and Rural Development	9	0	100	
Institutional Reform and Support	79	67	15.18	1
Corporate Governance	6	1	83.33	0
Support Services (Including Office of the Minister, Deputy Minister and Director-General)	147	129	12.24	11
Total	278	228	17.98	18

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2003

Salary band	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	21	21	0	4
Skilled (Levels 3-5)	90	77	14.44	5
Highly skilled production (Levels 6-8)	38	35	7.89	3
Highly skilled supervision (Levels 9-12)	73	61	16.43	3
Senior management (Levels 13-16)	56	34	39.28	3
Total	278	228	17.98	18

TABLE 3.3 – Employment and vacancies by critical occupation, 31 March 2003

Critical occupations	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Administrative Related	58	48	17.2	3
Financial and Related Personnel	12	10	16.6	0
General Legal Administration	2	2	0	0
Other Admin Policy	19	15	21.0	3
SMS	38	34	10.5	3
TOTAL	129	109	15.5	9

The information in each case reflects the situation as at 31 March 2003. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

4 Job Evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 4.1 – Job Evaluation, 1 April 2002 to 31 March 2003

Salary Bands	Number of posts	Number of jobs evaluated	% of posts evaluated by	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	21	0	0	0	0	0	0
Skilled (Levels 3-5)	90	3	3.33	0	0	0	0
Highly skilled production (Levels 6-8)	38	1	2.63	0	0	0	0
Highly skilled supervision (Levels 9-12)	73	17	23.28	0	0	0	0
Senior Management Service Band A	36	27	75	0	0	0	0
Senior Management Service Band B	14	8	57.14	0	0	0	0
Senior Management Service Band C	5	2	40	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	278	58	20.86	0	0	0	0

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts 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 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2002 to 31 March 2003

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

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

TABLE 4.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2002 to 31 March 2003 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Deputy Director	1	11	12	"Buy offer" in order to retain scarce skills.

Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2002/ 03: 1

Percentage of total employment	0.5%
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Table 4.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

TABLE 4.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2002 to 31 March 2003 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	1	0	0	0	1
Male	0	0	0	0	0
Total	1	0	0	0	1
Employees with a disability					0

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 (Table 5.1) and by critical occupation (Table 5.2). (These "critical occupations" should be the same as those listed in Table 3.3)

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2002 to 31 March 2003

Salary Band	Number of employees per band as on 1 April 2002	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Lower skilled (Levels 1-2)	25	10	8	32
Skilled (Levels 3-5)	42	15	7	16.6
Highly skilled production(Levels 6-8)	42	10	4	9.5
Highly skilled supervision(Levels 9-12)	44	27	3	6.8
Senior Management Service Band A	20	4	2	10
Senior Management Service Band B	8	2	1	12.5
Senior Management Service Band C	3	0	0	0
Senior Management Service Band D	0	1	0	0
Total	184	69	25	13.58

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2002 to 31 March 2003

Occupation	Number of employees per occupation as on 1 April 2002	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
Administrative related	15	8	3	20
Finance and Related Personnel	6	2	1	16.66
General Legal Administration	2	0	0	0
Other Admin Policy	18	0	0	0
SMS	31	5	3	9.6
Total	72	15	7	9.7

Table 5.3 identifies the major reasons why staff left the department.

Table 5.3 – Reasons why staff are leaving the department

Termination Type	Number	% of total
Death	0	0
Resignation	13	52.00
Expiry of contract	2	8.00
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	4.00
Retirement	1	4.00
Transfers to other Public Service Departments	8	32.00
Other	0	0
Total	25	
Total number of employees who left as a % of the total employment		13.58

Table 5.4 – Promotions by critical occupation

Occupation:	Employees as at 1 April 2002	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Administrative Related	15	3	20	0	0
Financial and Related Personnel	6	1	16.6	4	66.6
General Legal Administration	2	0	0	0	0
Other Admin Policy	18	2	11.1	3	16.6
SMS	31	0	0	0	0
Total	72	6	8.3	7	9.7

Table 5.5 – Promotions by salary band

Salary Band	Employees 1 April 2002	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	25	0	0	2	8.00
Skilled (Levels 3-5)	42	1	2.3	15	35.71
Highly skilled production (Levels 6-8)	42	0	0	10	23.80
Highly skilled supervision (Levels 9 - 12)	44	5	11.3	3	6.8
Senior management (Levels 13-16)	31		0	0	0
Total	184	6	3.2	30	16.3

6 Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2003

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	35	6	4	20	24	1	2	12	104
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	16	5	0	0	41	4	1	20	87
Service and sales workers	7	2	1	1	2	0	0	0	13
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	1	0	0	0	0	1
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	10	0	0	0	11	2	0	0	23
Total	68	13	5	22	78	7	3	32	228
Employees with disabilities	0	0	0	1	1	0	0	1	3

6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2003

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	1	0	0	2	0	0	0	4
Senior Management	11	3	2	10	2	0	0	2	30
Professionally qualified and experienced specialists and mid-management	23	2	2	10	20	1	2	10	70
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11	0	0	1	11	2	1	18	44
Semi-skilled and discretionary decision making	12	7	1	0	28	2	0	2	52
Unskilled and defined decision making	10	0	0	1	15	2	0	0	28
Total	68	13	5	22	78	7	3	32	228

6.3 Recruitment for the period 1 April 2002 to 31 March 2003

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	3	1	1	1	0	0	0	0	6
Professionally qualified and experienced specialists and mid-management	9	0	1	1	12	0	2	2	27
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	0	0	0	6	1	0	0	10
Semi-skilled and discretionary decision making	3	0	0	0	8	2	0	2	15
Unskilled and defined decision making	2	1	0	1	5	1	0	0	10
Total	20	2	2	3	32	4	2	4	69

Employees with disabilities	No employees with disabilities appointed during the report period
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6.4 Promotions for the period 1 April 2002 to 31 March 2003

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

Employees with disabilities

No employees with disabilities appointed during the report period

6.5 Terminations for the period 1 April 2002 to 31 March 2003

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	0	0	0	1	3
Professionally qualified and experienced specialists and mid-management	2	1	0	0	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	1	0	0	0	0	1	4
Semi-skilled and discretionary decision making	3	0	0	0	2	1	0	1	7
Unskilled and defined decision making	3	0	0	0	5	0	0	0	8
Total	12	1	1	0	7	1	0	3	25

Employees with disabilities

No employees with disabilities appointed during the report period

6.6 Disciplinary action for the period 1 April 2002 to 31 March 2003

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	4	0	0	0	0	0	0	0	4

6.7 Skills development for the period 1 April 2002 to 31 March 2003

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	76	11	6	29	49	0	1	21	193
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	28	5	0	0	116	5	0	21	175
Service and sales workers	13	2	0	1	4	0	0	0	20
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	27	0	0	0	33	2	0	0	62

Total	144	18	6	30	202	7	1	42	450
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Employees with disabilities	0	0	0	1 (Attended 3 interventions)	1	0	0	1	3
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7 Performance Rewards

To encourage good performance, the Department granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (table 6.2) and critical occupations (Table 6.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2002 to 31 March 2003

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African	81	146	55.4	753	9 296
Male	28	68	41.1	301	10 750
Female	53	78	67.9	452	8 528
Asian	2	8	25	37	18 500
Male	2	5	40	37	18 500
Female	0	3	0	0	0
Coloured	12	20	60	144	12 000
Male	7	13	53.8	82	11 714
Female	5	7	71.4	62	12 400
White	34	54	62.9	531	15 617
Male	8	22	36.3	161	20 125
Female	26	32	81.2	370	14 230
Employees with a disability	3	3	100	58	19 333
Total	129	228	56.5	1975	15 310

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2002 to 31 March 2003

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Cost (R'000)	Average cost per employee
Lower skilled (Levels 1-2)	21	28	75	79	3 761
Skilled (Levels 3-5)	39	52	75	234	6 000
Highly skilled production (Levels 6-8)	40	44	90.9	441	11 025
Highly skilled supervision (Levels 9-12)	32	70	45.7	618	19 321
Total	132	194	68	1 372	10 393

TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2002 to 31 March 2003

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Cost (R'000)	Average cost per employee
Administrative related	20	48	41.6	343	17 150
Financial and Related Personnel	8	10	80	121	15 125
General Legal Administration	0	2	0	0	0
Other Admin Policy	8	15	53.3	54	6 750
SMS	15	34	44.1	369	24 600
Total	51	109	46.7	887	17 392

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

	Beneficiary Profile			Total Cost (R'000)	Average cost per employee
	Number of beneficiaries	Number of employees	% of total within band		
Band A	7	23	30.4	103	14 714
Band B	4	8	50	62	15 500
Band C	3	3	100	66	22 000
Band D	0	0	0	0	0
Total	14	34	41.2	231	16 500

8 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

8.1 No foreign nationals are employed in the Department

9 Leave utilisation for the period 1 January 2002 to 31 December 2002

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 (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 – Sick leave, 1 January 2002 to 31 December 2002

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	203	94.1	17	13.2	12	24
Skilled (Levels 3-5)	209	84.2	30	23.3	7	37
Highly skilled production (Levels 6-8)	230	82.6	30	23.3	8	75
Highly skilled supervision (Levels 9-12)	219	81.3	38	29.5	6	134
Senior management (Levels 13-16)	80	83.8	14	10.9	6	127
Total	941	85.2	129	100	7	397

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2002 to 31 December 2002

Salary Band	Total days taken	% 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)	40	10	1	33.3	40	5
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	5	100	1	33.3	5	2
Highly skilled supervision (Levels 9-12)	39	100	1	33.3	39	29
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	84	100	3	100	28	36

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000, requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

TABLE 9.3 – Annual Leave, 1 January 2002 to 31 December 2002

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	497	18
Skilled (Levels 3-5)	864	15
Highly skilled production (Levels 6-8)	1 006	19
Highly skilled supervision (Levels 9-12)	1 103	17
Senior management (Levels 13-16)	735	18
Total	4 205	17

TABLE 9.4 – Capped leave, 1 January 2002 to 31 December 2002

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2002
Lower skilled (Levels 1-2)	90	3	48
Skilled (Levels 3-5)	8	0	25
Highly skilled production (Levels 6-8)	63	2	39
Highly skilled supervision (Levels 9-12)	73	2	38
Senior management (Levels 13-16)	42	1	6
Total	276	8	40

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

TABLE 9.5 – Leave payouts for the period 1 April 2002 to 31 March 2003

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2002/03 due to non-utilisation of leave for the previous cycle	44	4	11 000
Capped leave payouts on termination of service for 2002/03	119	3	39 666
Current leave payout on termination of service for 2002/03	31	2	15 500
Total	194	9	21 555

10 HIV/AIDS & Health Promotion Programmes

TABLE 10.1 – 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
None	Not applicable

TABLE 10.2 – Details of Health Promotion and HIV/AIDS Programmes
(tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Mr Makoro 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.	√		5 employees R10,000
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.	√		Counselling Health Screening
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.			1. Ms C Hartman (PSA) 2. Ms H Nchabeleng (NEHAWU) 3. Ms M Wege Support Services 4. Mr J Beukman Governance and Development 5. Mr G Miya Institutional Reform and Support
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.	√		1. EE Plan 2. Gender Policy 3. HIV/Aids policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	√		Bill of rights
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	√		Disclosure of status
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		The Department organised a wellness day to coincide with World TB Day on 24 March 2003. This focussed on wellness screening and assessment.

11 Labour Relations

TABLE 11.1 – Collective agreements, 1 April 2002 to 31 March 2003

Collective agreements within the department

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

TABLE 11.2 – Misconduct and disciplinary hearings finalised, 1 April 2002 to 31 March 2003

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	2	50
Suspended without pay	1	25
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	1	25
Case withdrawn	0	0
Total	4	100

TABLE 11.3 – Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Without permission possesses or wrongfully uses the property of the State	2	50
Contravention of prescribed code of conduct	1	25
Failure to execute to policies of the government of the day in the performance of his official duties	1	25
Prejudices the administration, discipline or efficiency of a state department		
Total	4	100

TABLE 11.4 – Grievances lodged for the period 1 April 2002 to 31 March 2003

	Number	% of total
Number of grievances resolved	2	100%
Number of grievances not resolved	0	0
Total number of grievances lodged	2	100%

TABLE 11.5 – Disputes lodged with Councils for the period 1 April 2002 to 31 March 2003

	Number	% of total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	0	0

TABLE 11.6 – Strike actions for the period 1 April 2002 to 31 March 2003

Not applicable during the report period

TABLE 11.7 – Precautionary suspensions for the period 1 April 2002 to 31 March 2003

Number of people suspended	1	
Number of people whose suspension exceeded 30 days	0	
Average number of days suspended	30	
Cost (R'000) of suspensions	3	

12 Skills development

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

12.1 Training needs identified 1 April 2002 to 31 March 2003

Occupational Categories	Gender	Number of employees as at 1 April 2002	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	23	0	113	6	119
	Male	53	0	134	13	147
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female		0	0	0	0
	Male		0	0	0	0
Clerks	Female	54	0	195	31	226
	Male	14	0	64	8	72
Service and sales workers	Female	3	0	17	2	19
	Male	13	0	44	0	44
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female	13	0	62	5	67
	Male	10	0	46	3	49
Sub Total	Female	93	0	387	44	431
	Male	91	0	288	24	312
Total		184	0	675	68	743

12.2 Training provided 1 April 2002 to 31 March 2003

Occupational Categories	Gender	Number of employees as at 1 April 2002	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	40	0	64	4	68
	Male	64	0	112	13	125
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	62	0	116	28	144
	Male	20	0	23	8	31
Service and sales workers	Female	2	0	3	1	4
	Male	11	0	16	0	16
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	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0		0
Elementary occupations	Female	16	0	30	5	35
	Male	12	0	24	3	27
Sub Total	Female	120	0	213	38	251
	Male	108	0	175	24	199
Total		228	0	388	62	450

As will be noted from the totals in paragraphs 12.1 and 12.2 above, more than one training intervention was attended by some employees.

13 Injury on duty

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2002 to 31 March 2003

No injury on duty was reported.

14 Utilisation of Consultants

Table 14. 1: Report on consultant appointments using appropriated funds

[illegible]

Table 14.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
The Development of Guidelines for Community based initiatives to stimulate LED in Urban Renewal Nodes	67%		
Project Viability	30%		
Develop and conduct training in support of the roles of municipal office bearers		60%	
Basic Disaster management Training	Statutory body		
Facilities Management for the entire IT structure			
Management of LED and Processes and Procedures	100%		
LED Team Building and Training	100%		
Security and PABX Survey, compilation of specs and evaluation	0%		
Review the authorisation of powers and functions to Municipalities	12%		
Commissioning a policy paper on the Remuneration of Municipal Managers	12%		
Capture suppliers on database			1 (WE)
Guideline Inter Governmental dispute Res	0%		
Development of a framework for the assignment of powers and functions to the LG sphere	37% (WE)		
Programme management and administrative support to establish a planning and implementation management support system for municipalities	100%	100%	2
Project Management Services: Business Process mapping and Change management			
Evaluation of CMIP and LED	67%		
Building a case for review/reform of schedule 4 & 5 of the Constitution			
Establishing of Ward Committee: A Review	50%		
Strengthening the Intergovernmental Fiscal Policy Capacity	100%		1
Monitoring the Implementation of the new system of Local Government (Tender for 12 months Aug 2001)	100%		
Manage Urban Policy Process	100%		1
Consultants for CMIP to perform National Programme Management Support	54%	67%	5 male 4 female
Consultancy service on White Paper process on Traditional Leadership and Governance	100% (WE)		1(WE)
Perform Developer for CMIP			
Assist with crossing of the floor legislation	0%		
Consolidation of the Municipal Infrastructure Investment Framework	0%		

Table 14.3: Report on consultant appointments using Donor funds

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
The Development of Guidelines for Community based initiatives to stimulate LED in Urban renewal Nodes		20	49 461.89
Project Viability			6 740 299.80
Develop & conduct training in support of the roles of municipal office bearers		90	3 149 764.20

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

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project

Annexure E

Legislation Administered by Department

- Black Administration Act, 1927 (Act No. 38 of 1927), excluding sections 1, 2(7), 7(bis), 7(ter), 8, 11, 11A, 12, 20, 21A, 22, 22(bis) and 23.
- Jan Kempdorp Act, 1964 (Act No. 40 of 1964)
- Removal of Restrictions Act, 1967 (Act No. 84 of 1967) Section 5
- Section 9 of the Civil Protection Act, 1977 (Act No. 67 of 1977)
- Promotion of Local Government Affairs Act, 1983 (Act No. 91 of 1983), excluding Chapter 1 and 1A and section 14, section 15 insofar as it is applied with respect to sections 3(12), 6(1)(b) and 7A(2), and sections 17A and 17G.
- Regional Services Councils Act, 1985 (Act No. 109 of 1985), in so far as it relates to the Minister of Finance, and in so far as it applies to the Regional Services Councils established for certain regions and sections 15, 15B and 16.
- Abolition of Development Bodies Act, 1986 (Act No. 75 of 1986), excluding section 2(5).
- Rural Areas Act (House of Representatives), 1987 (Act No. 9 of 1987) excluding sections 20, 21(2), 42, 45, 49, 49A, 50, 52 and 55.
- Sections 2 and 15 of the Fire Brigade Services Act, 1987 (Act No. 99 of 1987)
- The Pension Benefits for Councillors of Local Authorities Act, 1987 (Act No. 105 of 1987).
- The Municipal Accountants Act, 1988 (Act No. 21 of 1988)
- Section 23 of the KwaZulu/Natal Joint Services Act, 1990 (Act No. 84 of 1990)
- The Local Authority Affairs Amendment (House of Assembly) Act, 1991 (Act No. 127 of 1991), excluding sections 3, 6, 7, 8, 9 and 12.
- The Local Government Affairs Amendment Act, 1993 (Act No. 56 of 1993)
- The Local Government Affairs Second Amendment Act, 1993 (Act No. 117 of 1993)
- The Local Government Transition Act, 1993 (Act No. 209 of 1993)

- Remuneration of Town Clerks Act Repeal Act, 1996 (Act No. 61 of 1996)
- The National House of Traditional Leaders Act, 1997 (Act No. 10 of 1997)
- South African Olympic Hosting Act, 1997 (Act No. 36 of 1997)
- Repeal of Local Government Laws Act, 1997 (Act No. 42 of 1997)
- Organised Local Government Act, 1997 (Act No. 52 of 1997)
- Transfer of Staff to Municipalities Act, 1998 (Act No. 17 of 1998)
- Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998)
- Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998)
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Disestablishment of the Local Government Affairs Council Act, 1999 (Act No. 59 of 1999)
- Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
- Local Government: Municipal Structures Amendment Act, 2000 (Act No. 33 of 2000)
- The Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act, 2002 (Act No. 19 of 2002).
- Disaster Management Act, 2002 (Act No. 57 of 2002)

Annexure F

List of Departmental Publications

TITLE	Number of volumes	Date	Author or Programme	TOPIC (BRIEF DESCRIPTION)
Annual Report	1	2001/2002	Directorate: Communication Services	A report on the Department's 2001/2002 activities
Property Rates bill: Key Information	1	2002	Directorate: Municipal Finance Policy	A short guide into the property rates bill for public comments
Research Bulletin	1	2003	Directorate: Research (Governance)	Expressing, analysing and debating issues of governance and development for information of dplg staff and stakeholders
dplg : key services	1	2003	Directorate: Communication Services	Brief information of dplg programmes for public information
A Guideline Document on Provincial –Local Intergovernmental Relations	1	2003	Directorate: Intergovernmental Relations	Assist in clarifying mutual obligation between provincial and local government
Strategic Plan (2003-2006)	1	2003	Directorate: Communication Services	





Annexure G

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Notes

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