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PART 1

1 General information

1.1 Submission of the annual report to the executive authority

As Accounting Officer of the Department of the Premier, I hereby submit the annual report of the department for the 2005/06 financial year to the executive authority of this department, Premier Ebrahim Rasool.

1.2 Introduction by the head of the institution

The 2005/06 financial year posed huge challenges to this department's employees, systems and finances. It was a year that was highlighted by the approval of the new re-engineered establishment of the department. This was followed by a competitive recruitment process for the filling of all the Senior Management Services (SMS) (levels 13 to 16) posts and as a result thereof a major portion of the appointments were made by the end of the financial year with most of these positions being taken up with effect from 1 April 2006 and later. Parallel to this, the department embarked on a capacity alignment process for salary levels 1-12.

Despite the challenges faced by the department it managed to perform well over the last financial year, doing groundbreaking work in areas such as the initial drafting of the Provincial Growth and Development Strategy, international relations and building social capital.

1.3 Overview of contents of annual report

Although the new establishment mentioned above was only implemented with effect from 1 April 2006, the department had to continue with its functions while the abovementioned processes and preparatory work on certain of the new functions were being undertaken. Part 2 will provide detail of the performance of the vote with some of the major achievements during the past year being:

- the development of the Draft Provincial Growth and Development Strategy document,
- the appointment of the Chairperson and Commissioners to the Western Cape Youth Commission,
- the first Premier's Service Excellence Awards ceremony for the province,
- the first combined Long Service Awards ceremony for all provincial government employees,
- a provincial government-wide cultural assessment survey was conducted that will inform the internal social capital programmes of the province,
- various provincial, municipal and presidential iimbizo were successfully held.

These will be further elucidated on in parts 2 and 4 of the report.

The report of the Audit Committee makes up part 3 of this annual report and does not point out anything substantial which is not already included in the report of the Auditor-General in part 4.

The annual financial statements reflected in part 4 together with the report by the Auditor-General includes for the first time the annual financial statements of the Western Cape Youth Commission. The reasons for this are further explained in paragraph 5 of the report of the Accounting Officer. A key feature of the annual financial statements is the fact that this department has once again received an unqualified audit report. In terms of utilization of funds, its funds, the department reflected an underspending of less than 1% at the end of the financial year under review.

The Human Resource management section in part 5 includes various tables reflecting the personnel position of the department.

1.4 Information on the Premier's office

The Premier undertook two overseas trips during the financial year under review. The first was to Indonesia which was a follow-up to an official visit by the Governor of South Sulawesi, Mr Amin Syam. A memorandum of Understanding (Co-operation Agreement) was concluded between Premier Rasool and Governor Syam, focusing on socio-cultural affairs, tourism, trade and investment and other fields mutually agreed upon. Trade links and investment opportunities between the Western Cape and the Province of South Sulawesi were explored. The Premier was also requested by the Mandela family to receive an honorary award on behalf of Mr Nelson Mandela from the Hasanuddin University in Makassar.

The second visit was to the United Kingdom and Germany after an invitation was extended to the Premier by the British High Commissioner to address the House of Commons during a special meeting. During this time, the Premier also visited the House of Lords where he attended meetings arranged through the British High Commission. The purpose of the visit to Germany was to attend the Regional Leaders' Summit.

1.5 Mission statement

The mission of the department as stated in the strategic plan for the year under review was 'The Department of the Premier, through holistic governance, will deliver: strategic leadership, outcomes based management, needs-based services and efficient and effective corporate governance to the Provincial Government and the citizens of the Western Cape'.

1.6 Legislative mandate

The key legislation that governed the existence of the Department at the time is summarised below:

- **The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)**
Being the Supreme Law in our Country, the Department measures its actions against the provisions and prescripts contained therein.
- **The Constitution of the Western Cape, 1997 (Act 1 of 1997)**
Being the Supreme Law in our Province, the Department measures its actions against the provisions and prescripts contained therein.
- **Public Service Act, 1994 (as amended)**
To provide for the organization and administration of the public service of the republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.
- **Public Finance Management Act (PFMA), 1999 (Act No 1 of 1999)**
To regulate financial management in the Department to ensure that all revenue, expenditure, assets and liabilities of the Department are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in the Department and to provide for matters connected therewith. To fulfill all prescribed responsibilities with respect to public entities.

Public Entities

This Department is currently accountable for two public entities, being the Provincial Development Council (PDC), which was established in terms of the Provincial Development Council Law, 1996 (Law 5 of 1996) and the Western Cape Provincial Youth Commission (WCPYC), which was established in terms of the Western Cape Provincial Youth Commission Act, 2004, and are regarded as schedule 3C Provincial Public Entities in terms of the PFMA. The financial statements of the PDC do not form part of the Department's financial statements. A separate report is tabled by the said Council, which serves as the accounting authority.

The core business of the PDC is to co-ordinate, facilitate and initiate consensus among all relevant parties on all issues, including policy directives, relating to integrated development frameworks.

The core business of the WCPYC is to promote and protect the interests of the youth in the province. Due to the fact that the Commission was appointed in June 2005, no annual performance plan was submitted for it via the 2005/06 budgetary process. It is therefore not possible to measure its achievements against stated objectives as would normally be the case with public entities which have submitted annual performance plans before the start of the financial year. Furthermore its expenditure was included as part of this department's expenditure and not as a transfer payment. This department therefore included its accounting officer's report, Auditor-General report and the annual financial statements as an annexure to this report.

PART 2

2. Programme performance

2.1 Purpose for providing programme performance information

The purpose for providing information under this part is to report on performance in accordance with the departmental strategic plan for 2005-2008 as tabled in the provincial legislature and clearly reports on performance against specified service delivery objectives and targets in Budget Statement 2.

2.2 Programme Performance- information to be reported

Voted Funds

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	Over/Under Expenditure R'000
	298,112	298,068	296,048	2,020
Responsible Minister	Premier E Rasool (Premier of the Western Cape Province)			
Administering Department	Department of the Premier			
Accounting Officer	Dr G A Lawrence – Director-General			

Aim of Vote

The Department of the Premier, through holistic governance, will deliver strategic leadership; outcomes based management; needs-based services and efficient and effective corporate government to the citizens of the Western Cape.

Key measurable objectives, programmes and achievements

Programme 1: Office of the Premier

To provide a professional and executive support service to the Premier as the chief political executive of the Western Cape provincial government.

Programme 2: Provincial Coordination

To ensure co-ordinated and integrated planning and development, sound inter- and intra-governmental and international relations.

Programme 3: Centre for E-Innovation

To optimise government service delivery, public participation and governance by transforming internal and external relations through the optimal utilisation of appropriate Information and Communication Technology (ICT).

Programme 4: Corporate Services

To promote good corporate governance.

Programme 5: Legal Services

To provide and maintain a highly professional legal establishment, providing sound legal advice to ensure legal certainty for the Western Cape Provincial Government in the execution of its functions.

Programme 6: Office of the Director-General

To render optimal administrative and executive support services to the Head of the Department as the Director-General of the Western Cape Provincial Government.

Programme 7: Financial Management

To ensure effective, efficient and economic utilisation of financial resources within the department.

Programme 8: Personnel Management and Administration

To ensure a transformed workforce in the department with competent, empowered and performance - focused employees.

Achievements

The department's major achievements are outlined in the overview of the service delivery and organizational environments below.

Overview of the service delivery environment for 2005/06

The two most influential environmental factors which impacted on the operations of the department were inarguably the appointment of the Commissioners of the Western Cape Provincial Youth Commission in June 2005 and the recruitment process for the filling of the Senior Management Service (SMS) in the latter half of the financial year. Both these factors contributed to this department becoming much more focused in its operations and the province becoming more co-operative, integrated and coherent in its outputs.

The Office of the Premier once again led from the front in establishing this department as the strategic leader in the province. The Premier was instrumental in driving the process of quarterly deliverables to which Members of the Executive Council and Accounting Officers were held to account. The Office of the Premier's achievements include the strengthening of international ties through cooperation agreements with other regions and the further roll-out of the 'Home for All' campaign to build social cohesion and pride amongst the citizens of our province.

The Office of the Director-General was responsible for maintaining stability in the department and ensuring delivery on its 2005/06 annual performance plan. The Director General himself steered the task team which successfully managed the reengineering process.

The branch Provincial Coordination continued to provide highly competent support to the Provincial Cabinet, Cabinet Committees and cluster committees. It also managed the imbizo processes which foster responsive governance and the PTM and Cabinet Lekgotlas which form the core integrated strategic planning mechanisms of the Provincial Government. A Provincial Honours event which had a special focus on slavery saw the awarding of 14 honours awards to citizens of the Western Cape. The Directorate International Relation was also responsible for more regularly managing, on request from the Department of Foreign Affairs, foreign delegations that were hosted.

Legal Services exceeded its target of legal opinions by more than 50% due to an increased awareness of the benefits of the services offered by this branch. It was instrumental in the drafting, editing and amending of no less than 33 pieces of provincial and subordinate legislation in all areas of provincial competence.

The Provincial Sports day was successfully hosted by this department and is a key instrument in the building of internal social capital. In building internal human capital, the Provincial Training component presented training courses to provincial government employees of which more detail can be found in annexure A to this report. Further interventions by this department to build internal human and social capital include the recognition function for 87 serving provincial employees who had been in the public service for at longer at least 40 years, the first Premiers' Service Excellence Awards for this province rewarding teams for outstanding performance based on the Batho Pele principles, the combined Provincial Long Service Award function for 3000 provincial employees recognising 20 and 30 years of satisfactory, continued public service and co-ordinating the Provincial Government's participation the 2005 Africa Public Service Day commemoration.

The Centre for e-Innovation is the branch that is allocated the major portion of the Department's budget. Selected key outputs are listed as follows:

Health

- All hospitals have on-line patient registration and limited on-line clinical information. The academic hospitals have on-line pharmacy system and materials management systems.

Education

- More than 200 schools received 1st ICT computer lab and connectivity and 36 schools received 2nd ICT lab which is supported, maintained or assisted by the Education Centre for E-Innovation unit.
- Over 4000 PC's were installed in schools.

Transport

- The Cape Gateway Contact Centre handled a number of campaigns such as the Public Transport Conversion Campaign and the Public Transport Licensing for Minibus Taxis, Metered Taxis and Tour Operators.

Planning and Development

- A successful bidder was appointed and implementation of the Cape Gateway version 2 Development Project started in November 2005. This project will enable citizens to register on the Cape Gateway Portal and subscribe to newsletters as well as receive information updates in their areas of interest.
- The above project is the forerunner of the Cape Gateway Portal Version 3: Integrated Government Development Project.
- The Centre for E-Innovation has made progress on various departments Master Systems Plan (MSP) and has completed (100%) the MSP for the Department of Environmental Affairs. Furthermore progress has been made on the Provincial Wide MSP.

Overview of the organisational environment for 2005/06

□ *Staff*

During September 2005 the Premier held a staff imbizo where all staff attended and were granted the opportunity to raise questions directly to the Premier on the reengineering process on which the Premier responded at the session. This went a long way towards dispelling fears related to the process as staff left with a clear understanding of the purpose and objectives of the process.

The departments operated during 2005/06 with an establishment which was filled on average at 72%. At no stage was any moratorium placed on the filling of posts within the department, but posts were filled selectively based on priority.

□ *Structure*

The old structure of the department was abolished on 31 March 2006 and the new structure kicked in on 1 April 2006. An organogram of the department's new structure is attached as Annexure C.

□ *Accommodation*

Adequate accommodation in the city bowl remains a costly and complex exercise as moves to vacant PGWC office space are often dependent on moves from other units/departments, causing delays in the process. Acknowledgement must, however, be given to the support provided by the staff of the department of Transport and Public Works during the period March 2006 to May 2006 when large scale moves were effected by this department.

Strategic overview and key policy developments for the 2006/07 financial year

With new intellectual capital on SMS level flowing into the department with effect from 1 April 2006, it is inevitable that the deliverables set by the previous SMS members are going to be reviewed and amended appropriately. It is therefore envisaged that the current set of eight strategic goals of the department will be reduced or increased in future.

Key policy developments envisaged for 2006/07 are:

The fostering of shared growth and sustainable development by -

- delivering the PGDS through the IGR structures, particularly the IDP's of local governments, and extra-governmental partnerships;
- aligning supporting PGWC strategies with the PGDS;
- assessing the impact of the PGDS on provincial practice;
- monitoring and evaluating the performance of the PGWC;
- facilitating and enabling intergovernmental alignment and coordination;
- facilitating and leading catalytic interventions including ASGISA initiatives; and
- developing a coherent ICT framework in support of the PGDS.

Deepening our democracy through -

- social cohesion – creating a culture within the Western Cape and its government that enables delivery on the PGWC agenda;
- public participation – conducting two-way engagements that promote access as well as partnerships for development; and
- mainstreaming the needs of vulnerable and marginalized groups

Fostering of responsive and good holistic governance by –

- communicating internally and externally;
- combating economic crime;
- rendering quality legal services with due regard for the constitutional mandate;
- rendering quality labour relations services in compliance with legislation and policy imperatives;
- building internal human capital;
- building internal social capital;
- developing excellent institutional performance; and
- providing ICT services.

A key challenge to achieving success in the above will be the department's ability to source sufficient funding for its programmes – albeit from the Provincial Revenue Fund, Official Donor Assistance or any other means as allowed within the framework of the Public Finance Management Act.

Departmental revenue and expenditure

Collection of departmental revenue

	2002/03 Actual R'000	2003/04 Actual R'000	2004/05 Actual R'000	2005/06 Target R'000	2005/06 Actual R'000	% Deviation from target
Tax revenue						
Non-tax revenue	847	1,910	1,516	538	1,279	137.73%
Sales of capital assets (Capital Revenue)						
Financial transactions (Recovery of loans and advances)						
TOTAL DEPARTMENTAL RECEIPTS	847	1,910	1,516	538	1,279	137.73%

Departmental expenditure

Programmes	Voted for 2005/06	Roll-overs and adjustments	Virements	Total voted	Actual expenditure	Variance
Programme 1	13,075	480	306	12,397	12,328	69
Programme 2	19,619	(213)	592	22,671	22,070	601
Programme 3	176,438	(714)	(8,726)	153,017	152,254	763
Programme 4	58,188	(10,633)	(1,413)	40,517	40,283	234
Programme 5	15,689	(2,500)	823	11,126	11,089	37
Programme 6	10,220	22	8,996	43,453	43,289	164
Programme 7	9,457	1,130	(32)	8,597	8,503	94
Programme 8	6,246	(263)	(546)	6,290	6,232	58
Total	298,112	(44)	-	298,068	296,048	2,020

Transfer payments

NAME OF INSTITUTION	AMOUNT TRANS-FERRED	ESTIMATE EXPEN-DITURE
Provincial Development Council	4,000	4,000
Municipality of Central WC DC5	70	70
Municipality of Eden	70	70
Municipality of Overberg	70	70
Cape Metropolitan Council: Regional Council Levies	284	284
Cape Winelands District Municipality: Regional Council Levies	16	16
Network on Violence against Women	75	75
Western Cape Network on Disability	175	175
Bridges Organisation	185	185
Transfers to households (leave gratuities)	162	162
Gifts, donations and sponsorships	1,019	1,019
Totals	6,126	6,126

Programme performance

Summary of Programmes

The activities of the Department of the Premier are organised in the following eight programmes:

- Programme 1: Office of the Premier
- Programme 2: Provincial Coordination
- Programme 3: Centre for E-Innovation
- Programme 4: Corporate Services
- Programme 5: Legal Services
- Programme 6: Office of the Director-General
- Programme 7: Financial Management
- Programme 8: Personnel Management and Administration

Programme 1: Office of the Premier

Purpose:

To provide a professional and executive support service to the Premier as the chief political executive of the Western Cape provincial government.

Measurable objective:

- To provide administrative and financial support services to the Premier and the official residence of the premier.
- To manage the communication functions related to the Premier and the Provincial Government.
- To provide support services to the Premier by management of appointments, correspondence and rendering of logistical and organisational support services.

Service delivery objectives and indicators:

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Support Services	Process documentation to finalise requests and ensure budgetary and expenditure compliance.	% of administrative documents dealt with and general administrative support provided.	100% compliance	100% compliance
	Communication and event management strategy in place.	% of effectiveness of communication and event management strategy.	100%	80%
	Premier able to participate in the provincial parliament and National Council of Provinces.	% effectiveness in participating in legislative process.	100%	90%

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
	Sound inter and intra governmental co-ordination and co-operation.	% of effectiveness of liaison with executive authorities from line function departments in Province as well as with other spheres of government and the public.	100%	90%
	Management of appointments, correspondence and rendering logistical and organisational support services.	% satisfied citizens interacting with the Premier.	100%	80%
Leeuwenhof	Fully functional service at the official residence.	% level at which residence is maintained and kept in sound order.	100%	90%

Programme 2: Provincial Coordination

Purpose:

To ensure co-ordinated and integrated planning and development, sound inter- and intra-governmental and international relations.

Measurable objective:

- To ensure smooth and effective functioning of the branch.
- Provincial Development Council:
 - To make funds available to the public entity in terms of legal provisions governing the financial relations between the Province and the Council.
 - To meet statutory and financial obligations.
- Human Rights and Protocol:
 - To improve the quality of life of targeted vulnerable and marginalised groups.
 - To establish specific functional bilateral and multi-lateral social partnerships.
 - To integrate the issues of vulnerable and marginalised groups in mainstream development and planning associated with the eight thrusts of iKapa Elihlumayo and all strategic objectives of the Department of the Premier.
 - To create awareness and build capacity through the mainstreaming of moral regeneration.
 - To promote sound international relations, provide strategic advice, manage protocol and to administer provincial honours.
- Policy and Strategic Management:
 - To strengthen and support the Cabinet, Cabinet Committee and Cluster system to facilitate and co-ordinate in terms of policy formulation planning.
 - To ensure effective, efficient and responsive intergovernmental relations and information management service.
- Provincial Youth Commission
 - To make funds available to the public entity to ensure that it performs its functions in terms of the Youth Commission Act, 2004.

Service delivery objective and indicators:

During the 2005/06 financial year the directorate Human Rights and Protocol continued to work on a three-pronged approach namely specific, integrated or inclusive disability, youth, gender equality and women empowerment initiatives. At the same time the directorate promoted improved co-ordination between the two remaining offices – Office of the Status of Disabled Persons (OSDP) and the Office on the Status of Women (OSW).

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Administration	Delivering administrative support services to management.	% compliance with the legislative prescripts.	100%	100%
Provincial Development Council	Maintenance of PDC.	Number of quarterly reports received.	4	4
	Restructuring of PDC.	% of completion.	80%	90%

Human Rights Programmes and Protocol.	To provide strategic guidance towards the implementation of integrated strategies.	Approved 5 year plan for IPDP's, GEWEIS and Youth strategies. Aligned with iKapa Elihlumayo.	25	IPDS co-ordination and monitoring framework completed and is ready for consultation and further refinement.
				GEWEISS final draft completed and is ready for submission to clusters and cabinet for approval. The Youth Strategy was put on hold altogether due to the establishment of the youth commission.
	To co-ordinate, monitor, evaluate and report on the approved 5 year implementation plan.			Together with national counterparts in the President's office annual disability and gender priorities were determined for the past year. These priorities are normally determined based on national and provincial priorities linked to the state of the nation address, the overall national programme of action as well as gender and disability specific priorities. These priorities were also shared with all the provincial department's human rights focal units representative of a gender and disability focus.
		Number of functional human rights programmes departmental focal units operational.	13 units.	Currently there is at least one gender and one disability focal person/point in each department.
		Number of functional human rights programmes provincial forums.	1 Forum.	During the past year each of the specialist areas viz disability and gender still continued to be managed separately as it relates to provincial co-ordination structures/forums.

		Fully functional Youth Commission.	1 Structure.	The implementation of the Western Cape Youth Commission Act, 5, 2004 was initiated with the nomination process and subsequent appointment of Youth Commissioners on the 15 th of June 2005. The establishment also comprised a number of other important aspects necessary to function effectively as a Youth Commission.
	Monitoring, evaluation and reporting (ME&R) system is in place to monitor compliance impact.	Number of audits.	1 Annual audit.	This process was put on hold due to the national and provincial wide monitoring and evaluation system development processes.
	To undertake research and develop frameworks and programmes that support integrated implementation.	Number of empowerment frameworks: disabled persons, youth and women.	3 Programmes	The OSDP disability empowerment initiative continued with an emphasis on the transformation of protective workshops in partnership with the Department of Social Services.
	In partnership with the Department of Local Government to promote, facilitate and provide support for the establishment of integrated district offices.	Number of integrated offices established.	6 Offices.	5 districts were visited to determine the current status in terms of the establishment of integrated offices. 3 of the districts were in operation and received funding. These are Overberg; Eden and West Coast. Central Karoo and Winelands are still in the negotiating process.
	In partnership with Provincial Training to develop and nurture a multi-skilled trainer team as well as provincial and local government focal persons.	Number of trainers partaking in full-scale implementation of mainstreaming training package.	25 trainers.	31 Provincial government officials were trained representing the following departments: Local Government & Housing; Social Services & Poverty Alleviation; Education; Health; Agriculture & Transport & Public Works.

	To ensure participation of social partners in the provincial human rights programmes as well as support of their initiatives.	Number of quarterly meetings of the provincial human rights programmes forums.	4 Meetings.	The establishment of a human rights forum incorporating all issues viz disability, youth and gender did not materialise due to the fact that each of these specialist areas found itself at different levels of development.
		Bi-monthly meetings with sector specific partners each (disability, youth and gender).	18 Meetings.	3 Provincial Disability Co-ordination Forum meetings comprising provincial departments disability focal and representatives of the Western Cape Network on Disability. Various meetings held with gender stakeholders towards the establishment of the Western Cape Gender Machinery.
	To undertake research to inform the development and comprehensive and integrated awareness-raising programme.	Number of integrated awareness-raising programmes in place.	1 Programme	The moral regeneration initiatives stipulated in the budget vote 2005/06 were deferred due to the reengineering process of the Department of the Premier
	To co-ordinate and facilitate capacity building opportunities and programmes for members of provincial structures (external focus) and provincial departments (internal focus).	Number of integrated capacity building programmes in place (1 internal and 1 external focus).	2 Programmes	
	The development of international co-operation opportunities with Africa in support of Nepad, e.g. agricultural development project.	Number of co-operation opportunities/projects.	Continuous.	Assisted in the development of a multi-lateral agricultural project with Kenya, Mosambique and Botswana.
	Give advice and practical assistance to the Premier, Ministers and officials regarding protocol and etiquette.	% of demand addressed.	100%	100% - provided advice & assistance when requested.
	Provide administrative support to the Advisory Panel on Provincial Honours.	% of meetings arranged on demand.	100%	3 meetings –100%

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
	Ensure that Provincial Awards are awarded annually.	Annual award ceremony.	1	1 Ceremony held on 16 December 2005 with a special focus on slavery. The Order of Disa award was awarded to 14 officers.
Policy and Strategic Management	Render an effective secretariat service to the Provincial Cabinet and its respective committees.	Number of cabinet meetings.	22	24 meetings held.
		Number of cabinet committee meetings.	3x21 (63)	32 meetings held.
	Ensure the gathering and safeguarding and provisioning of all information necessary to facilitate informed decision-making on provincial level.	% efficiency of an information and record management service that ensures co-ordinated and integrated planning, service delivery and development processes.	80%	80%
	Supporting programmes by strengthening the institutional network of the Executive and Administrative structure through:	% alignment of provincial priorities with that of National and Integrated Development Plans (IDP's) of Local Municipalities.	80%	80%
	The operationalisation of an effective, efficient, collaborative and co-ordinated cluster system.	Number of provincial cluster meetings.	30 meetings.	23 meetings held.
		Number of PIF meetings.	4 meetings.	2 meetings held.
	The promotion of sound inter- and intra-governmental relations.	% of support provided.	100%	90%

Programme 3: Centre for E-Innovation

Purpose:

To optimise government service delivery, public participation and governance by transforming internal and external relations through the optimal utilisation of appropriate Information and Communication Technology (ICT).

Measurable objective:

- To render administrative support.
- To provide strategic direction to the Cabinet and Provincial Top Management with regards to E-Government and ICT.
- To plan and develop transversal e-Government/ICT projects and services.
- To manage transversal infrastructure and applications operations.
- To render Government Information Technology (GITO) management services to departments.

Service delivery objectives and indicators:

The Cape Gateway Version 2 Development project will enable citizens to register on the Cape Gateway Portal and subscribe to newsletters and receive information updates. The Content Management Systems is being replaced by a new system that will greatly improve productivity of the Content Team and this will lead to a new Provincial Government Intranet.

More than 1 million visitors viewed the portal during the 2005/06 financial year. The Cape Gateway contact centre has received an average of 11 000 calls per month and the Walk-in Centre has received an average of 550 visitors per month.

The feasibility study and the business case is in the process of development (70% completed). Approval from the Minister of DPSA still to be sought.

Various media campaigns on e-Government and Government services was offered online e.g. Media campaign on the Provincial Government Call Centre; Media campaign, launch and co-ordination of the Information Society Week 2005.

Community meetings were centred around the Cape Access nodes of operation; engaging with local communities in their expectation of government and the improvement of service delivery.

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Administration	General administrative support.	% Compliance to prescripts.	100%	100%
Policy and Strategy	Determine Information Management (IM) and ICT central norms and standards.	% Complete of Provincial ICT norms and standards policy.	90%	10% of ICT Infrastructure policy development completed. Majority of policies have been reviewed and updated (70%)
	Consult IM and ICT central norms and standards.	Number of CITCOM meetings.	6	Nil

	Negotiate and manage Business and Service Level Agreements with SITA.	% maintenance of business agreement.	100%	99.55% uptime for PGWC end-to-end network.
		% of Service Level Agreements for all services rendered.	100%	
Planning and Development	Provision of all IT related technical and professional support.	% effective of governance and administrative processes.	95%	40% of Disaster Recovery Planning (DRP) and Business Continuity Planning (BCP) completed.
	Develop; implement and maintain transversal application systems.	% compliance to National and Provincial Standards.	100%	Portal Version 2 Development Project associated with the Content Management System is the forerunner of the Cape Gateway Portal Version 3: Integrated Government Development Plan.
		% of user satisfaction.	70%	Do not have user satisfaction survey but Portal attracts 85 000 visitors p.m. and 640 e-mails p.m.
Transversal	Implement and maintain Information Technology networks and Infrastructure.	% of compliance to international standards and best practice.	100%	70% based on main Network Infrastructure Technology Areas
	Stable transversal system.	% of user satisfaction.	70%	95% back-end stability, In terms of SLA with SITA the PGWC has 98% availability target. This has been met.
	Support of workstations and file servers.	Number of workstations and file servers supported.	11500 workstations.	Close to 12 000 workstations as well as 124 Novell File Servers
	Servicing all ICT related calls logged.	Response time of call closure (hours).	48 hours.	99.9% agreed response times for PGWC end-to-end network.
Health / Social Services and Housing	Delivered Applications; NIMS, CRADLE, CYCA, PMS, IAS, EDMS, GIS, Clinic system.	Number of signed off project milestones.	10	Partial integration between Health systems but no completed and signed off integration model yet.
	Operational Application Systems.	Number of systems maintained.	88	On-going maintenance and support provided.

	Maintained, managed and refreshed IT Infrastructure.	Number of sites supported.	45	Infrastructure maintained on a 24 hour 7 days a week basis. Refresh implemented within budget.
	Revised MSP's.	% of alignment of Master Systems Plan (MSP's).	100%	70% alignment; MSP training and presentations to Senior Managers teams of departments.
	Revised HIS SLA; Regional Pharmacy SLA; 3 user departments SLA's.	% compliance to SLA's.	100%	95% adherence to HIS SLA, Regional Pharmacy contract not finalised, SLA's with departments not completed.
	ICT strategy for Western Cape Health.	% of alignment.	100%	90% alignment with Healthcare 2010.
	Business Intelligence for Health, Social Services and IT Management.	% implemented.	60%	Health 60% achieved, Social Services stopped by department to consider another option, IT Management project stopped.
	Stable application system, delivered IT infrastructure.	Number of Health institutions live with Regional Pharmacy application.	22	The academic hospitals have an online pharmacy system and materials management system.
	Operational order comms and results reporting at 3 Academic hospitals.	% complete.	40%	All hospitals have on-line patient registration and limited on-line clinical information.
	Stable HIS application system, delivered IT infrastructure.	Number of Health institutions live with HIS application.	25	8 sites fully functional
Education/ Cultural Affairs and Sport.	Technology refresh completed at schools. Formal reviews and project progress reports.	Number of schools.	75	240 Schools.
	Maintain and support of schools.	Number of schools at which maintenance is provided.	1460 schools.	Over 1500 schools.
	Installed computer labs in schools identified in the Khanya and Multigrade projects.	Number of schools equipped in the Khanya and Multigrade projects with hardware, software and network infrastructure.	75 schools.	218 Schools received first ICT Lab and connectivity. 45 Schools received a second ICT Lab. Over 5000 PC's installed at schools.

		Number of school laboratories maintained and serviced.	410 schools.	637 schools.
	Management information systems enhanced and maintained in accordance with the EMIS objectives and deadlines.	% of delivery of key objectives and milestones as determined by EMIS key processes via Annual and Snap Survey.	100%	100% including implementation of Learner Tracking System and Webfocus MIS Interface.
		Number of formal reviews of IT projects and functions around BIS, MIS, GIS and WEB systems projects.	36	42
	Management information systems enhanced and maintained in accordance with EMIS objectives and deadlines.	% of key delivery objectives and milestones as determined by EMIS key processes via Annual and Snap Surveys.	100%	100% of initial objectives met plus additional and urgent EMIS related initiatives implemented.
		Number of formal reviews of IT projects and functions around operational systems.	38	44
	Exams results and IT related processes successfully completed for Education for each Exam Cycle.	% of delivery of key objectives and milestones as determined by Exams Administration for each Exam Cycle of 18 months (June of the one year to December of the next year) over two MTEF periods. Matric Exams process itself as measured in December of each year.	100%	100% of initial objectives implemented plus additional functionality added to Exams systems.
		Number of formal reviews of IT processes involved in Matric Exams by the way of "Post Mortem" report and formal projections for each Exam Cycle.	36	46

Economic, Governance and Administration	Reliable and readily available management information.	Number of enabled super users.	20	15 in Transport and Public Works
	Efficient application system to support the departmental business requirements to ensure better service delivery.	Number of effective departmental specific application system.	5	13 systems
	Effective and economic service delivery by departments.	Number of application systems maintained.	129	10% of the Provincial Wide MSP has been completed: 60% for the Department of the Premier and 100% for the Department of Environmental Affairs.
	Efficient data communication.	Number of local authorities connected to efficiency of data flow.	5 districts.	6 Centres have been established (2 in the West Coast region, 1 in Bitterfontein, 1 in Van Rhynsdorp, 1 in Conville and 1 in Bongulethu). Access points were established in Struisbaai and Elim.

Programme 4: Corporate Services

Purpose:

To promote good corporate governance.

Measurable objective:

- To ensure the smooth and effective functioning of the branch.
- To ensure best human resource management (HRM) practices in order to add value to the objectives of the Department of the Premier.
- To ensure labour peace and sound labour practices in the workplace.
- To ensure and maintain acceptable norms/standards for Personnel management and administration.
- To contribute to the improvement of the Province's overall service delivery levels.
- To ensure an informed workforce and community through the promotion of the Provincial government and to render general support services.
- To implement modernisation programmes of government (transformation).
- To develop core organisation values (internal social capital) and core competencies (internal human capital).
- To create a learning organisation (high performance organisation).

Service delivery objectives and indicators:

Human Resource Management:

- Development and implementation of transversal policy frameworks, guidelines and directives in co-operation with provincial departments within the Provincial Government of the Western Cape and admitted trade unions, regarding Human Resource Management.
- The development and implementation of Guidelines and Terms of Reference for Employment Equity Consultative Forums to assist departments with their management of the consultation requirements of the Employment Equity Act.
- Interventions flowing from Personnel Administration and Collective Agreements on national level were embarked upon and successfully concluded, *inter alia*, Phase II of the Pensions Restructuring programme.
- Strategic and management support to the Premier, MEC's, the Director-General and Heads of Departments, as well as advice and guidance on Human Resource matters.
- Considerable progress has been made towards the further removal of employment equity barriers from all current human resource policy documentation, which further clarifies affirmative action and employment equity needs.
- A policy framework on Employee Assistance Programmes was developed, mandated, consulted and rolled out to all departments. Implementation monitoring has been initiated with feedback to the bargaining structure.
- Emanating from the Public Service Co-ordinating Bargaining Council Resolution 2 of 2004, a Provincial Strategic Framework on Staff Retention was adopted and the inputs were provided to the Minister of Public Service and Administration for the payment of allowances to identify scarce skills occupations. The approval of the Minister is awaited.
- A prestige recognition function was arranged and successfully presented for 87 serving provincial employees and their spouses/partners who have been in the public service for at least 40 years.
- A combined Provincial Long Service Award function was arranged and successfully presented for 3000 provincial employees recognising 20 and 30 years of satisfactory, continued public service.

Provincial Training:

- Due to the reengineering process of the Department of the Premier, new challenges in respect of the re-positioning of the Chief Directorate have arisen. As part of the reengineering process, the Cape Administrative Academy is in the process of being transformed to meet challenges of developing human capital in the PGWC. Existing linkages with national and international human resource development institutions have been maintained. A new linkage was established with a benchmarking visit to India.

Operational Support:

- Conducted an organisational culture assessment survey. This project mainly entailed the development of an organisational culture model and assessment instrument for the PGWC, and the actual conducting of an organisational culture assessment tool. The latter assessment covered a representative sample of all the staff of each of the 12 provincial departments. The results of the survey are currently being considered at the highest executive level.
- Established an interdepartmental Batho Pele Network.
- Facilitated the development of a draft provincial policy in the implementation of departmental staff Izimbizo as standard management practice.
- Assisted with the implementation of the approved proposals of the reengineering of the Department of the Premier. Assisted with the finalisation of the required job evaluations of the entire structure and support was provided in respect of the implementation of the approved personnel accommodation plan.
- Investigated the rationalisation of the Further Education Training (FET) Colleges for the Department of Education.
- Investigated the established three new components in the Department of Environmental Affairs and Development Planning in lieu of the transfer of functions from the national department.
- Provided core members, within the Department of Health, of various task teams responsible for the development of frameworks for the implementation of Healthcare 2010.
- Investigated the organisation re-design of the internal audit function within the Provincial Treasury.
- Investigated the organisation re-design of the head office component and 16 district offices of the Department of Social Services and Poverty Alleviation.
- Assisted with the design and implementation of streamlined management and operational processes at the Provincial Operating License Board for the Department of Transport and Public Works.

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Administration	Senior management service in respect of the Branch.	% attainment of goals aligned to the performance management system.	100%	100%
Human Resource Management	Development of policies.	Number of policies initiatives.	100% of demand.	The development of various Employment Equity related draft policy documents were undertaken. The Minister of Public Service and Administration has placed finalisation of these policies on hold pending a report.
	Personnel training.	Number of training sessions.	100% of demand.	95 training courses on variety of HR topics were presented/facilitated.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
	Manage collective bargaining.	Number of meetings of Western Cape collective bargaining structures.	10	5 General meetings. 2 Special meetings. 4 General public meetings.
	Manage disciplinary procedures, disputes and arbitrations.	Number of interventions.	100% of demand.	6 arbitrations facilitated. 25 cases of misconduct investigated and concluded.
	Trained personnel and sound labour practices.	Number of training sessions per year.	100% of demand.	40 training courses facilitated.
	Optimise norms and standards.	Number of Human Resource Management Forum Meetings.	12	11 meetings were held.
Operational Support	Organisation development interventions.	Needs of client departments as per prioritised annual program.	100% of demand.	113 interventions were completed.
	Job evaluations.	Statutory mandate and on demand.	100% of demand.	890 job evaluations finalised.
	Operation of a gymnasium service.	A 12-hour accessible gymnasium service.	12hours.	Managed on a 12 hourly basis, 5 days a week. Average of 400 members.
	Provision of three restaurant facilities.	Number of affordable one-stop catering services.	3	Facilitate the rendering of the catering services to officials.
	Publication of the Provincial Gazette.	Dissemination of formal government communications – number of Gazettes.	2 per week.	113 Gazettes published.
Provincial Training	Needs orientated training.	Progress with development of policies – number of transversal HRD strategies.	5 strategic policy documents.	Facilitated the Annual HRD Summit in order to develop departmental HRD strategies for all departments.
	Presentation of training interventions.	Number of officials trained.	6 305	8,258 officials trained.
		Number of courses.	4 665	536 learning programmes
	Training delivered to staff members.	Number of officials trained % of workforce.	10%	A total of 536 learning programmes presented to 8 258 employees = 12,1% of workforce.
	Internal Human Capital Strategy.	Progress with development and maintenance of strategy.	Final strategy.	Facilitated the annual HRD Summit in order to develop departmental HRD strategies.

Programme 5: Legal Services

Purpose:

To provide and maintain a highly professional legal establishment, providing sound legal advice to ensure legal certainty for the Western Cape Provincial Government in the execution of its function.

Measurable objective:

To render legal services (Act 108 of 1996, Public Service Act of 1994).

Service delivery objectives and indicators:

- The year under review saw a continued increase in the demand for legal advice. The Sub-programme: Legal Services has exceeded its targets in respect of formal (written) legal opinions and provincial contracts by 255 opinions and 52 contracts, respectively.
- Project based assistance included the re-drafting of all pro forma agreements that are utilised in subsidised housing projects, advice and support with regard to the committee of inquiry into the underlying reasons for instability and conflict in the minibus taxi industry, and ongoing advice with regard to the 2010 Soccer World Cup and the identification of an institution model for the delivery of a new stadium to host international events in Cape Town.
- A training course on the conclusions and management of provincial contracts was developed and presented in conjunction with the Chief Directorate: Provincial Training. Governance and compliance-related interventions were undertaken in respect of public entities, such as the Provincial Development Council and Provincial Licensing Board, and the Branch was represented on and advised a number of provincial and departmental committees and tribunals. Important contracts were attended to, such as support services agreement between the Department of Social Services and Poverty Alleviation and the South African Social Security Agency and a number of transactions that aim to promote economic development, participation in the economy and job creation within the province.
- The Western Cape Liquor Bill and the Western Cape Commissioner for Children Bill were tabled in, and the Provincial Archives and Record Service of the Western Cape Act passed by the Provincial Parliament.
- A more pro-active approach was adopted in respect of national legislation and 50 national Bills were scrutinised to determine their impact on the Province.
- Legal assistance was also rendered to Standing Committees on some of the national Bills in order to prepare provincial mandates for the National Council of Provinces. The Forestry Amendment Bill and the Draft Repeal of the Black Administration Act. 1927 Amendment Bill, 2005 serve as example.
- In the facilitation and management of litigation matters it was an integral part of the function of state law advisor to provide strategic guidance in litigation-related decision-making in order to minimise the Provincial Government's exposure to financial and other risks. The legal, financial and other implications of options and available remedies were identified, which served to inform strategic, and often critical, decisions on Executive and/or Senior Management level.

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Legal Services	Providing formal (written) legal opinions.	Number of opinions.	620 opinions	875 opinions
	Legal scrutiny of cabinet submissions.	Number of submissions.	50 submissions	56 submissions
	Management and monitoring of litigation matters.	Number of litigation matters	240 litigation matters	237 litigation matters

		% of litigation matters finalised successfully.	40%	
	Drafting, editing and/or legal scrutiny of contracts.	Number of contracts.	300 contracts.	352 contracts.
	Compile a depository of all legislative activities.	% of completion.	100%	Depository compiled
	Align all legislative and regulative activities.	% of completion of alignment.	100%	Alignment ongoing as part of the rationalisation
	Provide commentary on legislation.	Number of pieces of legislation commented on.	24 pieces of legislation.	50 pieces of legislation
	Assess the provincial constitution in the light of national constitutional amendments.	% of completion of assessment.	100% of assessment completed	Assessment completed
	Initiate the law reform and advocacy to the provincial government in order to realise the rights and objectives contained in the constitution.	Number of law reforms initiated.	8 law reforms initiated.	5 law reforms initiated
	Develop protocol.	% of completion.	100% Protocol model developed	Considerable progress made in development of protocol model.
	Manage protocol and manage compliance.	% of compliance.	50% Protocol model implemented and compliance managed.	Considerable progress made in development of protocol model.
	Develop transversal model.	% of completions	100% transversal model developed	Considerable progress made in development of transversal model
	Implement model.	% of implementation.	50% Protocol and transversal model implemented and compliance managed	Considerable progress made in development of transversal model.
	Drafting/amending/editing of provincial and subordinate legislation.	Number of pieces of legislation.	24 pieces of legislation	33 pieces of legislation

Programme 6: Office of the Director-General

Purpose:

To render optimal administrative and executive support services to the Head of the Department of the Premier but also the Director-General who is the administrative leader of the Western Cape Provincial Government.

Measurable objective:

- Support the Director-General in the co-ordination of the intergovernmental relations and intra-governmental co-operation.
- Render special advisory and research services pertaining to selected issues.
- Provide personal support services to the Director-General by management of appointments and rendering financial, administrative and logistical support services.
- Optimally enable employees and personnel functionaries and manage the proper flow of information and correspondence to and from the Director-General and draft replies from/memoranda on behalf of the Director-General.
- Manage the day-to-day procurement processes.
- Put measures in place to ensure compliance with the PFMA for the Office of the Director-General.
- Ensure that Individual Performance Development Plans are in place for the Office of the Director-General.
- Execution of forensic investigations and identification of systemic weaknesses to combat irregularities within the Provincial Government.

Service delivery objectives and indicators:

- Successful management and implementation of the reengineering process of the department.
- Instrumental to the successful organisation of the Deputy President municipal and provincial Cabinet izimbizo.
- Appointment of the Provincial Development Council Board Members representative of all the social partners.

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Administration	Liaison with Branches within the department	Number of bi-weekly Departmental Management meetings.	24 meetings.	21 meetings held.
	Liaison with departments within the Provincial Government.	Number of bi-weekly Departmental Top Management meetings.	24 meetings.	14 meetings held.
	Management of logistics, administration and finances.	% compliance with legal prescripts.	100% compliance	95%
	Capacitated, productive and motivated staff equipped to perform assigned functions. As per IPDP's.	% internal capacity able to optimally utilise resources such as dedicated software.	100%	90%
	Successful celebration of 10 years of democracy.	% of efficiency of facilitation of events.		Discontinued
Imbizos	Professional events	% of effectiveness of	100%	100%

	organised.	events managed.		
Forensic Audit	Investigate/audit irregularities reported.	% of reports investigated.	90%	63.78% plus 142 cases in respect of SIU project.
	Create awareness.	Number of awareness interventions.	30	35 training session held.
	Identify systemic weaknesses.	Number of weaknesses identified.	110	200
	Rollout of anti-corruption drive.	% of completion of rollout.	100%	80%
	Participate in forums and partnerships to address corruption.	Number of forums participated in.	30	54 – 12 monthlyHOD; 6 ACCC; 24 Audit Committee meetings & 12 OPSC reports.
Communi- cation Services	Media, marketing and production services.	Information disseminated for external and internal consumption.	100% of demand.	80%
	Internet/Intranet Web editing services.	Information disseminated through the Internet and Intranet.	100% of demand.	80%
	Trilingual language service.	Functional translations and edited versions of official documents.	100% of demand.	80%

Programme 7: Financial Management

Purpose:

To ensure effective, efficient and economic utilisation of the financial resources within the department.

Measurable objective:

To provide for effective and efficient financial management, accounting management and budget management services and economic supply chain management and internal control and monitoring services.

Service delivery objectives and indicators:

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Financial Management	Render an effective and well-informed chief financial officer assistance to the accounting officer (A/O)	%Compliance with the PFMA	100%	100%
	Render an effective and efficient financial accounting, financial management and budget management service.	Unqualified audit reports	1 Unqualified audit report.	1 Unqualified audit report.
	Ensure effective and efficient internal control and monitoring services.	Number of internal inspections	20 inspections .	Nil inspections done. Focus changed to internal audits
	Render an effective, efficient and economic supply chain management service to the department.	% client satisfaction	90% client satisfaction with accurate and timely delivery of goods and services.	90%
		% of contracts closed in accordance with prescripts	100% contracts closed in accordance with prescripts.	100%

Programme 8: Personnel Management and Administration

Purpose:

To ensure a transformed workforce in the department with competent, empowered and performance-focused employees.

Measurable objective:

To provide effective and efficient Human resource management, labour relations and general administrative support services within the department of the Premier.

Service delivery objectives and indicators:

Service delivery achievements:

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target.	
			Target	Actual
Personnel Management and Administration	Fully functional personnel management.	% of compliance to prescribed policies and measures.	100% compliance to prescribed policies and measures.	156 new appointments. 100% financial disclosure received. 516 Performance agreements concluded.
	HIV/Aids work place programme rollout.	% improvement as per rollout plan.	50% improvement as per rollout plan.	50% of the programme implemented.
	Co-ordinate the implementation of Human Resource Management and transformation initiatives.	% implementation of transformation strategy document.	80% implementation of transformation strategy document.	Reengineering process impacted Eap, HIV/Aids and EE programmes.
	Develop and monitor workplace skills plan.	% of completion of auditing and co-ordinating functional training and development in department.	50% completion.	100% completed
		% of facilitating Skills development forum meetings.	50%	100% completed
	% implement/ manage collective agreements within the department.	Level of labour relations.	100%	3 Collective agreements and 10 policies implemented.
	Ensure safe and healthy environment.	% of meetings per requirement of Occupational Health and Safety Act (OHASA).	100%	2 Meetings due to Risk Management being transferred to Department of Community Safety
	Quality delivery of messenger service.	% of programmes delivery services.	100%	90%

	Administrative responsibilities within timeframes.	% of efficiency of general support services (transport, telephone, provisioning and registry) with agreed Service Level Agreement.	100%	90%
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PART 3

PROVINCIAL GOVERNMENT WESTERN CAPE DEPARTMENT OF THE PREMIER (VOTE 1) SHARED AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDING 31 MARCH 2006

We are pleased to present our report for the above-mentioned financial year.

Appointment of the Shared Audit Committee

The Department of the Premier (Vote 1) is served by a Shared Audit Committee appointed under Cabinet Resolution 75/2003 of 23 June 2003 for the 2 year period to 31 March 2005, which was extended by Resolution 95/2005 for 2 more years to 31

Audit Committee Members and Attendance:

The Committee consists of the independent members listed hereunder, is required to meet at least 4 times per annum as per its approved Terms of Reference. During the current year 11 meetings were held:

Member	Number of Meetings Attended
Mr J.A. Jarvis (Chairperson)	11
Mr J. January	9
Mr P. Jones	11
Mr R. Warley	7
Mr V.W. Sikobi	(resigned May 2005)

Audit Committee Responsibility

The Committee has complied with its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13 and 27(1) (10). The Committee has also regulated its affairs and discharged its responsibilities in terms of the Audit Committee Charter.

Effectiveness of Internal Control

During the year under review the Risk Assessment and Control Mapping exercises and the 1-year Operational Internal Audit Plan, were completed.

The 1-year Operational Internal Audit Plan which was approved by the Committee in April 2005 identified 20 high risk areas. However, due to budgetary constraints, the Plan was amended in September 2005, to cover only 7 audit areas.

The Committee reviewed Internal Audit Reports which highlighted a few critical and significant control weaknesses in respect of Supply Chain Management, Communications and Human Resources Management.

The Auditor General reported that control weaknesses exist in the Asset management of the department which created uncertainty regarding the accuracy and completeness of the assets owned by the department. The Committee noted with concern that these weaknesses were reported in the previous financial year and still remain unresolved. The Committee takes cognizance that Asset management is a transversal area of

PART 3

PROVINCIAL GOVERNMENT WESTERN CAPE DEPARTMENT OF THE PREMIER (VOTE 1) SHARED AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDING 31 MARCH 2006

concern in the Province and undertakes to raise this matter with the Provincial Treasury.

Internal audits were conducted on the transversal IT systems of the Province. The Committee noted that the departments do not have service level agreements with e-Innovation specifying their future technology and training requirements.

The IT audit revealed a number of critical security weaknesses all of which require urgent attention.

The Committee will follow-up on the implementation of corrective action in the 2006/07 financial year.

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

The Committee has not reviewed the quality of in-year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act, but has relied on the feedback of the Auditor General who has not reported adversely in this regard.

Evaluation of Financial Statements

The Committee has,

- Reviewed and discussed the audited annual financial statements included in the annual report with the Auditor General and the Accounting Officer
- Reviewed the Auditor General's management letter and management's response thereto;
- Reviewed significant adjustments resulting from the audit
- Reviewed the Auditor General's report.

The Committee concurs and accepts the Auditor General's conclusions 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.

Appreciation

The Committee wishes to express its appreciation to the Provincial Treasury, Officials of the Department, the Auditor General and the Sihluma Sonke Consortium for their assistance and co-operation in compiling this report.

PART 3

**PROVINCIAL GOVERNMENT WESTERN CAPE
DEPARTMENT OF THE PREMIER (VOTE 1)
SHARED AUDIT COMMITTEE REPORT
FOR THE FINANCIAL YEAR ENDING 31 MARCH 2006**

A handwritten signature in blue ink, appearing to read 'J.A. Jarvis', is shown within a light gray rectangular box.

J.A. JARVIS

Chairperson of the Shared Audit Committee

Date: 10 August 2006

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

PART 4

Report by the Accounting Officer to the Executive Authority and the Provincial Parliament of the Western Cape Province.

1. General review of the state of financial affairs

From a utilitarian perspective the department experienced a year of positive change as many structures were put in place to ensure the department's readiness to assume its leadership role within the provincial government. Premier Rasool's vision and guidance was the driving force behind the steady progress this department has made towards overcoming the challenges in making this province a Home for All. This department has once again managed to achieve its objectives within the regulatory framework and the monetary allocation of the vote.

■ Important policy decisions and strategic issues facing the department

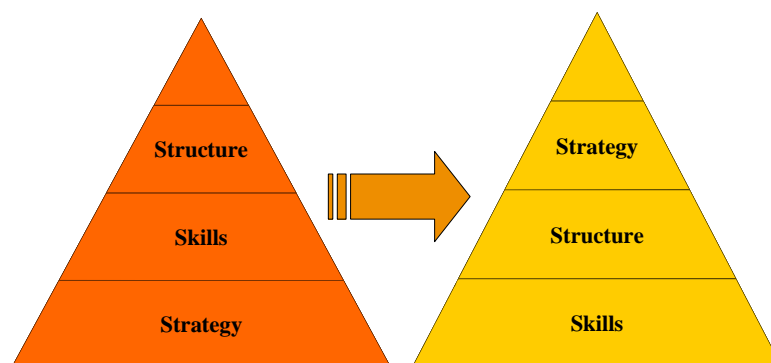
Various policy decisions have been made at national, provincial and departmental level, which will be impacting on the activities of the department. These decisions are:

- The Intergovernmental Relations Framework Act 13 of 2005 which prescribes the responsibility on the Department of the Premier to establish or provide for structures and institutions to promote and facilitate intergovernmental relations. In terms of the Act, the Premier's Coordinating Forum is a mandatory structure which has to be led by the Premier and Premier's Intergovernmental Forum is a discretionary structure that deals with a specific functional area.
- The Provincial Growth and Development Strategy is being developed as the overarching framework within which the iKapa elihlumayo strategies are developed. This department will fulfil the role of ensuring coordination of and integration between the strategies.
- The National Plan of Action imposes a duty on the department to monitor the province's performance on specific outputs and to report thereon.

■ Comment on significant events that have taken place during the year

The reengineering of the department is probably the most significant project which the department undertook in the financial year under review. From a pure management perspective it was clear that the department was not in a position to deliver on the Premier's vision as he inherited a structure and a skills base which was not suited to pursue the goals underpinning the vision.

Figure 1



Through the reengineering process the anomaly was successfully rectified with the structure now supporting the strategy and a skills base which is aligned to the operations of the department.

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

In order to ensure the right skills base, the department embarked on two separate processes which involved a competitive recruitment process for Senior Management Services posts and a capacity alignment process for salary levels 1-12. Representivity was not the objective of the reengineering, yet it did provide the opportunity for the department to address the issue through the SMS recruitment process. The status before and after the recruitment process is reflected in figure 2.

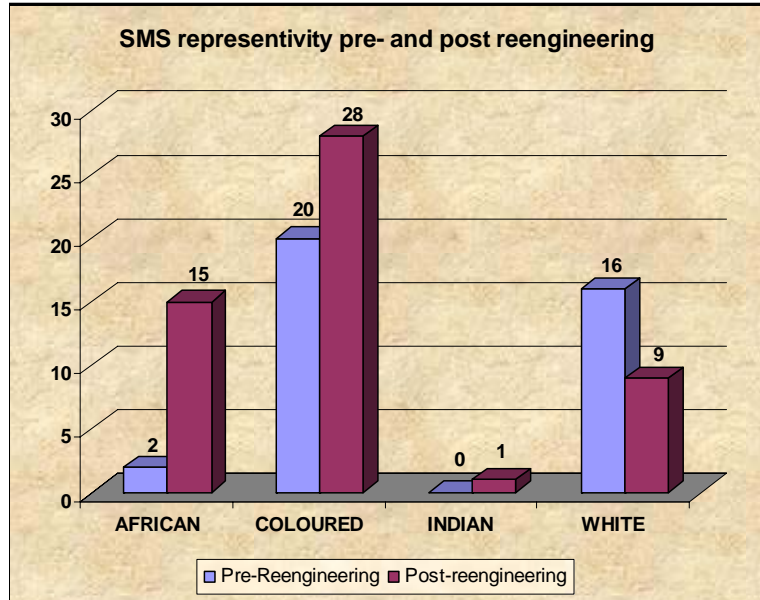


Figure 2

Another significant event for this department was the appointment of the Commissioners to the Western Cape Youth Commission, with Mr. Vincent Domingo being appointed as Chairperson to the Commission.

■ Comment on major projects undertaken or completed during the year

Building internal human and social capital

- A skills audit was conducted in order to develop a credible dataset upon which the training interventions of the provincial government will be based.
- A Premier's Service Excellence Awards ceremony was held in November 2005 to honour those public servants who excelled in teamwork in the workplace.
- For the first time a Long Service Awards ceremony for all provincial government employees was held at one venue. This momentous occasion gave many employees the opportunity to interact with their Heads of Departments and Members of the Executive Council.
- A provincial government-wide cultural assessment survey was conducted to obtain a baseline of evidence as an initial starting point. The results of this assessment will inform the social capital programmes of the province.

Coordination & leadership

- The department is in an advanced stage of developing its provincial-wide monitoring and evaluation system through which it will coordinate and monitor the impact of strategic provincial programmes.
- ICT master systems plans are being developed for departments in order to ensure information technology systems requirements and its concomitant funding are planned in line with the planned outputs of the department.

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

Communication

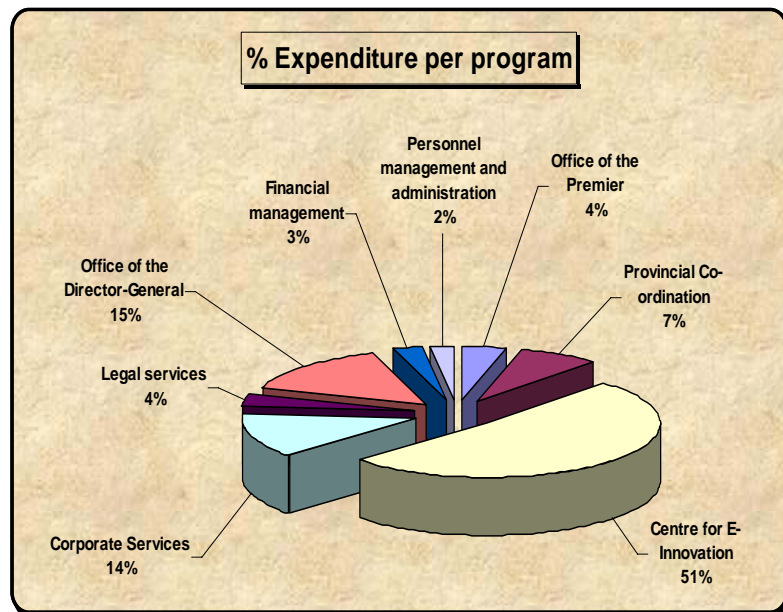
- A provincial communicators forum was established as a structure through which uniformity in both internal and external provincial communications will be coordinated.
- Various provincial, municipal and presidential izimbizo were successfully held during the first three quarters of the financial year under review.

■ *Spending trends*

Spending per Programme

As in previous years, the Centre for e-Innovation is once again the programme which incurred the major share of the expenditure of the department. The programme: Office of the Director-General (15% of total expenditure) this year displaces the programme Corporate Services as the second highest expenditure centre. This is mainly due the shifting of sub-programmes from the programmes Provincial Coordination, Legal Services and Corporate Services.

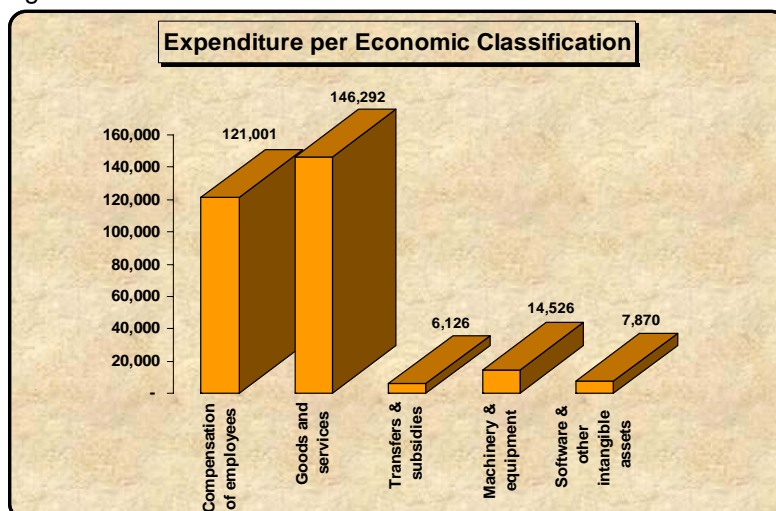
Figure 3



This year Corporate Services accounted for 14% of the Department's expenditure, with the remainder of the programmes spending between 2 and 7% of the Department's budget.

Spending per economic classification

Figure 4



Approximately 49% of the department's budget is expended on current goods and services. The Department's main expenditure item in the year under review is Computer Services which totals R64,6m (21% of total expenditure), of which the major beneficiary is the State Information Technology Agency. (SITA).

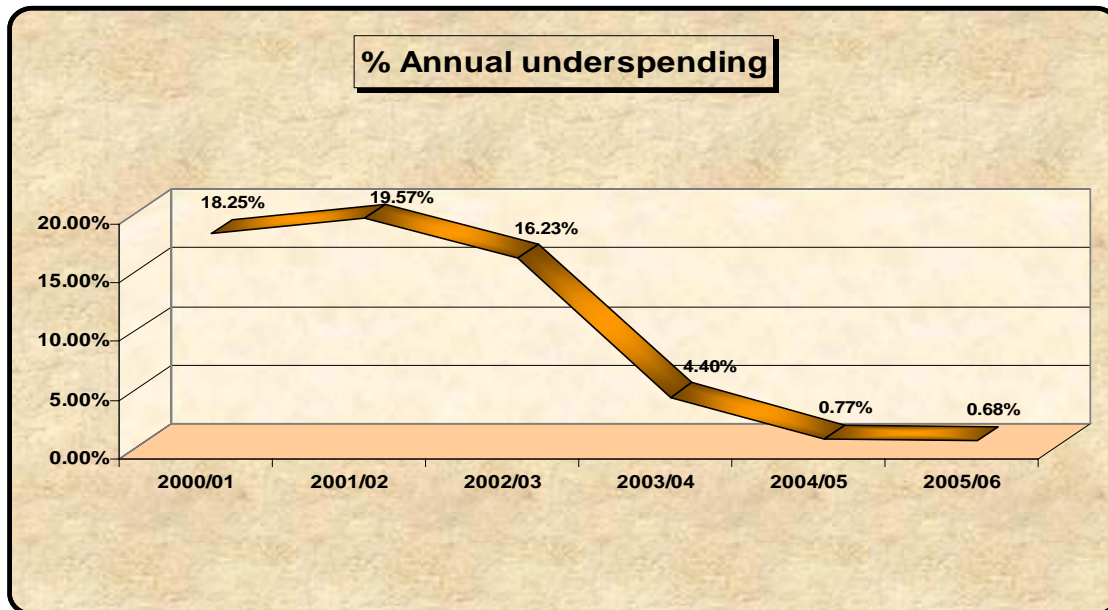
**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

Reasons for under/over spending

The department managed to deliver its outputs within the budgeted amount allocated for the financial year. This continuing ability to successfully optimize the budget of the department is due to strict financial control and regular requests to managers to match spending to the year in which services are rendered.

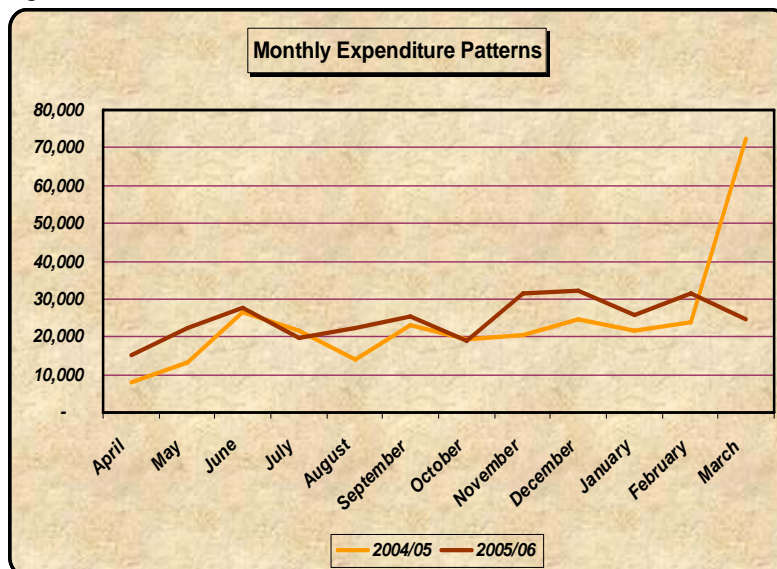
Figure 5



Expenditure per month

As evidenced by figure 6, this department has clearly turned the tide against the hockey-stick syndrome which is plaguing government departments, resulting in them showing a drastic increase in spending in the final month of a financial year.

Figure 6



The department will continue with regular monthly financial management meetings to maintain the healthy spending trend that was set in the financial year under review.

**WESTERN CAPE PROVINCE
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VOTE 1**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

2. Services rendered by the department

2.1 The department in general does not render any services to the public. The revenue generating services which the department renders are mainly to the employees of the provincial government. These services include

- Cafeteria Services
- Training at the Cape Administrative Academy
- Gymnasium
- Sales of the Provincial Gazette

2.2 Tariff policy

Tariffs are charged at rates approved by the Provincial Treasury and are revised on an annual basis.

2.3 Free Services

This department renders no free services to the public.

2.4 Inventories

This department does not render services which require high volumes of inventory. Except for Government Gazette inventories, which are fairly minimal, no other revenue generating inventories are held with this department. Inventory at hand at the end of the financial year amounted to R2,470m.

3. Capacity constraints

With the reengineering of the department pending it was decided to fill as few as possible posts until the capacity alignment process of levels 1-12 were completed. This resulted in the department having to rely heavily on the existing staff in levels 1-12 to operate efficiently despite the challenge which the vacancies posed.

Accommodation was another considerable constraint for the department which will become more challenging when the new expanded establishment of the department is rolled out.

4. Utilisation of donor funds

No foreign government donor funding was received by this department for the year under review.

5. Trading entities and public entities

Two public entities resort under the Department of the Premier namely the Provincial Development Council (PDC) and the Western Cape Youth Commission (WCYC).

The PDC was established in 1996 in terms of the Provincial Development Law of 1996, which was subsequently replaced with the Provincial Development Council Act (Act no. 4 of 2004). The objective of the PDC is to serve as the platform for social dialogue in the Province in order to generally promote an approach that integrates considerations of sustainable development, participation in the economy and social equity in order to redress the historical legacy in the province.

The establishment of the WCYC was enacted in October 2004 and after a formal prescribed recruitment process the Chairperson and the Commissioners were appointed in June 2005. Most commissioners commenced duty in July and August 2005. Due to the fact that no support staff

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for the year ended 31 March 2006**

and structures existed when the commissioners commenced duty, it was agreed that the WCYC will make use of the department's systems, policies and structures in order to have maximum impact right from the outset. As the systems and bank account of the department were utilised, no transfer payments could be made to the WCYC and hence the expenditure of the WCYC is incorporated in the financial statements of the department. A separate set of financial statements was however compiled for the WCYC. It was agreed with the chairperson of the WCYC that the systems, policies and structures of the department will only be utilised until 30 September 2006, whereafter the WCYC will operate fully autonomous.

6. Organisations to whom transfer payments have been made

Annexure 3 and 6 to the financial statements provides comprehensive lists of organisations to which transfer payments were made to the total amount of R1, 408,000. These transfers range from R5, 000 to R185,000 per organisation, with the two biggest amounts being R185,000 and R175,000 which were transferred to the Bridges Organisation and the Western Cape Network on Disability respectively.

7. Corporate governance arrangements

During the year under review several audits were conducted within the department in line with the internal audit plan as approved May 2005. The department is in the process of establishing a departmental Risk Management Committee to ensure that all control weaknesses identified by the Auditor-General, the internal auditors and the forensic auditors are being addressed and recommendations implemented. A sub directorate Risk Management has been established to conduct risk assessments within the department and to coordinate the internal auditing processes within the department.

A new budget structure for the department has been prescribed by National Treasury which resulted in the department having to reorganise its budget into three programmes for the 2006/07 financial year.

8. Discontinued activities/activities to be discontinued

There are no activities which have been discontinued within the department. However, the transferring of the gymnasium and the language services to the Department of Cultural Affairs and Sport is being planned for the 2006/07 financial year.

9. New/proposed activities

The reengineered structure of the department draws on the principles of holistic governance and is aimed at enabling the department to execute the Provincial Growth and Development Strategy by functioning as the centre and leader for governance, policy, strategy, coordination and intergovernmental relations. In addition, the structure provides a base for the department to lead the provisioning of transversal institutional improvement and development services to other departments and create sufficient capacity to attend to internal departmental requirements

10. Asset management

An asset management unit has been established and staffed to attend to the considerable asset base of the department. Various concerns raised in the 2004/05 Auditor-General report have been addressed by this unit in order to prevent a reoccurrence of the issue on which emphasis were placed. Transversal systems constraints, the reallocation of staff to new component and the appointment of the new SMS members required rapid acquisition of assets which as a result provided for challenging circumstances under which the asset register had to be maintained.

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**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

11. Events after the reporting date

There are no known significant events which occurred after the reporting date which may have an effect on understanding the financial state of affairs.

12. Performance information

It needs to be acknowledged that, not only in this department but in the public service in general, systems to monitor performance information are not yet properly established. This unfortunately leads to poor definition of non-financial performance indicators which in turn leads to difficulty in evaluating actual performance. The department is therefore envisaging adopting a 'manage by project approach' through which all objectives will be managed on a project basis and funding be allocated accordingly.

13. Scopa resolutions

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
Resolution no.14 of the Second report, 2005	Transversal matters: Asset Management <ul style="list-style-type: none"> □ LOGIS system not yet fully implemented □ Logis asset register be updated with all the required information □ LOGIS system and other systems used by the department be reconciled as a matter of urgency 	<ul style="list-style-type: none"> □ Fully implemented in this department □ Currently still in process □ Reconciliation completed
Resolution no. 4 of the Second Report, 2001	Professional and Special Services – the universal use of and material amounts expended on consultants in all other departments of the provincial government	The department and the Auditor-General have not yet agreed on a date of commencement.

Approval

The Annual Financial Statements set out on pages 44 to 91 have been approved by the Accounting Officer.



.....
DR GA LAWRENCE
ACCOUNTING OFFICER
DATE: 31 May 2006

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE
WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF THE
PREMIER (VOTE 1)
FOR THE YEAR ENDED 31 MARCH 2006**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 44 to 91, for the year ended 31 March 2006, 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 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723 of 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954 of 23 June 2006. 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.

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

3. BASIS OF ACCOUNTING

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as described in note 1.1 to the financial statements.

**WESTERN CAPE PROVINCE
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**REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE
WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF THE
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FOR THE YEAR ENDED 31 MARCH 2006**

4. AUDIT OPINION

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of the Premier at 31 March 2006 and the results of its operations and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury of South Africa, as described in note 1.1 to the financial statements, and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999).

5. EMPHASIS OF MATTER

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

5.1 Performance information

Contrary to National Treasury Regulations the measurable objectives in the strategic/annual performance plan were not determined per programme, but were documented per strategic goal. Performance information was therefore not reported in a consistent format between the annual performance plan, the budget and the annual report.

5.2 Western Cape Provincial Youth Commission

As mentioned in paragraph 5 of the Report of the Accounting Officer, the Western Cape Provincial Youth Commission was established as a schedule 3C listed public entity in terms of the Public Finance Management Act, 1999, with effect from the 2005-06 financial year. In terms of the relevant sections of this act, the Youth Commission must prepare and submit separate financial statements on its activities. For the 2005-06 financial year the Youth Commission was, however, included as sub-programme 2.5 in the department's annual budget under programme 2 and was not budgeted for as a transfer payment.

Furthermore, a decision was taken that the Youth Commission would make use of the department's systems, policies and structure to ensure that the Youth Commission has maximum impact right from the outset. As a result of the aforementioned, the financial statements of the Department of the Premier include expenditure amounting to R5 023 000 in respect of the Youth Commission. Separate financial statements have, however, also been compiled and submitted in respect of the Youth Commission.

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**REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE
WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF THE
PREMIER (VOTE 1)
FOR THE YEAR ENDED 31 MARCH 2006**

6. APPRECIATION

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

Shauket Fakie

Auditor-General

Pretoria

31 July 2006



A U D I T O R - G E N E R A L

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2005.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

2. Revenue

2.1 Appropriated funds

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

Total appropriated funds are presented in the statement of financial performance.

**WESTERN CAPE PROVINCE
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund, unless approval has been given by the Provincial Treasury to rollover the funds to the subsequent financial year. These rollover funds form part of retained funds in the annual financial statements. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2.1 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

2.2.2 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

2.2.3 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.4 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

2.2.5 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

3. Expenditure

3.1 Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance¹.

All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

3.1.1 Short term employee benefits

Short term employee benefits comprise of leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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

3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.2.2 Post employment retirement benefits

The department provides retirement benefits (pension benefits) for certain of 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 the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

¹ This accounting policy is only relevant where the department elects to capitalise the compensation paid to employees involved on capital projects.

**WESTERN CAPE PROVINCE
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

3.2 Goods and services

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

3.3 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

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

3.4 Unauthorised expenditure

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

Unauthorised expenditure approved with funding is recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

3.5 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.6 Irregular expenditure

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

3.7 Transfers and subsidies

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

3.8 Expenditure for capital assets

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

**WESTERN CAPE PROVINCE
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

4. Assets

4.1 Cash and cash equivalents

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

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

4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.4 Asset Registers

Assets are recorded in an asset register, at cost, on receipt of the item. Cost of an asset is defined as the total cost of acquisition. Assets procured in previous financial periods, may be stated at fair value, where determinable, or R1, in instances where the original cost of acquisition or fair value cannot be established. No revaluation or impairment of assets is currently recognised in the asset register. Projects (of construction/development) running over more than one financial year relating to assets, are only brought into the asset register on completion of the project and at the total cost incurred over the duration of the project.

Annexures 8 and 9 of the disclosure notes, reflect the total movement in the asset register of assets with a cost equal to and exceeding R5,000 (therefore capital assets only) for the current financial year. The movement is reflected at the cost as recorded in the asset register and not the carrying value, as depreciation is not recognized in the financial statements under the modified cash basis of accounting. The opening balance reflected on Annexures 8 and 9 will include items procured in prior accounting periods and the closing balance will represent the total cost of the register for capital assets on hand.

5. Liabilities

5.1 Payables

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

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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

5.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

5.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

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

5.4 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

A contingent liability is a present obligation that arises from past events but is not recognised because:

- It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure notes.

5.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

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

6. Net Assets

Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

7. Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department.

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

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**APPROPRIATION STATEMENTS
for the year ended 31 March 2006**

Appropriation per Programme									
Programme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Office of the Premier									
Current payment	11,769	(227)	-	11,542	11,476	66	99.4	16,476	16,387
Transfers and Subsidies	21	134	306	461	459	2	99.6	183	179
Payment for capital assets	301	93	-	394	393	1	99.7	293	240
2. Provincial Co-ordination									
Current payment	15,765	(4)	1,579	17,340	17,180	160	99.1	13,924	13,788
Transfers and Subsidies	5,811	(1)	(791)	5,019	4,584	435	91.3	4,022	3,876
Payment for capital assets	503	5	(196)	312	306	6	98.1	231	94
3. Centre for E-Innovation									
Current payment	143,138	(430)	(10,418)	132,290	132,080	210	99.8	133,039	132,977
Transfers and Subsidies	937	-	-	937	391	546	41.7	377	376
Payment for capital assets	17,668	430	1,692	19,790	19,783	7	100.0	39,910	39,905
4. Corporate Services									
Current payment	39,592	(19)	(192)	39,381	39,185	196	99.5	39,022	38,978
Transfers and Subsidies	79	19	-	98	63	35	64.3	257	222
Payment for capital assets	2,259	-	(1,221)	1,038	1,035	3	99.7	830	392
5. Legal Services									
Current payment	10,113	32	852	10,997	10,962	35	99.7	9,500	9,495
Transfers and Subsidies	90	(32)	-	58	57	1	98.3	159	155
Payment for capital assets	100	-	(29)	71	70	1	98.6	40	-
6. Office of the Director-General									
Current payment	33,934	(248)	8,678	42,364	42,211	153	99.6	22,590	22,528
Transfers and Subsidies	59	3	485	547	541	6	98.9	30	27
Payment for capital assets	464	245	(167)	542	537	5	99.1	517	371
7. Financial Management									
Current payment	8,469	5	47	8,521	8,433	88	99.0	9,456	8,994
Transfers and Subsidies	20	(5)	-	15	12	3	80.0	15	13
Payment for capital assets	140	-	(79)	61	58	3	95.1	270	100
8. Personnel Management and Administration									
Current payment	6,618	(18)	(546)	6,054	5,999	55	99.1	5,754	5,722
Transfers and Subsidies	22	-	-	22	19	3	86.4	13	11
Payment for capital assets	196	18	-	214	214	-	100.0	333	109
Total	298,068	-	-	298,068	296,048	2,020	99.3	297,241	294,939
Reconciliation with Statement of Financial Performance									
Departmental receipts				741	-			968	-
Actual amounts per Statement of Financial Performance (Total Revenue)				298,809	-			298,209	-
Actual Amounts per Statement of Financial Performance Expenditure					296,048				294,939

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**APPROPRIATION STATEMENTS
for the year ended 31 March 2006**

Appropriation per Economic Classification									
Economic Classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	123,793	(2,984)	342	121,151	121,001	150	99.9	106,237	106,237
Goods and services	145,605	1,838	(342)	147,101	146,292	809	99.5	143,310	142,566
Financial transactions in assets and liabilities	-	237	-	237	233	4	98.3	70	66
Transfers & subsidies									
Provinces and municipalities	646	53	4	703	510	193	72.5	661	468
Departmental agencies and accounts	5,000	-	(791)	4,209	4,000	209	95.0	3,428	3,428
Non-profit institutions	1,275	65	689	2,209	1,408	621	69.4	400	400
Households	118	-	98	216	208	8	96.3	567	563
Payment for capital assets									
Machinery & equipment	20,796	(4,555)	(1,692)	14,549	14,526	23	99.8	29,697	28,486
Software & other intangible assets	835	5,346	1,692	7,873	7,870	3	100.0	12,727	12,725
Total	298,068	-	-	298,068	296,048	2,020	99.3	297,241	294,939

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
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**Detail per programme 1 – Office of the Premier
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Support services									
Current payment	10,683	26	-	10,709	10,662	47	99.6	15,753	15,682
Transfers & subsidies	18	123	306	447	446	1	99.8	181	177
Payment for capital assets	301	83	-	384	383	1	99.7	293	240
1.2 Leeuwenhof support									
Current payment	1,086	(253)	-	833	814	19	97.7	723	705
Transfers & subsidies	3	11	-	14	13	1	92.9	2	2
Payment for capital assets	-	10	-	10	10	-	100.0	-	-
Total	12,091	-	306	12,397	12,328	69	99.4	16,952	16,806

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	6,750	350	-	7,100	7,090	10	99.9	6,622	6,604
Goods and services	5,109	(577)	-	4,442	4,386	56	98.7	9,846	9,775
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	8	8
Transfers & subsidies									
Provinces and municipalities	21	(1)	-	20	19	1	95.0	21	17
Non-profit institutions	-	104	306	410	409	1	99.8	-	-
Households	-	31	-	31	31	-	100.0	162	162
Payment for capital assets									
Machinery & equipment	301	93	-	394	393	1	99.7	293	240
Total	12,091	-	306	12,397	12,328	69	99.4	16,952	16,806

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**Detail per programme 2 – Provincial Co-Ordination
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Administration									
Current payment	1,758	-	115	1,873	1,854	19	99.0	1,822	1,800
Transfers & subsidies	2	3	-	5	4	1	80.0	5	4
Payment for capital assets	60	-	(27)	33	31	2	93.9	50	33
2.2 Provincial Development Council									
Transfers & subsidies	5,000	-	(791)	4,209	4,000	209	95.0	3,428	3,428
2.3 Human rights and protocol									
Current payment	4,083	(2)	881	4,962	4,910	52	99.0	4,798	4,743
Transfers & subsidies	784	-	-	784	567	217	72.3	579	435
Payment for capital assets	75	-	(28)	47	46	1	97.9	66	-
2.4 Policy and strategic management									
Current payment	5,186	(2)	278	5,462	5,393	69	98.7	7,092	7,034
Transfers & subsidies	25	(9)	-	16	9	7	56.3	10	9
Payment for capital assets	172	5	(107)	70	68	2	97.1	115	61
2.5 Provincial Youth Commission									
Current payment	4,738	-	305	5,043	5,023	20	99.6	212	211
Transfers & subsidies	-	5	-	5	4	1	80.0	-	-
Payment for capital assets	196	-	(34)	162	161	1	99.4	-	-
Total	22,079	-	592	22,671	22,070	601	97.3	18,177	17,758

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	11,187	(1,687)	-	9,500	9,464	36	99.6	7,458	7,429
Goods and services	4,578	1,682	1,579	7,839	7,716	123	98.4~	6,466	6,359
Financial transactions in assets and liabilities	-	1	-	1	-	1	-	-	-
Transfers & subsidies									
Provinces and municipalities	376	5	-	381	234	147	61.4	374	228
Departmental agencies and accounts	5,00	-	(791)	4,209	4,000	209	95.0	3,428	3,428
Non-profit institutions	425	-	-	425	350	75	82.4	150	150
Households	10	(6)	-	4	-	4	-	70	70
Payment for capital assets									
Machinery & equipment	503	5	(196)	312	306	6	98.1	231	94
Total	22,079	-	592	22,671	22,070	601	97.3	18,177	17,758

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**Detail per programme 3 – Centre for E-Innovation
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Administration									
Current payment	60,609	3,168	(254)	63,523	63,461	62	99.9	44,515	44,500
Transfers & subsidies	937	-	-	937	391	546	41.7	127	126
Payment for capital assets	2,008	(1,541)	-	467	466	1	99.8	801	800
3.2 Policy and strategy									
Current payment	1,020	-	(328)	692	687	5	99.3	2,131	2,122
Transfers & subsidies	-	-	-	-	-	-	-	250	250
Payment for capital assets	100	(77)	-	23	22	1	95.7	-	-
3.3 Planning and development									
Current payment	7,878	-	(63)	7,815	7,810	5	99.9	1,973	1,965
Payment for capital assets	545	(398)	-	147	147	-	100.0	445	445
3.4 Transversal									
Current payment	44,049	-	(7,322)	36,727	36,720	7	100.0	43,495	43,486
Payment for capital assets	5,850	3,847	1,692	11,389	11,388	1	100.0	23,469	23,467
3.5 Health, Social services and Housing									
Current payment	16,044	(3,498)	(2,328)	10,218	10,213	5	100.0	22,451	22,444
Payment for capital assets	5,200	(1,670)	-	3,530	3,529	1	100.0	12,126	12,125
3.6 Education and Cultural affairs/Sport									
Current payment	8,204	(430)	(123)	7,471	7,351	120	98.4	8,787	8,781
Payment for capital assets	3,350	499	-	3,849	3,847	2	99.9	2,326	2,326
3.7 Economic, governance and administration									
Current payment	5,514	330	-	5,844	5,838	6	99.9	9,687	9,679
Payment for capital assets	615	(230)	-	385	384	1	99.7	743	742
Total	161,743	-	(8,726)	153,017	152,254	763	99.5	173,326	172,258

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	47,846	2,389	-	50,235	50,227	8	100.0	36,375	36,367
Goods and services	95,292	(2,952)	(10,418)	81,922	81,720	202	99.8	96,664	96,610
Financial transactions in assets and liabilities	-	133	-	133	133	-	100.0	-	-
Transfers & subsidies									
Provinces and municipalities	87	38	-	125	125	-	100.0	90	89
Non-profit institutions	850	(39)	-	811	266	545	32.8	250	250
Households	-	1	-	1	-	1	-	37	37
Payment for capital assets									
Machinery & equipment	16,833	(4,907)	-	11,926	11,921	5	100.0	27,183	27,180
Software & other intangible assets	835	5,337	1,692	7,864	7,862	2	100.0	12,727	12,725
Total	161,743	-	(8,726)	153,017	152,254	763	99.5	173,326	173,258

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**Detail per programme 4 – Corporate Services
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Administration									
Current payment	2,583	(40)	(4)	2,539	2,521	18	99.3	2,306	2,298
Transfers & subsidies	6	-	-	6	5	1	83.3	109	105
Payment for capital assets	15	-	(15)	-	-	-	-	28	-
4.2 Human resource management									
Current payment	9,466	1,386	(12)	10,840	10,787	53	99.5	8,052	8,036
Transfers & subsidies	24	-	-	24	19	5	79.2	33	16
Payment for capital assets	116	-	(26)	90	89	1	98.9	136	63
4.3 Operational support									
Current payment	12,174	625	(11)	12,788	12,743	45	99.6	17,114	17,100
Transfers & subsidies	26	2	-	28	21	7	75.0	67	64
Payment for capital assets	1,336	-	(638)	698	697	1	99.9	155	77
4.4 Provincial training									
Current payment	15,369	(1,990)	(165)	13,214	13,134	80	99.4	11,550	11,544
Transfers & subsidies	23	17	-	40	18	22	45.0	48	37
Payment for capital assets	792	-	(542)	250	249	1	99.6	511	252
Total	41,930	-	(1,413)	40,517	40,283	234	99.4	40,109	39,592

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	26,524	(907)	(11)	25,606	25,568	38	99.9	30,052	30,018
Goods and services	13,068	852	(181)	13,739	13,582	157	98.9	8,945	8,937
Financial transactions in assets and liabilities	-	36	-	36	35	1	97.2	25	23
Transfers & subsidies									
Provinces and municipalities	79	18	-	97	62	35	63.9	104	71
Households	-	1	-	1	1	-	100.0	153	151
Payment for capital assets									
Machinery & equipment	2,259	-	(1,221)	1,038	1,035	3	99.7	830	392
Total	41,930	-	(1,413)	40,517	40,283	234	99.4	40,109	39,592

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**Detail per programme 5– Legal services
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Legal services									
Current payment	10,113	32	852	10,997	10,962	35	99.7	9,500	9,494
Transfers & subsidies	90	(32)	-	58	57	1	98.3	159	155
Payment for capital assets	100	-	(29)	71	70	1	98.6	40	-
Total	10,303	-	823	11,126	11,089	37	99.7	9,699	9,649

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	8,166	-	306	8,472	8,466	6	99.9	8,197	8,191
Goods and services	1,947	32	546	2,525	2,496	29	98.9	1,303	1,304
Transfers & subsidies									
Provinces and municipalities	20	1	-	21	21	-	100.0	22	19
Households	70	(33)	-	37	36	1	97.3	137	136
Payment for capital assets									
Machinery & equipment	100	-	(29)	71	70	1	98.6	40	-
Total	10,303	-	823	11,126	11,089	37	99.7	9,699	9,650

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**Detail per programme 6– Office of the Director-General
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Administration									
Current payment	9,631	1,814	85	11,530	11,484	46	99.6	11,655	11,616
Transfers & subsidies	45	(31)	-	14	13	1	92.9	18	15
Payment for capital assets	160	222	-	382	380	2	99.5	192	172
6.2 Communication services									
Current payment	12,815	3,050	8,577	24,442	24,400	42	99.8	7,168	7,152
Transfers & subsidies	6	31	485	522	520	2	99.6	7	7
Payment for capital assets	170	-	(68)	102	101	1	99.0	188	93
6.3 Public liaison									
Current payment	5,000	(3,050)	-	1,950	1,949	1	99.9	1,277	1,276
6.4 Forensic audit									
Current payment	4,838	(1,735)	16	3,119	3,074	45	98.6	2,490	2,485
Transfers & subsidies	8	-	-	8	6	2	75.0	5	5
Payment for capital assets	134	-	(99)	35	34	1	97.1	137	106
6.5 Project office									
Current payment	1,650	(327)	-	1,323	1,304	19	98.6	-	-
Transfers & subsidies	-	3	-	3	2	1	66.7	-	-
Payment for capital assets	-	23	-	23	22	1	95.7	-	-
Total	34,457	-	8,996	43,453	43,289	164	99.6	23,137	22,927

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	13,610	(3,121)	-	10,489	10,466	23	99.8	7,891	7,876
Goods and services	20,324	2,830	8,678	31,832	31,703	129	99.6	14,673	14,627
Financial transaction in assets and liabilities	-	43	-	43	42	1	97.7	26	25
Transfers & subsidies									
Provinces and municipalities	21	5	4	30	26	4	86.7	22	20
Non-profit institutions	-	-	383	383	383	-	100.0	-	-
Households	38	(2)	98	134	132	2	98.5	8	7
Payment for capital assets									
Machinery & equipment	464	245	(167)	542	537	5	99.1	517	371
Total	34,457	-	8,996	43,453	43,289	164	99.6	23,137	22,926

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**Detail per programme 7 – Financial Management
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 Financial management									
Current payment	8,469	5	47	8,521	8,433	88	99.0	9,456	8,994
Transfers & subsidies	20	(5)	-	15	12	3	80.0	15	13
Payment for capital assets	140	-	(79)	61	58	3	95.1	270	100
Total	8,629	-	(32)	8,597	8,503	94	98.9	9,741	9,107

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	5,214	(106)	47	5,155	5,132	23	99.6	5,087	5,064
Goods and services	3,255	87	-	3,342	3,278	64	98.1	4,358	3,920
Financial transactions in assets and liabilities	-	24	-	24	23	1	95.8	11	10
Transfers & subsidies									
Provinces and municipalities	20	(5)	-	15	12	3	80.0	15	13
Payment for capital assets									
Machinery & equipment	140	(9)	(79)	52	50	2	96.2	270	100
Software & other intangible assets	-	9	-	9	8	1	88.9	-	-
Total	8,629	-	(32)	8,597	8,503	94	98.9	9,741	9,107

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**Detail per programme 8 – Personnel Management and Administration
for the year ended 31 March 2006**

Programme per subprogramme	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.1 Personnel management and administration									
Current payment	6,618	(18)	(546)	6,054	5,999	55	99.1	5,754	5,722
Transfers & subsidies	22	-	-	22	19	3	86.4	13	11
Payment for capital assets	196	18	-	214	214	-	100.0	333	109
Total	6,836	-	(546)	6,290	6,232	58	99.1	6,100	5,842

Economic classification	2005/06							2004/05	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments									
Compensation of employees	4,496	98	-	4,594	4,588	6	99.9	4,699	4,688
Goods and services	2,122	(116)	(546)	1,460	1,411	49	96.6	1,055	1,034
Transfers & subsidies									
Provinces and municipalities	22	(8)	-	14	11	3	78.6	13	11
Households	-	8	-	8	8	-	100.0	-	-
Payment for capital assets									
Machinery & equipment	196	18	-	214	214	-	100.0	333	109
Total	6,836	-	(546)	6,290	6,232	58	99.1	6,100	5,842

**WESTERN CAPE PROVINCE
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

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

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexures 1-4 to the Annual Financial Statements.

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

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

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 5 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

4.1 Per programme:

Programme name	Final Appropriation	Actual Expenditure	Variance	Actual Expenditure as a % of Final Appropriation
	R'000	R'000	R'000	%
Office of the Premier	12,397	12,328	69	99.4
Provincial Co-ordination	22,671	22,070	601	97.3
Centre for E-Innovation	153,017	152,254	763	99.5
Corporate Services	40,517	40,283	234	99.4
Legal Services	11,126	11,089	37	99.7
Office of the Director-General	43,453	43,289	164	99.6
Financial Management	8,597	8,503	94	98.9
Personnel Management and Administration	6,290	6,232	58	99.1
Total	298,068	296,048	2,020	99.3

Programme 2: Provincial co-ordination

Underspending mainly due to transfers to the Provincial Development Council (PDC), Municipalities and Non-Profit Organisations not being fully utilised as result of the institutions not meeting the criteria for payment.

**WESTERN CAPE PROVINCE
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

4.2 Per Economic classification

Economic classification	Final Appropriation	Actual Expenditure	Variance	Actual Expenditure as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	121,151	121,001	150	99.9
Goods and services	147,101	146,292	809	99.5
Financial transactions in assets and liabilities	237	233	4	98.3
Transfers and subsidies				
Provinces and municipalities	703	510	193	72.5
Departmental agencies and accounts	4,209	4,000	209	95.0
Non-profit institutions	2,029	1,408	621	69.4
Households	216	208	8	96.3
Payment for capital assets				
Machinery and equipment	14,549	14,526	23	99.8
Software and other intangible assets	7,873	7,870	3	100.0
Total	298,068	296,048	2,020	99.3

Compensation of employees

Under spending mainly due to non-filling of vacant funded posts due to the awaited reengineering of the department with effect from 1 April 2006.

Goods and services

Under spending due to SITA costs, telephone and transport and subsistence expenditure being less than expected.

Transfers to Provinces and Municipalities

Under spending due to transfers to municipalities not being fully utilised as a result of them not meeting the criteria for payment.

Transfers to Departmental agencies and accounts

Under spending due to only a portion of the final transfer to the Provincial Development Council being made in March 2006 based on the projected cash flow being less than expected.

Transfers to Non-Profit Organisations

Under spending due to transfers to the organisations not being fully utilised as a result of them not meeting the criteria for payment.

**WESTERN CAPE PROVINCE
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**STATEMENT OF FINANCIAL PERFORMANCE
at 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
REVENUE			
Annual appropriation	1.	298,068	297,241
Departmental revenue	2.	741	968
TOTAL REVENUE		<u>298,809</u>	<u>298,209</u>
EXPENDITURE			
Current Expenditure			
Compensation of employees	3.	121,001	106,237
Goods and services	4.	146,292	142,566
Financial transactions in assets and liabilities	5.	233	66
Total current expenditure		<u>267,526</u>	<u>248,869</u>
Transfers and subsidies	6.	6,126	4,859
Expenditure for capital assets			
Machinery and equipment	7.	14,526	28,486
Software and other intangible assets	7.	7,870	12,725
Total expenditure for capital assets		<u>22,396</u>	<u>41,211</u>
TOTAL EXPENDITURE		<u>296,048</u>	<u>294,939</u>
SURPLUS		2,761	3,270
SURPLUS FOR YEAR		<u>2,761</u>	<u>3,270</u>
Reconciliation of Net Surplus for the year			
Voted Funds	11.	2,020	2,302
Departmental revenue	2.	741	968
SURPLUS FOR THE YEAR		<u>2,761</u>	<u>3,270</u>

**WESTERN CAPE PROVINCE
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VOTE 1**

**STATEMENT OF FINANCIAL POSITION
at 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
ASSETS			
Current assets		2,316	6,603
Cash and cash equivalents	8.	875	2,641
Prepayments and advances	9.	226	68
Receivables	10.	1,215	3,894
TOTAL ASSETS		2,316	6,603
LIABILITIES			
Current liabilities		2,249	6,423
Voted funds to be surrendered to the Revenue Fund	11.	2,020	2,302
Departmental revenue to be surrendered to the Revenue Fund	12.	28	283
Bank overdraft	13.	-	3,831
Payables	14.	201	7
TOTAL LIABILITIES		2,249	6,423
NET ASSETS		67	180
Represented by:			
Recoverable revenue		67	180
TOTAL		67	180

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
Recoverable revenue			
Opening balance		180	304
Transfers		(113)	(124)
Debts recovered (included in departmental receipts)		(113)	(124)
Balance at 31 March		67	180
TOTAL		67	180

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**CASH FLOW STATEMENT
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
CASH FLOW FROM OPERATING LEASES			
Receipts		299,346	298,751
Annual appropriated funds received	1.1	298,068	297,241
Departmental revenue received		1,278	1,510
Net (increase)/decrease in working capital		2,715	(2,655)
Surrendered to Revenue Fund		(3,836)	(15,189)
Current payments		(267,526)	(248,869)
Transfers and subsidies paid		(6,126)	(4,859)
Net cash flow available from operating activities	15	24,573	27,179
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(22,396)	41,211)
Proceeds from sale of capital assets		1	6
(Increase)/decrease in loans		-	(124)
Net cash flows from investing activities		(22,395)	(41,329)
CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(113)	-
Net cash flows from financing activities		(113)	-
Net increase/(decrease) in cash and cash equivalents		2,065	(14,150)
Cash and cash equivalents at beginning of period		(1,190)	12,960
Cash and cash equivalents at end of period	8 & 13	875	(1,190)

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for Provincial Departments

Programmes	Final Appropriation 2005/06 R'000	Actual Funds Received 2005/06 R'000	Funds requested/ not received 2005/06 R'000	Appropriation Received 2004/05 R'000
Office of the Premier	12,397	12,397	-	16,952
Provincial co-ordination	22,671	22,671	-	18,177
Centre for E-Innovation	153,017	153,017	-	173,326
Corporate services	40,517	40,517	-	40,109
Legal services	11,126	11,126	-	9,699
Office of the Director-General	43,453	43,453	-	23,137
Financial management	8,597	8,597	-	9,741
Personnel management and administration	6,290	6,290	-	6,100
Total	298,068	298,068	-	297,241

Note	2005/06 R'000	2004/05 R'000
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2. Departmental revenue to be surrendered to Revenue Fund

Sales of goods and services other than capital assets	2.1	818	1,073
Interest, dividends and rent on land	2.2	-	20
Sales of capital assets	2.3	1	6
Financial transactions in assets and liabilities	2.4	460	417
Total revenue collected		1,279	1,516
Less: Departmental revenue budgeted		538	548
Total		741	968

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
2.1 Sales of goods and services other than capital assets			
Sales of goods and services produced by the department		818	1,073
Other sales		818	1,073
Total		818	1,073
2.2 Interest, dividends and rent on land			
Interest		-	20
Total		-	20
2.3 Sales of capital assets			
Other capital assets		1	6
Total		1	6
2.4 Financial transactions in assets and liabilities			
Other receipts including recoverable revenue		460	417
Total		460	417
3. Compensation of employees			
3.1 Salaries and wages			
Basic salary		84,559	76,048
Performance award		2,652	1,992
Service Based		290	605
Compensative/circumstantial		2,666	2,076
Periodic payments		1,099	207
Other non-pensionable allowances		16,026	11,526
Total		107,292	92,454

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
3.2 Social contributions			
3.2.1 Employer contributions			
Pension		9,697	10,077
Medical		3,995	3,689
Bargaining Council		17	17
Total		<u>13,709</u>	<u>13,783</u>
 Total compensation of employees		<u>121,001</u>	<u>106,237</u>
Average number of employees		<u>552</u>	<u>553</u>

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
4. Goods and services			
Advertising		17,286	10,142
Attendance fees		224	332
Bank charges and card fees (including registration fees)		57	72
Bursaries (employees)		76	70
Communication		4,631	2,955
Computer services		64,615	84,584
Consultants, contractors and special services		21,547	18,717
Courier and delivery services		46	123
Drivers licences and permits		2	-
Entertainment		761	666
External audit fees	4.1	1,349	1,876
Equipment less than R5 000		5,684	2,446
Helicopter services		50	-
Inventory	4.2	5,005	3,478
Legal fees		2,016	656
Maintenance, repair and running costs		1,628	2,919
Medical services		-	2
Operating leases		1,492	737
Mint of decorations/medals		87	-
Photographic services		99	113
Plant, flowers and other decorations		386	123
Printing and publications		1,032	474
Professional bodies and membership fees		50	4
Resettlement costs		91	98
Subscriptions		486	51
Owned and leasehold property expenditure		1,575	2,306
Translations and transcriptions		190	208
Transport provided as part of the departmental activities		118	345
Travel and subsistence	4.3	8,675	4,939
Venues and facilities		3,662	948
Protective, special clothing & uniforms		2	19
Training and staff development		3,370	3,163
Total		146,292	142,566

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
4.1 External audit fees			
Regulatory audits		1,168	1,876
Other audits		181	-
Total external audit fees		1,349	1,876
4.2 Inventory			
Domestic Consumables		113	104
Agricultural		4	3
Learning and teaching support material		88	65
Food and Food supplies		72	93
Fuel, oil and gas		22	5
Other consumables		1	-
Parts and other maint mat		43	62
Sport and recreation		44	40
Stationery and Printing		4,615	3,106
Medical supplies		3	-
Total Inventory		5,005	3,478
4.3 Travel and subsistence			
Local		7,672	4,445
Foreign		1,003	494
Total travel and subsistence		8,675	4,939
5. Financial transactions in assets and liabilities			
Other material losses written off	5.1	184	22
Debts written off	5.2	49	11
Theft	5.3	-	33
Total		233	66

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
5.1 Other material losses			
Nature of losses			
Motor vehicle accident		2	15
Repairs to hired vehicles		6	1
Tax debt		-	6
Irregular expenditure written off		176	-
Total		184	22
5.2 Debts written off			
Nature of debts written off			
Tax debt		-	1
Salary and cellphone debt		6	9
Breach of contract		17	1
State guarantee debt		26	-
Total		49	11
5.3 Details of theft			
Stolen equipment		-	33
Total		-	33
6. Transfers and subsidies			
Provinces and municipalities	Annexure 1	510	468
Departmental agencies and accounts	Annexure 2	4,000	3,428
Non-profit institutions	Annexure 3 & 6	1,408	400
Households	Annexure 4	208	563
Total		6,126	4,859

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
7. Expenditure on capital assets			
Machinery and equipment	Annexure 8	14,526	28,486
Software and other intangible assets	Annexure 9	7,870	12,725
Total		22,396	41,211

8. Cash and cash equivalents

Disbursements	864	-
Cash on hand	11	11
Cash with commercial banks	-	2,630
Total	875	2,641

9. Prepayments and advances

Travel and subsistence	226	68
Total	226	68

10. Receivables

		Less than one year R'000	One to three years R'000	Older than three years R'000	Total R'000	Total R'000
Private enterprises	10.1	-	-	-	-	2,020
Staff debtors	10.2	250	35	54	339	472
Other debtors	10.3	345	175	-	520	1,032
Claims recoverable	Annex 10	336	20	-	356	370
Total		931	230	54	1,215	3,894

10.1 Private enterprises

Suspense accounts	-	2,020
Total	-	2,020

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
10.2 Staff debtors			
Damage to GG vehicles		11	18
Income Tax and Site debt		3	8
Departmental debt		320	446
Private telephone debt		5	-
Total		339	472
10.3 Other debtors			
Disallowance: Miscellaneous		346	1,032
Salary Income Tax		174	-
Total		520	1,032
11. Voted funds to be surrendered to the Revenue Fund			
Opening balance		2,302	13,870
Transfer from Statement of Financial Performance		2,020	2,302
Paid during the year		(2,302)	(13,870)
Closing balance		2,020	2,302
12. Departmental revenue to be surrendered to the Revenue Fund			
Opening balance		283	86
Transfer from Statement of Financial Performance		741	968
Departmental revenue budgeted		538	548
Paid during the year		(1,534)	(1,319)
Closing balance		28	283
**Amount not used at end of project, which donors do not allow department to maintain should be paid over to the Revenue Fund			
13. Bank overdraft			
Consolidated Paymaster General Account		-	3,831
Total		-	3,831

**WESTERN CAPE PROVINCE
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

14. Payables current

Description		30 Days	30+ Days	2005/06 Total	2004/05 Total
Clearing account	14.1	195	-	195	-
Other payables	14.2	-	6	6	7
Total		195	6	201	7

14.1 Clearing accounts

Exchequer grant account		195	1
Total		195	-

14.2 Other payables

Suspense accounts		6	7
Total		6	7

15. Net cash flow available from operating activities

	Note	2005/06 R'000	2004/05 R'000
Net surplus/(deficit) as per Statement of Financial Performance		2,761	3,270
(Increase)/decrease in receivables – current		2,679	(2,475)
(Increase)/decrease in prepayments and advances		(158)	(53)
Increase/(decrease) in payables – current		194	(127)
Proceeds from sale of capital assets		(1)	(6)
Surrenders to revenue fund		(3,836)	(15,189)
Expenditure on capital assets		22,396	41,211
Other than cash items		538	548
Net cash flow generated by operating activities		24,573	27,179

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

Consolidated Paymaster General Account	-	(3,831)
Disbursements	864	-
Cash on hand	11	11
Cash with commercial banks	-	2,630
Total	875	(1,190)

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

These amounts are not recognised in the Annual Financial Statement and are disclosed to enhance the usefulness of the Annual Financial Statements.

		Note	2005/06 R'000	2004/05 R'000
17. Contingent liabilities				
Liable to	Nature			
Housing loan guarantees	Employees	Annexure 7	128	659
Other departments (Interdepartmental unconfirmed balances)		Annexure 11	-	631
Total			128	1,290
18. Commitments				
Current expenditure				
Approved and contracted			2,935	2,977
Approved but not yet contracted			144	-
			3,079	2,977
Capital expenditure				
Approved and contracted			1,609	2,693
Approved but not yet contracted			61	-
			1,670	2,693
Total commitments			4,749	5,670

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

		Note	2005/06 R'000	2004/05 R'000
19. Accruals				
	30 Days R'000	30+ Days R'000	Total R'000	Total R'000
By economic classification				
Goods and services	386	191	577	625
Total			577	625
Listed by programme level				
1. Office of the Premier			64	81
2. Provincial Co-ordination			18	-
3. Centre for E-Innovation			319	245
4. Corporate services			147	289
5. Legal services			2	-
6. Internal audit			-	10
8. Financial management			17	-
9. Personnel management and administration			10	-
Total			577	625
Confirmed balances with other departments		Annexure 11	603	409
Total			603	409
		Note	2005/06 R'000	2004/05 R'000
20. Employee benefit provisions				
Leave entitlement			2,231	1,975
Thirteenth cheque			3,005	2,889
Performance awards			1,779	1,596
Capped leave commitments			5,971	5,869
Total			12,986	12,329

**WESTERN CAPE PROVINCE
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VOTE 1**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

				Note	2005/06 R'000	2004/05 R'000
21.	Lease Commitments					
		Land	Buildings & other fixed structures	Machinery and equipment	Total	Total
		R'000	R'000	R'000	R'000	R'000
21.1	Operating leases					
	Not later than 1 year	-	-	412	412	33
	Later than 1 year and not later than 5 years	-	-	838	838	639
	Later than 5 years	-	-	-	-	1,140
	Total present value of lease liabilities	-	-	1,250	1,250	1,812
22.	Irregular expenditure					
22.1	Reconciliation of irregular expenditure					
	Opening balance				3,076	88
	Irregular expenditure – current year				-	2,988
	Amounts condoned				(3,076)	-
	Current expenditure				(3,076)	-
	Irregular expenditure awaiting condonement				-	3,076
	Analysis					
	Current				-	2,988
	Prior years				-	88
	Total				-	3,076

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
23. Key management personnel			
Description	No of Individuals	Total R'000	Total R000
Political Office Bearers	1	923	835
Level 15 to 16	6	4,225	3,988
Level 14	13	6,925	-
Total		<u>12,073</u>	<u>4,823</u>

Responsible MEC – Premier. No comparatives for the level 14's, as they were not considered key management for the period.

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 1

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2004/05
	Amount	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by municipality	Amount spent by municipality	% of Available Funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Municipality: Central WC DC 5	70	-	-	70	70	100.0	70	70	100.0	70
Municipality: Eden	70	-	-	70	70	100.0	70	70	100.0	70
Municipality: Overberg	70	-	-	70	70	100.0	70	70	100.0	70
Municipality: Cape Metropolitan Council – RSC Levies	278	-	57	335	284	84.8	284	284	100.0	250
Municipality: Cape Winelands District – RSC Levies	17	-	-	17	16	94.1	16	16	100.0	8
Municipality: Eden District – RSC Levies	1	-	-	1	-	-	-	-	-	-
	506	-	57	563	510	-	510	510	-	468

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 2
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

AGENCY	TRANSFER ALLOCATION				TRANSFER		2004/05
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
WC Provincial Development Council	5,000	-	(791)	4,209	4,000	95.0	3,428
	5,000	-	(791)	4,209	4,000	-	3,428

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 3
STATEMENT OF TRANSFERS/SUBSIDIES TO NON-PROFIT INSTITUTIONS**

NON-PROFIT ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Network on Violence against women	75	-	-	75	75	100.0	75
Western Cape Network on Disability	175	-	-	175	175	100.0	75
Bridges Organisation	185	-	-	185	185	100.0	250
	435	-	-	435	435	-	400

**WESTERN CAPE PROVINCE
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 4
STATEMENT OF TRANSFERS/SUBSIDIES TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Employees – leave gratuities	118	-	50	168	162	96.4	303
Gifts and Donations	-	-	24	24	24	100.0	260
Claims against the state	-	-	24	24	22	91.7	-
Total	118	-	98	216	208	-	563

**WESTERN CAPE PROVINCE
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VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 5

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED FOR THE YEAR ENDED
31 MARCH 2006**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06	2004/05
		R'000	R'000
Received in kind		-	-
Old Mutual	Sponsorship: Provincial Sportsday	40	19
Trade World	Sponsorship: Provincial Sportsday	-	4
Xerox	Sponsorship: Provincial Sportsday	-	12
Creda Communications	Sponsorship: Provincial Sportsday	-	1
Coca Cola	Sponsorship: Provincial Sportday	51	8
Capitec Bank	Sponsorship: Provincial Sportday	80	38
Standard Bank	Sponsorship: Premier's State of the Province Dinner	-	350
Total		<u>171</u>	<u>432</u>

**STATEMENT OF GIFTS, DONATIONS AND SPONSIRSHIP RECEIVED FOR THE YEAR ENDED
31 MARCH 2005**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2004/05	2003/04
		R'000	R'000
Received in kind		-	-
Old Mutual	Sponsorship: Provincial Sportsday	19	-
Trade World	Sponsorship: Provincial Sportsday	4	-
Xerox	Sponsorship: Provincial Sportsday	12	-
Creda Communications	Sponsorship: Provincial Sportsday	1	-
Coca Cola	Sponsorship: Provincial Sportday	8	-
Capitec Bank	Sponsorship: Provincial Sportday	38	-
Standard Bank	Sponsorship: Premier's State of the Province Dinner	350	-
Total		<u>432</u>	<u>-</u>

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 6

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2006

NATURE OF GIFT, DONATION OR SPONSORSHIP	R'000
Paid in cash	
Sponsorship: Mr D Lurie – A book project titled "Images of Table Mountain"	85
Sponsorship: Genis Attorneys Trust – Bicentennial Commemoration event of the Battle of Blaauwberg	50
Donation: Independent Newspaper – Cape Argus City of Angels Competition	60
Donation: Sojourner, Help, Advocacy, Development, Education (SHADE) 4 th Annual Jamboree	100
Sponsorship: Matzikama Rittelfees	98
Donation: A Mulder Kitchen & Cupboards – Repair and restoration of carriage landau	40
Donation: Muslim Judicial Council – 60 th Anniversary	95
Donation: Khayelitsha Development Forum – Gala evening to raise funds for the Forum	10
Sponsorship: University of the Western Cape – hosting of the 6 th Biennial Conference of the Society of South Africa Geographers	10
Sponsorship: Cape Town Regional Chambers of Commerce & Industry – Western Cape Youth Webstar competition 2005	66
Donation: Hippo Communications – Celebrate South African Book Festival 2005	20
Sponsorship: IEEE Software Engineering Colloquium – hosting of conference	5
Sponsorship: Conference Management Centre – hosting of a workshop dealing with "mixing races"	99
Sponsorship: Ex Political Prisoners Committee – honouring of ex political prisoners	60
Donation: Voice of the Cape – Voice of the Cape summer festival	80
Sponsorship: Big Walk Trust	95
Total	973

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE IN REMISSIONS, ERFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2005

NATURE OF GIFT, DONATION OR SPONSORSHIP	R'000
Paid in cash	
Donations: Dr Beyers Naude Funeral (R7,000) and Voice of the Cape Summer Festival (R100,000)	107
Donation: National Youth Commission	100
Donation: African Evaluation Association	25
Sponsorship: Internet Fiesta for the disadvantaged community of Belhar	28
Total	260

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 7
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL**

Guarantor institution	Guarantee in respect of Housig	Original Guarantee capital amount	Opening Balance 01/04/2005	Guarantees issued during the year	Guarantees released/paid/ cancelled/ reduced during the year	Guaranteed interest outstanding as at 31/03/2006	Closing Balance 31/03/2006	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank		-	91	-	52	-	39	-
Nedbank Ltd (Cape of Good Hope)		-	36	-	-	-	36	-
Nedbank		-	54	-	39	-	15	-
Firststrand Bank Ltd: FNB		-	135	-	102	-	33	-
Nedbank Ltd Incorp: BOE		-	31	-	-	-	31	-
ABSA		-	171	-	222	-	(51)	-
Old Mutual Finance Ltd		-	18	-	-	-	18	-
People's Bank Ltd		-	11	-	14	-	(3)	-
Firststrand Bank Ltd: (Former FNB)		-	83	-	29	-	54	-
Old Mutual Bank\k Division of Nedbank		-	29	-	73	-	(44)	-
Total		-	659	-	531	-	128	-

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 8

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDING AND OTHER FIXED STRUCTURES	28	-	-	28
Heritage assets	28	-	-	28
MACHINERY AND EQUIPMENT	161,616	15,383	129	176,870
Transport assets	-	100	-	100
Computer equipment	155,703	14,275	49	169,929
Furniture and Office equipment	3,432	811	-	4,243
Other machinery and equipment	2,481	197	80	2,598
TOTAL CAPITAL ASSETS	161,644	15,383	129	176,898

ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash R'000	In-Kind R'000	Total R'000
MACHINERY AND EQUIPMENT	14,526	857	15,383
Transport assets	100	-	100
Computer equipment	13,459	816	14,275
Furniture and Office equipment	777	34	811
Other machinery and equipment	190	7	197
TOTAL CAPITAL ASSETS	14,526	857	15,383

DISPOSALS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cost/Carrying Amount R'000	Cash R'000	Profit/(loss) on Disposal R'000
MACHINERY AND EQUIPMENT	129	1	(128)
Computer equipment	49	1	(48)
Other machinery and equipment	80	-	(80)
TOTAL CAPITAL ASSETS	129	1	(128)

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 8 (*continued*)

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions R'000	Disposals R'000	Movement R'000
MACHINERY AND EQUIPMENT	28,486	-	28,486
Computer equipment	27,689	-	27,689
Furniture and Office equipment	378	-	378
Other machinery and equipment	419	-	419
TOTAL CAPITAL ASSETS	28,486	-	28,486

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 9

**CAPITAL INTANGIBLE ASSET COST MOVEMENT SCHEDULE FOR THE YEAR ENDED
31 MARCH 2006**

	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Computer Software	2,829	7,870	-	10,699
TOTAL	2,829	7,870	-	10,699

ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Cash R'000	In-Kind R'000	Total R'000
Computer Software	7,870	-	7,780
TOTAL	7,780	-	7,780

CAPITAL INTANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additional R'000	Disposals R'000	Movement R'000
BUILDING AND OTHER FIXED STRUCTURES			
Computer Software	12,725	-	12,725
TOTAL	12,725	-	12,725

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 10
INTER-GOVERNMENTAL RECEIVABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Transport and Public Works	-	4	62	-	62	4
Department of Agriculture	-	3	-	-	-	3
Department of Health	-	-	153	144	153	144
Department of Social Services and Poverty Alleviation	-	1	2	-	2	1
Department of Community Safety	-	3	6	-	6	3
Department of Defence	-	-	-	1	-	1
Department of Communications	-	-	-	127	-	127
Department of the Presidency	-	-	-	56	-	56
Department of the Premier: Gauteng	-	-	32	20	32	20
Provincial Treasury	-	1	22	-	22	1
Department of Cultural Affairs and Sport	1	-	-	-	1	-
Department: Foreign Affairs	-	-	42	-	42	-
Department of Justice & Constitutional Development	32	-	-	-	32	-
Department of Local Government and Housing	4	-	-	-	4	-
	37	12	319	348	356	360
Other Government Entities						
South African Broadcasting Corporation	-	1	-	-	-	1
City of Cape Town Municipality	-	3	-	-	-	3
Overstrand Municipality	-	5	-	-	-	5
Saldanha Bay Municipality	-	1	-	-	-	1
	-	10	-	-	-	10
TOTAL	37	22	319	348	356	370

Include all amounts owing by National and Provincial Departments as well as all Public Entities, Constitutional Institutions and Trading Entities.

**WESTERN CAPE PROVINCE
DEPARTMENT OF THE PREMIER
VOTE 1**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 11
INTER-DEPARTMENTAL PAYABLES - CURRENT**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Health	-	1	-	-	-	1
Department of Transport and Public Works	584	282	-	-	584	282
Department of Justice & Constitutional Development	-	-	-	246	-	246
Department of Provincial and Local Government	-	49	-	-	-	49
Provincial Treasury	17	-	-	-	17	-
Department of Local Government and Housing	2	-	-	-	2	-
	603	332	-	246	603	578
Non-current						
South African Police Service	-	77	-	-	-	77
Gauteng Provincial Government	-	-	-	385	-	385
	-	77	-	385	-	462
TOTAL	603	409	-	631	603	1,040

PART FIVE HUMAN RESOURCE MANAGEMENT

GENERAL COMMENTS: INFORMATION EXTRACTED FROM SYSTEMS

It should be noted that the Department's human resource management and salary administration information is recorded and processed on the national transversal PERSAL computerised system. The information stored on this system pertains mainly to salary payments and related processes. Expenditure processed within the PERSAL system is programmatically transferred to the nationally transversal Basic Accounting System (BAS). However, some transactions in respect of personnel expenditure are processed directly through BAS, without transferring the information the PERSAL system. In practice, therefore, a discrepancy may be found between the PERSAL system and BAS as far as information on personnel expenditure is concerned. Figures reflected in Part Five are based on PERSAL information, however with the exception of Tables 2.1 and 2.3. A reconciliation explaining the difference has been submitted to the Auditor-General.

1 – SERVICE DELIVERY

TABLE 1.1 – Main service for service delivery improvements and standards

Main Services	Actual Customers	Potential Customers	Standards of Service	Actual Achievement against Standards
Secretarial, administrative and office support services to the Premier.	Premier of the Western Cape.	Public. National and Provincial. Ministries and Departments. Local Government. Informational networks. Diplomatic Corporations. Public owned and Public entities.	Deliver services to the standards set by the Premier and to his satisfaction and in accordance with the Handbook for Members of Executive and Presiding Offices.	An adequate 75%.
Render an effective secretarial service to the Provincial Cabinet and its respective Cabinet Committee.	Cabinet and Cabinet Committees.	Presidential Co-ordination Council (PCC). Forum for South African Director-General (Fosad).		28 Cabinet meetings. 8 Governance and Administration Cabinet Committee meetings. 10 Economic Cabinet Committee meetings. 8 Social Cabinet Committee meetings. 3 Legotla's.
Ensure good governance in the Province through the cluster management to enhance growth and development in the Province.	Provincial Social Cluster. Provincial Economic Cluster. Provincial Governance and Administration Cluster.	Fosad. National Social Cluster. National Economic Cluster. National Justice Crime Prevention and Security Cluster.		4 Provincial Governance and Administration Cluster meetings. 7 Provincial Economic Cluster meetings. 12 Provincial Social Cluster meetings.

Strategic leadership and co-ordinating services; transversal policies; strategies; norms and standards; optimise and manage existing transversal human resource systems; optimal enabling and professionalising human resource management through training interventions; labour relations; collective bargaining; management of grievances; disciplinary procedures; disputes and arbitration.	Premier; Provincial Cabinet; Executing Authorities; Director-General; Heads of Departments; Senior Managers; Provincial Departments; Officials of the Western Cape Provincial Government; including human resource managers, functionaries and line managers; collective bargaining structures; HRM Forum; HRD Forum; PSC; DPSA; Department of Labour; SAMDI; Human Rights Component; NGO's and service delivery partners on the disability terrain.	Public, National and Provincial Ministries and Departments, members of the Provincial Legislature, Trade unions.	Predetermined project standards; management standards; compliance with prescripts and needs driven policy analysis; client expectations; and the requirement for an informed workforce of public service practices, policies, norms and standards.	Standards largely met per key achievements and outputs.
Transversal Human Resource Development policies, strategies, norms and standards; training interventions through the Cape Administrative Academy; special capacity building interventions, strategic advice.	Premier; Provincial Cabinet; Executing Authority; Director-General; Heads of Departments; Senior Managers; Provincial Departments; Departmental and interdepartmental HRD/training structures; employees.	Other governments, members of the provincial legislature, public entities.	Outcomes based training interventions; predetermined project standards; management standards and demand driven client expectations.	Standards largely met per key achievements and outputs.
Transversal Organisation Development policies; macro organisation design; organisation and job design; job evaluation; service delivery improvement.	Premier; Provincial Cabinet; Executing Authority; Director-General; Heads of Departments; Senior Managers; Provincial Departments; HRM Forum; employees, PSC, DPSA.	Other governments, members of the provincial legislature, PSC, DPSA, public entities.	Predetermined project standards; management standards; and demand driven client expectations.	Standards largely met per key achievements and outputs.
Internal/external media, marketing and production services, intranet/internet, events, tri-lingual language service.	Public, Provincial employees, Provincial Departments, Public media, GCIS.	Other governments, public entities.	Demands driven client expectations; professional standards.	Standards largely met per key achievements and outputs.
Provincial gazette; provincial lunch club; provincial gymnasium.	Provincial Departments, employees, public.		Availability of and accessibility to service.	Standards largely met per key achievements and outputs.
Ensuring a quality legal service in the rendering of formal (written) and informal opinions, departmental legal correspondence and in	Premier, the Provincial Cabinet, Director-General provincial departments and	Premier, the Provincial Cabinet, Director-General, provincial departments and public entities.	Strategic, accurate, thoroughly researched, timeous and quality legal advice.	Completed 875 formal opinions.

scrutinising Cabinet Submissions.	public entities.		Strategic, accurate, thoroughly researched, timeous and quality legal advice in the scrutiny and verification of Cabinet submissions.	Scrutinised 56 Cabinet submissions.
The negotiation, drafting and editing of legally sound and sustainable contracts.	Premier, the Provincial Cabinet, Director-General provincial departments and public entities.	Premier, the Provincial Cabinet, Director-General, provincial departments and public entities.	The conclusion of legally sound and sustainable contracts that serve the best interests of the Provincial Administration, and which serve to minimise any potential risks.	Drafted, negotiated or edited 352 contracts.
Ensure compliance with Constitutional directives in the monitoring of, and commenting on, national legislation.	Premier, the Provincial Cabinet, Director-General provincial departments.	Premier, the Provincial Cabinet, Director-General, provincial departments.	Comprehensive, thoroughly researched and timeous commentary on national legislation.	Commented on 50 pieces of national legislation.
Attending to special investigations.	Premier, the Provincial Cabinet, Director-General provincial departments.	Premier, the Provincial Cabinet, Director-General, provincial departments.	Strategic, accurate, thoroughly researched, timeous, quality advice and assistance in conducting special investigations.	Advice and assistance in 1 investigation.
Provide for the drafting of provincial and subordinate legislation in all areas of provincial competence.	Premier, the Provincial Cabinet, Director-General provincial departments.	Premier, the Provincial Cabinet, Director-General, provincial departments.	Drafting of user-friendly legislation, which is consonant with the policies of the Provincial Government and which covers all reasonably foreseeable aspects.	Drafted, amended or edited 33 pieces of provincial legislation.
Ensure successful management of litigation matters.	Premier, the Provincial Cabinet, Director-General provincial departments.	Premier, the Provincial Cabinet, Director-General, provincial departments.	Successful defences, oppositions, motions or actions.	Managed and monitored 237 litigation matters.
Audit/investigate irregularities reported.	Premier, the Provincial Cabinet, Director-General and all the Departments of the Western Cape Provincial Administration.	Premier, the Provincial Cabinet, Director-General and all the Departments of the Western Cape Provincial Administration.	Successful investigation of alleged irregularities and adding value by recommending measures to prevent similar occurrences.	127 investigations registered. 33 completed. 32 referred or closed. 16 in progress.

Smooth and effective functioning of the Director-General's Office.	Director-General of the Provincial Administration: Western Cape.	Public. Provincial Departments.	Adherence to benchmarked service standards.	Adequate.
Sound financial and administration management.	Director-General.	Public. Provincial Departments.	Adherence to benchmarked service standards.	Adequate.
Deliver quality and timeous administrative management.	Director-General.	Premier. Public. Provincial Departments.	Adherence to benchmarked service standards.	Adequate.
Administrative and office support services to the Premier.	Premier of the Western Cape.	Public. Provincial Ministries and Departments.	Deliver services to the standards set by the Premier and to his satisfaction.	Adequate.
Sound financial and administration management.	The Directorate: Personnel Management and Administration.		Compliance with prescripts.	Adequate.
Smooth and effective functioning of the Directorate: Personnel Management and Administration.	Department of the Premier.	Public. Provincial Departments.	Adherence to benchmarked service standards.	Adequate.
Deliver quality and timeous administrative supporting functions.	Director-General. Department of the Premier.	Department of the Premier.	Adherence to benchmarked service standards.	Adequate.
Effective communication.	Director-General. Accounting Officer. Department of the Premier.	Public. Government employees. Provincial Ministers.	Deliver services to the standards set by various role players and to their satisfaction.	Adequate.
Job evaluations.	Department of the Premier.	Provincial departments.	On demand.	Adequate.

TABLE 1.2 – Consultation Arrangements for Customers

Type of Arrangement	Actual Customer	Potential Customer	Actual Achievement
Consultations through submissions to Cabinet and Provincial Top Management, meetings with departmental senior management teams, meetings of collective bargaining structures, meeting of the HRM and HRD Forums, consultations with individual executing authorities, Heads of departments and senior managers, training intervention feedback sessions.	Premier, Provincial Cabinet, Executing Authorities, Director-General, Heads of Departments, Senior Managers, Provincial Departments, Collective bargaining structures, HRM and HRD Forums, employees, PSC, DPSA, SAMDI, Department of Labour, Directorate: Human Rights, Branches within own department, Public, Private sector.	Other governments, members of the provincial legislature, public entities, local government and NGO's and other service providers (where applicable).	Submissions as required, regular meetings of consultative structures as per annual programme, <i>ad hoc</i> meetings and consultations as scheduled, relevant and accurate information, in line with national and provincial norms and standards, through training interventions and workshops.

Rendering a quality legal advisory and forensic auditing service, and ensuring legally sound and sustainable contracts, compliance with constitutional directives and legislative obligations, and the successful management of litigation matters.	The Premier. Provincial Cabinet. Director-General. All the Departments of the Provincial Administration: Western Cape.	The Premier. Provincial Cabinet. Director-General. All the Departments of the Provincial Administration: Western Cape.	Personal and telephonic consultations attended to on a demand-driven basis, pertaining to advice rendered, forensic investigations conducted, contracts negotiated, edited or drafted, commentary furnished on national legislation, drafting of provincial legislation and management and monitoring of litigation matters.
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TABLE 1.3 – Service delivery access strategy

Access Strategy	Actual Achievements
Improvement of access of mainly internal clients to service through information and communication technologies (intranet, website and multimedia), personal information sessions, multilingual training courses, client managers (Organisation Development), internal marketing of services.	Acceptable level of corporate access to services considering available resources.
Effective support services to the Premier and Cabinet.	
Access to the Directorate: Personnel Management and Administration is obtained by means of direct communication.	Potential skills obtain via advertising outside the Department.

TABLE 1.4 – Service information tool

Type of Information Tool	Actual Achievements
Consultations with, and presentations to, Provincial Cabinet, Cabinet Clusters, Provincial Top Management and other SMS on legal and strategic issues; information dissemination through formal written submission/circulars; policy documents; explanatory manuals; structured meetings of consultative forums; formal training interventions and evaluations, prospectus; personal information / consultation sessions; conferences, seminars, task teams and workshops; intranet and internet; codes of good practice; <i>ad hoc</i> meetings with relevant stakeholders; printed or electronic media (booklets, brochures, posters. E-mail, compact disks); exhibitions; events.	Acceptable level of corporate awareness of services and products.
Document Warehouse System.	Available on Intranet.
Legal Services Website.	Available on Intranet.
Forensic Audit Website.	Regularly updated website in which statistics pertaining to commercial crime within the Administration are provided.
Forensic Audit Toll Free Hotline.	128 matters/calls were registered on its database as formal audits/investigations and 31 calls were investigated.
Media.	Integrated, communication, marketing and advertising plan.
Annual reports and evaluation reports.	Prompt response to address possible areas of concern and to improve on possible shortcomings.
Intranet.	Intranet portal used for circular advertising.
Printed and electronic media.	Advertisement in public media and departmental website maintained.
Personal interventions.	Scheduled information / training sessions. Ongoing actions and strategies to keep clients and employees informed.
Employee assistance programme commissioned with effect from 1 October 2005 to provide an EAP service to the Department.	Information sessions, telephone counselling, face to face counselling, life management counselling and e-care programme.

TABLE 1.5 – Compliant mechanism

Compliant Mechanism	Actual Achievements
Written and verbal complaints (including electronic mail) from clients to Premier, Director-General and senior management, formally prescribed grievance and dispute resolution mechanisms, consultative forums, and constant review and evaluation of activities through e.g. post-training evaluation.	Timeous and adequate resolution of complaints after proper consultation with all relevant role-players and participative problem solving and buy-in from e.g. client departments.
Written and verbal communications, or electronic mail, to the Director-General, Head of the Branch or other responsible member of the Senior Management Service, as the case may be.	Timeous and adequate resolution of complaints after proper consultation with all relevant role-players and participative problem solving and buy-in from e.g. client departments.
Formal prescribed grievance and dispute resolution mechanism.	Timely and procedurally correct solving of grievances and disputes.
Consultation forums and workshops.	Participative problem solving and buy-in.
Written and verbal communication, e-mail and websites.	Timely solving of dissatisfaction.
Consultation in the CCPWCP.	Structured and participative management of matters. This also contributes towards labour peace.
Written/oral complaints to management.	Adequately.
Constant review and evaluation of activities as well as post training course evaluation interventions.	Review of training strategies / course content when indicated.

2 – EXPENDITURE**TABLE 2.1 – Compensation of employees costs by Programme**

Programme	Total expenditure (R'000)	Compensation of employees expenditure (R'000)	Training Expenditure (R'000)	Compensation of employees cost as % of Total expenditure	Average Compensation of employment cost per employee (R'000)	Number of Employees
Office of the Premier	12,328	7,090	22	57.51%	253	28
Provincial Co-ordination	22,070	9,464	240	42.88%	326	29
Centre for E-innovation	152,254	50,227	742	32.99%	250	201
Corporate Services	40,283	25,568	1,978	63.47%	174	147
Legal Services	11,089	8,466	64	76.35%	192	44
Office of the Director-General	43,289	10,466	93	24.18%	551	19
Financial Management	8,503	5,132	76	60.36%	166	31
Personnel Management & Administration	6,232	4,588	155	73.62%	131	35
TOTAL	296,048	121,001	3,370	40.87%	227	534

TABLE 2.2 – Personnel costs by salary band

Salary bands	Compensation of employees Expenditure (R'000)	% of total Compensation of employees cost	Average Compensation of Employees cost per Employee (R'000)	Number of Employees
Lower skilled (Level 1-2)	933	0.77%	58	16
Skilled (Level 3-5)	4,898	4.03%	79	62
Highly skilled productions (Level 6-8)	19,979	16.44%	132	151
Highly skilled supervision (Level 9-12)	72,764	59.88%	274	266
Senior Management (Level 13-16)	20,538	16.90%	571	36
Premier	923	0.76%	923	1
Other	1,476	1.22%		
TOTAL	121,511	100.00%	227	534

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance (HOA) and Medical Aid per Programme

Programme	Salaries (R'000)	Salaries as % of Compensation of employees cost (Table 2.1)	Overtime (R'000)	Overtime as a % of Compensation of employees cost	HOA (R'000)	HOA as a % of Compensation of Employees cost	Medical Ass (R'000)	Medical Ass % of Compensation of Employees cost	Total cost (R'000)
Office of the Premier	4,387	61.88%	64	0.90%	43	0.61%	92	1.30%	4,586
Provincial Co-ordination	5,556	58.71%	24	0.25%	82	0.87%	293	3.10%	5,955
Centre for E-innovation	36,949	73.56%	798	1.59%	325	0.65%	1,331	2.65%	39,403
Corporate Services	18,018	70.47%	111	0.43%	365	1.43%	1,198	4.69%	19,692
Legal Services	5,557	65.64%	66	0.78%	77	0.91%	268	3.17%	5,968
Office of the Director-General	7,168	68.49%	33	0.32%	71	0.68%	300	2.87%	7,572
Financial Management	3,654	71.20%	39	0.76%	95	1.85%	252	4.91%	4,040
Personnel Management and Administration	3,269	71.25%	-	-	73	1.59%	262	5.71%	3,604
TOTAL	84,558	69.98%	1,135	0.94%	1,131	0.93	3,996	3.30%	90,820

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance (HOA) and Medical Aid by Salary Band

Programme	Salaries (R'000)	Salaries as % of Compensation of employees cost (Table 2.2)	Overtime (R'000)	Overtime as a % of Compensation of employees cost	HOA (R'000)	HOA as a % of Compensation of Employees cost	Medical Ass (R'000)	Medical Ass % of Compensation of Employees cost	Total cost (R'000)
Lower skilled (Level 1-2)	641	68.70%	35	3.75%	31	3.32%	36	3.86%	743
Skilled (Level 3-5)	3,657	74.66%	51	1.04%	69	1.41%	185	3.78%	3,962
Highly skilled productions (Level 6-8)	14,704	73.60%	126	0.63%	282	1.41%	1,052	5.27%	16,164
Highly skilled supervision (Level 9-12)	53,246	73.18%	914	1.26%	630	0.87%	2,156	2.96%	56,946
Senior management (Levels 13-16)	11,870	57.80%	-	-	141	0.69%	496	2.42%	12,507
Other	629	68.15%					38	4.12%	667
TOTAL	84,747	69.74%	1,126	0.93%	1,153	0.96%	3,963	3.26%	90,989

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). Critical occupations that need to be monitored have been identified. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department. The information in each case reflects the situation as at 31 March 2006. For an indication of changes in staffing patterns over the year under review, please refer to table 5 of this report. The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by Programme at 31 March 2006

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate %	Number of Posts Filled Additional to the Establishment
Programme 1: Office of the Premier	36	27	25%	-
Programme 2: Provincial Co-ordination	56	33	41%	-
Programme 3: Centre for E-innovation	348	242	30%	-
Programme 4: Corporate Services	200	150	25%	-
Programme 5: Legal Services	61	40	34%	-
Programme 6: Office of the Director-General	20	18	10%	17
Programme 7: Financial Management	41	34	17%	-
Programme 8: Personnel Management and Administration.	39	35	10%	-
TOTAL	801	579	28%	17

*NOTE – Number of posts includes post type 05 (additional to the establishment).

*NOTE – The column “Number of posts filled additional to the establishment” refer to staff in excess.

*NOTE – Number of posts filled does not include 17 SMS staff placed excess after Departmental Reengineering.

TABLE 3.2 – Employment and vacancies by salary band at 31 March 2006

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate %	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels1 – 2), Permanent	16	15	6%	-
Skilled (Levels3 – 5), Permanent	100	71	29%	-
Highly skilled production (Levels6-8), Permanent.	197	144	27%	-
Highly skilled supervision (Level 9-12), Permanent	429	308	28%	-
Senior management (Levels 13-16), Permanent	58	40	31%	17
Premier	1	1	-	-
TOTAL	801	579	28%	17

*NOTE – Number of posts filled does not include 17 SMS staff placed excess after Departmental Reengineering.

TABLE 3.3 – Employment and vacancies by critical occupation at 31 March 2006

Critical Occupation	Number of Posts	Number of Posts Filled	Vacancy Rate %	Number of Posts Filled Additional to the Establishment
B2040000 – Other admin, policy related officers	18	13	28%	-
C5010300 – General legal admin. & related professions.	22	15	32%	-
C5040200 – Language practitioners' interpreters & other communication.	16	10	38%	-
C6010200 – Senior managers	44	29	34%	17
C6010302 – Human Resource related	25	22	12%	-
C6010308 – Administrative related	62	47	24%	-
C6010317 – Communication & information related	6	6	-	-
C6020100 – Financial and associated professionals	27	20	26%	-
C6020200 – Human Resources & Org. Dev. & related professionals	79	53	33%	-
J1010000 – Computer system des & analysts	301	208	31%	-
Other	201	156	22%	-
TOTAL	801	579	28%	17

*NOTE – Number of posts filled does not include 17 SMS staff placed excess after Departmental Reengineering.

TABLE 4.1 – Job evaluation 1 April 2005 to 31 March 2006

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Down-graded	% of Down-graded Posts Evaluated.
Lower skilled (Levels 1-2)	16	-	-	-	-	-	-
Skilled (Levels 3-5)	100	2	2%	2	100%	-	-
Highly skilled production (Levels 6-8)	197	8	4%	8	100%	-	-
Highly skilled supervision (Levels 9-12)	429	-	-	-	-	-	-
Senior Management Service Band A	31	-	-	-	-	-	-
Senior Management Service Band B	20	-	-	-	-	-	-
Senior Management Service Band C	6	-	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
Premier	1	-	-	-	-	-	-
TOTAL	801	10	1%	10	100%	-	-

TABLE 4.2 – Profile of employees whose positions were upgraded due to their posts being upgraded 1 April 2005 to 31 March 2006

Beneficiaries	African	Asian	Coloured	White	Total
Female	1	-	3	2	6
Male	1	-	3	-	4
Total	2	-	6	2	10
Employees with a Disability					-

TABLE 4.3 – Employees whose salary level exceeded the grade determined by Job Evaluation 1 April 2005 to 31 March 2006 (i.t.o PSR 1.V.C.3)

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Department
Human Resource Related	-	-	-	-	534
*No salaries have exceeded the grade determined by job evaluations during the 2005/06 financial year.					

TABLE 4.4 – Profile of employees whose salary level exceeded the grade determined by Job Evaluation 1 April 2005 to 31 March 2006 (i.t.o PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with a Disability	-	-	-	-	-
*No salaries have exceeded the grade determined by job evaluations during the 2005/06 financial year.					

TABLE 5.1 – Annual turnover rates by salary band 1 April 2005 to 31 March 2006

Salary Band	Employment at beginning of period	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate %
Lower skilled (levels 1-2), Permanent	15	1	-	
Skilled (levels 3-5), Permanent	62	45	27	
Highly skilled production (levels 6-8), Permanent	151	34	30	
Highly skilled supervision (levels 9-12), Permanent	269	79	43	
Senior Management Service Band A, Permanent	22	2	1	
Senior Management Service Band B, Permanent	9	3	1	
Senior Management Service Band C, Permanent	4	-	-	
Senior Management Service Band D, Permanent	1	-	-	
Premier	1	-	-	
TOTAL	534	164	102	

TABLE 5.2 – Annual turnover rates by Critical Occupation for period 1 April 2005 to 31 March 2006

Occupation	Number of Employees per occupation	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate %
B2040000 – Other admin. policy and related officers	45	1	2	4%
C5010300 – General legal administration & related professional	6	2	5	83%
C5040200 – Language practitioner interpreters & other communication	10	4	4	40%
C6010200 – Senior managers	23	4	1	4%
C6010302 – Human Resource relations	36	1	-	0%
C6010308 – Administrative related	166	23	16	10%
C6010317 – Communication and information related	4	5	1	25%
C6020100 – Financial and associated professionals	12	11	4	33%
C6020200 – Human Resources & Org. Dev. & related professionals	44	4	7	16%
J1010000 – Computer system des & analysts	55	52	14	25%
Other	133	57	48	36%
TOTAL	534	164	102	19%

TABLE 5.3 – Reasons why staff are leaving the department

Termination Type	Number (All personnel)	% of Total Resignations
Dismissal (Discharge)	-	-
Resignation of position	44	59%
Retirement – Public Service	1	1%
SEC 17 (2)(A) Public Service	-	-
Transfer out of persal	-	-
Deceased	-	-
Head of Department 16(3)	-	-
Contract expiry	30	40%
GRAND TOTAL	75	100 %
Total number of employees who left as a % of the total employment		14%

TABLE 5.4 – Promotions by critical occupation

Occupation	Employees as at 1 April 05	Promotions to another salary level	Salary level promotions as a % of employment	Progressions to another notch within salary level	Notch progression as a % of employment
B2040000 – Other administration policy and related officers	45	-	-	7	16%
C5010100 - Advocates	13	-	-	5	38%
C5040200 – Language practitioner interpreters and other communication	10	1	9%	6	60%
C6010200 – Senior managers	23	-	-	17	74%
C6010302 – Human Resources relations	36	-	-	30	35%
C6010308 – Administrative related	166	4	2%	58	31%
C6010317 – Communication and information related	4	-	-	3	75%
C6020100 – Finance and related professionals	12	1	8%	8	67%
C6020200 – Human Resources and Org. Dev. and related professionals	44	1	2%	31	70%
J1010000 – Computer system Des and Analyst	55	25	45%	13	24%
Other	126	9	7%	101	80%
GRAND TOTAL	534	41	8%	279	52%

TABLE 5.5 – Promotions by salary band

Salary Band	Employees as at 1 April 05	Promotions to another salary level	Salary level promotions as a % of employment	Progressions to another notch within a salary level	Notch progression as a % of employment
Lower skilled (Level 1-2)	15	-	-	10	67%
Skilled (level 3-5)	62	3	5%	27	44%
Highly skilled production (Level 6-8)	152	5	3%	94	62%
Highly skilled supervision (Level 9-12)	269	33	12%	130	48%
Senior Management (Level 13-16)	36	-	-	18	50%
TOTAL	534	41	8%	279	52%

TABLE 6.1 – Total number of employees (incl. Employees with disabilities) per occupational category at 31 March 2006

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1	11	-	11	-	1	-	-	24
Professionals	10	58	3	54	12	25	-	35	197
Clerks	4	17	1	4	10	49	1	19	105
Service and sales workers	-	-	-	-	-	1	-	-	1
Technicians and associate professionals	17	58	1	39	14	28	1	22	180
Plant and machine operators and assemblers	-	3	-	-	-	-	-	-	3
Elementary occupations	-	-	-	-	-	-	-	-	-
Labourers and related workers	1	12	-	-	-	11	-	-	24
TOTAL	33	159	5	108	36	115	2	76	534
Employees with disabilities	1	1				1			3

TABLE 6.2 – Total number of employees (incl. Employees with disabilities) per Occupational bands at 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	-	6	-	1	-	-	-	-	7
Senior management	1	12	-	14	-	1	-	2	30
Professionally qualified and experienced specialists and mid-management	17	86	3	77	14	31	1	40	269
Skilled technical and academically qualified workers, junior management, supervisors, foremen	11	36	1	14	16	42	1	30	151
Semi-skilled and discretionary decision-making	4	15	1	2	6	31	-	3	62
Unskilled and defined decision-making	-	5	-	-	-	9	-	1	15
TOTAL	33	160	5	108	36	114	2	76	534
Employees with disabilities	1	1				1			3

TABLE 6.3 – Recruitment for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	-	-	-	-	-	-	-	-	-
Senior management	1	1	-	-	2	1	-	-	5
Professionally qualified and experienced specialists and mid-management	10	32	4	1	9	11	2	4	73
Skilled technical and academically qualified workers, junior management, supervisors, foremen	8	9	-	-	9	5	-	1	32
Semi-skilled and discretionary decision-making	9	10	-	1	10	13	1	1	45
Unskilled and defined decision-making	-	-	-	-	1	-	-	-	1
TOTAL	28	52	4	2	31	30	3	6	156
Employees with disabilities	1								1

TABLE 6.4 – Promotions for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	-	-	-	-	-	-	-	-	-
Senior management	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	2	17	-	-	5	6	-	3	33
Skilled technical and academically qualified workers, junior management, supervisors, foremen	3	-	-	-	-	2	-	-	5
Semi-skilled and discretionary decision-making	-	1	-	1	-	1	-	-	3
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-
TOTAL	5	18	-	1	5	9	-	3	41
Employees with disabilities	None								

TABLE 6.5 – Terminations for the period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	-	-	-	-	-	-	-	-	-
Senior management	-	-	1	-	-	-	-	1	2
Professionally qualified and experienced specialists and mid-management	5	4	4	5	5	3	-	9	35
Skilled technical and academically qualified workers, junior management, supervisors, foremen	-	2	1	3	1	4	-	4	15
Semi-skilled and discretionary decision-making	2	3	-	-	1	12	-	3	21
Unskilled and defined decision-making	1	1	-	-	-	-	-	-	2
TOTAL	8	10	6	8	7	19	-	17	75
Employees with disabilities	-	1	-	-	-	-	-	-	1

TABLE 6.6 – Disciplinary action for the period 1 April 2005 to 31 March 2006

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	2	5	-	-	-	1	-	-	8

TABLE 6.7 – Skills development for period 1 April 2005 to 31 March 2006

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	14	18	-	23	-	13	6	15	89
Professionals	7	61	1	34	10	26	-	27	166
Technicians and associate professionals	17	19	-	7	10	15	-	11	79
Clerks	9	46	-	6	30	52	-	14	157
Service and sales workers	-	-	-	-	-	-	-	-	
Skilled Agriculture and Fishery Workers	-	-	-	-	-	-	-	-	-
Craft and related Trades Workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	1	-	-	-	-	-	-	1
Elementary occupations	5	25	-	-	-	5	-	-	35
TOTAL	52	170	1	70	50	111	6	67	527
Employees with disabilities	None								

TABLE 7.1 – Performance rewards by race, gender and disability for period 1 April 2005 to 31 March 2006

Beneficiary profile				Cost (R'000)	
Race & Gender	Number of beneficiaries	Total employment	% of total within group	Cost (R'000)	Average cost per employee
African	12	69	17%	98	8
Male	7	33	21%	58	8
Female	5	36	14%	40	8
Asian	1	7	14%	15	15
Male	1	5	20%	15	15
Female	-	2	-	-	-
Coloured	104	274	38%	991	9
Male	55	159	35%	619	11
Female	49	115	43%	372	7
White	123	184	67%	1,514	12
Male	75	108	69%	1,026	14
Female	48	76	63%	488	10
TOTAL	240	534	45%	2,619	11

TABLE 7.2 – Performance rewards by salary band for personnel below senior management service: 1 April 2005 to 31 March 2006

Beneficiary profile				Cost		
Salary Band	Number of beneficiaries	Number of employees	% of total within salary band	Total cost (R'000)	Average cost per employee (R'000)	Total cost as a % of the total compensation expenditure
Lower skilled (Level 1-2)	8	15	53%	20	2	0.01%
Skilled (Level 3-5)	15	62	25%	52	3	0.04%
Highly skilled production (Level 6-8)	70	151	46%	518	7	0.46%
Highly skilled supervision (Level 9-12)	124	269	46%	1,680	14	0.94%
TOTAL	217	497	44%	2,270	10	1.46%

TABLE 7.3 – Performance rewards by critical occupation: 1 April 2005 to 31 March 2006

Beneficiary profile				Cost (R'000)	
Critical occupations	Number of beneficiaries	Number of employees	% of total within occupation	Cost (R'000)	Average cost per employee
C5010300 – General legal administration and related professionals	9	19	47%	128	14
C601200 – Senior managers	19	25	76%	290	15
C6010302 – Human Resources related	16	23	70%	235	15
C6010308 – Administrative related	26	185	14%	343	13
Other	170	282	60%	1,623	9
TOTAL	240	534	45%	2,619	11

TABLE 7.4 – Performance related rewards (Cash bonus) by salary band for senior management service: 1 April 2005 to 31 March 2006

Salary Band	Beneficiary profile			Cost		
	Number of beneficiaries	Total employment	% of total employment	Cost (R'000)	Average cost per beneficiary (R'000)	Total cost as a % of the total Compensation expenditure
Band A	16	22	73%	228	14	0.19%
Band B	4	9	44%	65	16	0.05%
Band C	2	4	50%	39	20	0.03%
Band D	1	1	100%	17	17	0.01%
Premier	-	1	-	-	-	-
TOTAL	23	37	62%	349	15	0.29%

TABLE 8.1 – Foreign workers by salary band, 1 April 2005 to 31 March 2006

Salary Band	1 April '05		31 March '06		Change	
	Number	% Of total	Number	% Of total	Number	% Change
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Level 3-5)	1	50%	1	50%	-	-
Highly skilled production (Level 6-8)	-	-	-	-	-	-
Highly skilled supervision (Level 9-12)	1	50%	1	50%	-	-
Other	-	-	-	-	-	-
TOTAL	2	100%	2	100%	-	-

TABLE 8.2 – Foreign workers by Major Occupation 1 April 2005 to 31 March 2006

Salary Band	1 April '05		31 March '06		Change	
	Number	% Of total	Number	% Of total	Number	% Change
Administrative office workers	1	50%	1	50%	-	-
Elementary occupations	-	-	-	-	-	-
Professionals and managers	1	50%	1	50%	-	-
Rank: education therapist	-	-	-	-	-	-
TOTAL	2	100%	2	100%	-	-

Table 9.1 explained

* % days with medical certificate (formula [days with certificate / total days *100])

* Estimated cost (formula [total yearly notch / 261 * total days / 1000])

TABLE 9.1 – Sick leave for period 1 January 2005 to 31 December 2005

Salary band	Total days	% Days with medical certificate	Number of employees using sick leave	% Of total employees using sick leave	Average days per employee	Estimated cost (R)
Lower skilled (Level 1-2)	104	81%	14	3%	7	219
Skilled (Level 3-5)	525	75%	68	15%	8	7,326
Highly skilled production (Level 6-8)	1,014	136%	126	27%	8	50,449
Highly skilled supervision (Level 9-12)	1,259	68%	234	50%	5	231,567
Senior Management (Level 13-16)	99	83%	23	5%	4	4,398
TOTAL	3,001	93%	465	100%	6	882,806

TABLE 9.2 – Disability leave (Temporary and permanent) for period 1 January 2005 to 31 December 2005

Salary band	Total days	% Days with medical certificate	Number of employees using disability leave	% Of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Level 1-2)	-	-	-	-	-	-
Skilled (Level 3-5)	24	100	3	30%	8	14
Highly skilled production (Level 6-8)	50	100	5	50%	10	99
Highly skilled supervision (Level 9-12)	7	100	1	10%	7	5
Senior Management (Level 13-16)	10	100	1	10%	10	18
TOTAL	91	100	10	100%	9	455

TABLE 9.3 – Annual leave for period 1 January 2005 to 31 December 2005

Salary band	Total days taken	Average per employee	Employment
Lower skilled (Level 1-2)	349	23	15
Skilled (Level 3-5)	1,271	21	62
Highly skilled production (Level 6-8)	3,075	20	151
Highly skilled supervision (Level 9-12)	5,793	22	269
Senior Management (Level 13-16)	634	18	36
Premier	-	-	1
TOTAL	11,122	21	534

TABLE 9.4 – Capped leave for period 1 January 2005 to 31 December 2005

Salary band	Total days of capped leave taken	Average number of days taken by employee	Average capped leave per employee as at 31 December 2005	Number of employees utilising capped leave	Total number of capped leave available at 31 December 2005	Number of employees as at 31 December 2005
Lower skilled (Level 1-2)	-	-	24	-	390	16
Skilled (Level 3-5)	122	41	9	3	662	75
Highly skilled production (Level 6-8)	73	4	22	17	3,175	145
Highly skilled supervision (Level 9-12)	169	6	11	27	3,546	316
Senior Management (Level 13-16)	10	10	37	1	1,393	38
TOTAL	374	8	16	48	9,166	590

TABLE 9.5 – Leave payouts for period 1 April 2005 to 31 March 2006

Reason	Total Amount (R'000)	Number of employees	Average payment per employee (R,000)
Leave payouts for 2005/06 due to non-utilisation of leave for the previous year.	247	45	5
Current leave payouts on termination of service for 2005/06	36	1	36
TOTAL	283	46	6

TABLE 10.1 – Steps taken to reduce the risk of occupational exposure

Units/categories of employment identified to be at high risk of contracting HIV & related diseases	Key steps taken to reduce the risk
The environment in which employees of this Department operates does not normally expose them to the risk of sustaining occupational injuries.	Regular workshops with employees addressing the issue of universal precautions.

TABLE 10.2 – Details of health promotion and HIV/Aids programmes

Question	Yes	No	Details if yes
Has the Department designated a member the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so provide her/his name and position.	X		Mr SI Ntontela, Director for Personnel Management and Administration.
Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		Component: Special Programmes consisting of 4 employees (1 Assistant-Director and 3 Senior Personnel Practitioners).
Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programmes.	X		<p>A service provider has been procured and the service level agreement makes provisioning for the following:</p> <ul style="list-style-type: none"> • Comprehensive needs analyses and behaviour risk audit • 24 hour multilingual, toll-free psychological counselling • Face to face counselling sessions • Toll-free Life Management service offering information and assistance on legal problems, financial concerns, healthcare and family matters • Comprehensive trauma response services • Training, knowledge transfer and skills development on EAP referral systems and protocols and employee well being related issues for in-house co-ordinator, employee representatives and managers • Managerial consultation and referral options supporting managers in their existing relationships with employees and providing them with professional help in effectively handling of advanced peoples management issues • Quarterly and annual reports on all key utilisation aspects of the EAP • An Account Manager to coordinated the programmes • Change Management workshops for employees and managers
Has the department established (a) committee(s) as contemplated in Part VI E.5(e) of the Public Service	X		<p>The following members currently constitute the Departmental committee:</p> <ul style="list-style-type: none"> • Alfreda Sirmonpong – Office of the Premier/DG

Regulations, 2001. If so, please provide names of the members of the committee and the stakeholder(s) that they represent.			<ul style="list-style-type: none"> • Tonia Petersen – CEI: Education, Sport & Culture • Babara Steyn – Legal Services • Masechaba Lottering – Financial Management • Samiega Peters – Centre for E-Innovation • Rica Hugo – CEI: Transport • Zodwa Mahapa – Provincial Training • Helen Ward – Corporate Services • Rowina Wynford – Cabinet Services • Ricardo Africa – CEI: Health, Social Services & Housing • Joseph Marks – Communication Services
Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		Reviewing of policies is continuous.
Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list key elements of these measures.	X		The implementation of the transversal HIV/Aids policy and workplace programme and a departmental workplace programme makes provision to address the minimizing of stigmatisation and discrimination in the workplace.
Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		Eight VCT sessions was held throughout the Department in which 58 employees were tested.
Has the Department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	X		<p>Health promotion is monitored and evaluated by:</p> <ul style="list-style-type: none"> • number of condoms distributed. • number of employees tested. • evaluation forms for workshops and number of workshop held. • Knowledge Attitudes and Behaviour survey. • One Wellness day was arranged spanning a broad spectrum of services.

11 – Labour Relations

The following collective agreements were entered into with trade unions within the department.

TOTAL 11.1 – Collective agreements for period 1 April 2005 to 31 March 2006

Total collective agreements	0
None	

TABLE 11.2 – Misconduct and discipline hearings finalised for period 1 April 2005 to 31 March 2006

Outcomes of disciplinary hearings	Number	% Of Totals
Correctional counselling	-	-
Verbal warnings	-	-
Written warnings	6	75%
Final written warnings	-	-
Suspended without payment	2	25%
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
TOTAL	8	100%

TABLE 11.3 – Types of misconduct addressed at disciplinary hearings for period 1 April 2005 to 31 March 2006

Types of misconduct	Number	% Of Totals
Dishonesty	-	-
Absent from work without reason or permission	4	50%
Refuse to obey security regulations	-	-
Conduct oneself in improper/unacceptable manner	-	-
Disrespect/abuse or insolent behaviour	2	25%
Possesses or wrongfully uses property of the state	2	25%
Fails to comply with or contravene an Act	-	-
TOTAL	8	100%

TABLE 11.4 – Grievances lodged for period 1 April 2005 to 31 March 2006

	Number	% Of Totals
Resolved	8	80%
Not resolved	2	20%
TOTAL	10	100%

TABLE 11.5 – Disputes lodged for period 1 April 2005 to 31 March 2006

	Number	% Of Totals
Upheld	-	-
Dismissed	2	100%
Lodged (Pending)	-	-
TOTAL	2	100%

TABLE 11.6 – Strike actions for period 1 April 2005 to 31 March 2006

Total number of person working days lost	1
Total cost (R) of working days lost	117.14
Amount (R'000) recovered as a result of no work no pay	117.14

TABLE 11.7 – Precautionary suspensions for period 1 April 2005 to 31 March 2006

Number of people suspended	2
Number of people whose suspension exceeds 30 days	1
Average number of days suspended	39.5
Cost (R) of suspensions	42315.14

TABLE 12.1 – Training needs identified 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of employees as at 1 April 2005	Learner-ship	Skills programmes and other short courses	Other forms of training (ABET)	Total
Legislators, senior officials and managers	Female	1	-	35	-	35
	Male	23	-	55	-	55
Professionals	Female	72	-	86	-	86
	Male	125	-	109	-	109
Technicians and associate professionals	Female	65	-	39	-	39
	Male	115	-	46	-	46
Clerks	Female	79	-	113	-	113
	Male	26	-	70	-	70
Service and sales workers	Female	1	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	11	-	3	2	5
	Male	13	-	25	11	36
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	3	-	-	-	-
Gender sub totals	Female	229	-	276	2	278
	Male	305	-	305	11	316
TOTAL		534	-	581	13	594

TABLE 12.2 – Training provided 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of employees as at 1 April 2005	Learner-ship	Skills programmes and other short courses	Other forms of training (ABET)	Total
Legislators, senior officials and managers	Female	1	-	8	-	8
	Male	23	-	39	-	39
Professionals	Female	72	-	Female 205 Male 254 (Not specified separately)	-	Female 205 Male 254 (Not specified separately)
	Male	125	-		-	
Technicians and associate professionals	Female	65	-		-	
	Male	115	-		-	
Clerks	Female	79	-		-	
	Male	26	-		-	
Service and sales workers	Female	1	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	11	-	35	1	36
	Male	13	-	36	5	41
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	3	-	-	-	-
Gender sub totals	Female	229	-	248	1	249
	Male	305	-	329	5	334
TOTAL		534	-	577	6	583

TABLE 13.1 – Injury on duty 1 April 2005 to 31 March 2006

Nature of injury on duty	Number	% Of total
Required basic medical attention only	6	100%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	6	100%

TABLE 14.1 – Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: work days	Contract value in Rand
To provide technical expertise and advice for the establishment of a provincial wide monitoring and evaluation system	2	720	800 000
Service Delivery Review and Improvement Pilot study	1	90	228 000
Assistance with the formulation of the Provincial Growth and Development Strategy for the Western Cape	5	70 – 90 days per person	800 000
Rendering of a project management service of the recruitment of the Senior Management Services members of the Department of the Premier	1	Not known	1 452 166
Implementation of phases 3 and 4 of the Organisational Culture Assessment Project	6	Not known	500 000
Rendering of Content Management Services for the Cape Gateway Web Portal	1	253	405 660
Rendering of e-Government Strategy and Specification Review Services for Cape Gateway	1	90	305 280
Rendering of organizational reengineering services	5	Not known	1 300 000
Rendering of ad hoc consultancy service	1	Not known	427 497
Total number of projects	Total individual consultants	Total Duration: work days	Total Contract value in Rand
9	21 known	1243 known	6 218 603

TABLE 14.2 – Analysis of consultant appointments using appropriated funds, i.t.o. HDI's

Project Title	% Ownership by HDI groups	% Management by HDI groups	Number of consultants from HDI groups that work on the project
To provide technical expertise and advice for the establishment of a provincial wide monitoring and evaluation system	None – Tertiary institutions	None – Tertiary institutions	None – Tertiary institutions
Service Delivery Review and Improvement Pilot study	Not known	Not known	Not known
Assistance with the formulation of the Provincial Growth and Development Strategy for the Western Cape	100	Not known	1
Rendering of a project management service of the recruitment of the Senior Management Services members of the Department of the Premier	83,3	Not known	Not known
Implementation of phases 3 and 4 of the Organisational Culture Assessment Project	25,2	10,1	1
Rendering of Content Management Services for the Cape Gateway Web Portal	0	0	0
Rendering of e-Government Strategy and Specification Review Services for Cape Gateway	0	0	0
Rendering of organizational reengineering services	43	14.25	0
Rendering of ad hoc consultancy service	N A	N A	N A

TABLE 14.3 – Report on consultant appointment using donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and contract value in Rand
NONE			

TABLE 14.4 – Analysis of consultant appointment using donor funds i.t.o HDI's

Project Title	% Ownership by HDI group	% Management by HDI groups	Number of consultants from HDI groups that work on the project
NONE			

Training Courses and Workshops presented
ANNEXURE A

Sub-programmes	Training Courses /workshops presented	Performance Measures	Actual Performance	
			Target	Actual
Personnel Management	Accredited Human Resource Certificate Course (11 Weeks)	Post training evaluation tools indicated that the training was experienced as needs based, relevant and accurate and in line with national and provincial standards.	126 planned	180 presented
	Staff Performance Management System / Compiling Individual Performance and Development Plans / Conducting Quarterly Reviews and Appraisal Interviews.	Post training evaluation tools indicated that the training was experienced as needs based, relevant and accurate and, but that systems for implementation in departments were lacking.	104 planned	145 presented 1 982 participants
	Introductory Workshop: Promotion of Administrative Justice Act (in collaboration with Legal Services)	Post training evaluation tools indicated that the training was experienced as needs based, relevant and accurate and in line with national and provincial standards.	3 planned	4 presented 72 participants
	Policy Development Workshop	- do -	1 planned	1 presented 15 participants
	Human Resource Management Training for Provincial Executive Programme	- do -	1 planned	1 presented 13 participants
	Injury-on-duty Courses	- do -	3 planned	3 presented 54 participants
	Norms and Standards in Personnel Administration and Persal	- do -	6 planned	7 presented 125 participants
	Regional training at George on various Human Resource Management Policies.	- do -	3 planned	3 presented 49 participants
	Presentations at Labour Forum on Human Resource Management Policies	- do -	4 planned	4 presented 69 participants
	Performance Management and Development System	- do	<i>Ad hoc</i>	1 presented 4 participants
	Workshop: Repositioning of Human Resource Management in the Public Service (DPSA)	- do	<i>Ad hoc</i>	1 co-ordinated 40 participants
	Workshop: Draft Guidelines on COIDA (DPSA)	- do	<i>Ad hoc</i>	1 co-ordinated 21 participants
	Code of Conduct	- do	<i>Ad hoc</i>	1 presented

	and iKapa Information session.			34 participants
	Strategic Planning	- do	<i>Ad hoc</i>	2 facilitated 46 participated
	Disability Sensitising Training	- do	<i>Ad hoc</i>	1 co-ordinated (21 participated)
	Disability Workshop	- do	<i>Ad hoc</i>	2 presented 34 participated
	Employment Equity Training (Consultative Forum)	- do	<i>Ad hoc</i>	2 presented (34 participated)
Labour Relations	Labour Relations and Personnel Management meetings	Post training evaluation tools indicated that the training was experienced as needs based, relevant and accurate, but that systems for implementation in departments were lacking.	8 planned	10 presented 228 participants
	Practical Labour Relations for supervisors.	Post training evaluation tools indicated that the training was experienced as need based, relevant and accurate and in line with national and provincial standards.	5 planned	7 presented 73 participants
	Introduction to Labour Law	- do -	5 planned	7 presented 106 participants
	Conflict handling and negotiation skills	- do -	<i>Ad hoc</i>	1 presented 11 participants
	Comprehensive workshop on disciplinary code and procedures	- do -	2 planned	2 presented 30 participants
	Practical labour relations for Xhosa speaking employees.	- do -	5 planned	7 presented 15 participants
	Practical labour relations for Xhosa speaking supervisors	- do -	1 planned	1 presented 15 participants

ANNEXURE B

REPORT OF THE CO-ORDINATING CHAMBER OF THE WESTERN CAPE PROVINCE (CCPWCP) 2004/05

Since the inception of the CCPWCP on 16 April 2004 significant progress in collective bargaining during the year 2003/04 had been achieved. The CCPWCP is clearly operating as a vehicle to promote integrated collective bargaining, enhancing the ethos of teamwork, co-operation and mutual respect. Through the work done over the past 12 months the CCPWCP has shown an active commitment to ensuring the promotion of sound and labour relations within the provincial departments of the Western Cape.

PARTIES TO CHAMBER

Parties to Chamber consist of the Employer and Labour with 50% of the vote weights each. An agreement of 2 representatives per trade union and equal representation for the Employer was reached.

The following trade unions were party to the Chamber during the reporting year:

- Democratic Nursing Association of South Africa (DENOSA)
- Hospital and Personnel Trade Union of South Africa (HOSPERSA)
- National Professional Teachers Organisation of South Africa (NAPTOSA)
- National Education, Health and Allied Workers Union (NEHAWU)
- Police and Prison Civil Rights Union (POPCRU)
- Public Servants' Association (PSA)
- South African Democratic Teachers' Association (SADTU)

OFFICE BEARERS

The following office bearers were elected at the inaugural meeting of the Chamber:

- Chairperson: Mr D Jacobs
- Vice-Chairperson (Labour): Ms P Harris
- Vice-Chairperson (Employer): Mr S Faker
- Secretary: Ms H Ward

TRADE UNIONS AND VOTE WEIGHTS

The admitted trade unions and vote weights were as followed during the reporting year:

TRADE UNIONS	VOTE WEIGHT
DENOSA	9.540%
HOSPERSA	13.929%
NAPTOSA	19.145%
NEHAWU	24.865%
POPCRU	0.082%
PSA	12.789%
SADTU	19.650%
TOTAL	100.00%

INTERIM MANAGEMENT COMMITTEE

The interim management committee consisted of the Chairperson: Mr D Jacobs; Chief Director: Department Transport and Public Works; the Vice-Chairpersons: Mr S Faker (employer Department of Education) and Ms P Harris (Labour, Nehawu) supported by the Secretary: Ms H Ward.

A total of 5 management committee meetings were held during the reporting year. The most important role of the management committee during this period of infancy was to finalise the agenda for the meetings as well as the annual schedule of meetings of the Chamber for 2004 and 2005. The Management Committee also made recommendations to the Chamber in form of Management Committee reports and dealt with urgent matters received from the Secretary of PSCBC. The Chamber had ratified all recommendations from Management Committee.

TASK TEAMS

The Chamber, in the absence of a draft procedure manual to expedite the core business appointed the following task teams from Labour and the Employer:

Strategic planning task team

The task team held a total of 5 task team meetings to finalise the arrangements for the strategic planning workshop.

The task team prioritised the following strategic/operational issues for discussion at the proposed strategic-planning workshop of the Chamber:

- Good governance and clarity on strategic goals.
- Effective prevention and resolution of collective disputes.
- Co-ordinate, facilitate and monitor the implementation of collective agreements concluded in the PSCBC and Chambers.
- Co-ordinate Sectoral structures at provincial level.
- Effective operational management of the Chamber.

Human resource management task team

The task team dealt with the amendment to the Policy Framework on Compensation Management. This policy was finalised and implemented on 1 January 2005.

MEETINGS OF THE CCPWCP

A total 4 general meetings and 3 special meetings were held during the reporting period.

PRESENTATIONS

The Employer presented the draft Policy Statement on Management of Employment, Development and Career Progression of people with disabilities.

POLICIES CONSULTED

The Chamber concluded consultations on the following policies:

- Policy Statement on Management of Employment, Development and Career Progression of people with disabilities.
- Policy Framework on Compensation Management.

Over and above these matters the Chamber also dispensed with the Pension Task Team of the former Provincial Bargaining Council in the recognition of former casual workers and made material inputs to the draft procedure manual for the PSCBC Co-ordinating Chambers in provinces. This Chamber, with regard to job evaluation, awaits guidelines from National on its implementation.

FINANCIAL MATTERS

A three-year budget for the Chamber 2005-2008 was received from the PSCBC. The Chamber submitted inputs to the PSCBC on said budget. Feedback in the Chambers inputs to council is still awaited.

CLOSING REMARKS

The spirit of co-operation amongst the parties to Chamber during the past year emphasised the commitment of the parties' sound labour relations within the Provincial Departments of the Western Cape.