LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
SOCIAL DEVELOPMENT

VOTE NO. 12

ANNUAL REPORT

2023/2024 FINANCIAL YEAR

PR 225/2024
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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS: 21 Biccard Street
Polokwane
0700

POSTAL ADDRESS: Private Bag X 9710
Polokwane
0700

TELEPHONE NUMBER/S: +27 15 230 4300
FAX NUMBER: +27 15 291 2185
EMAIL ADDRESS: info@dsd.limpopo.gov.za
WEBSITE ADDRESS : www.dsd.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AGSA	Auditor General of South Africa
ANC	African National Congress
AO	Accounting Officer
APP	Annual Performance Plan
BAS	Basic Accounting System
BAUD	Bar Coded Asset Audit
BBBEE	Broad Based Black Economic Empowerment
CAC	Central Audit Committee
CBO	Community Based Organization
CHH	Child Headed Household
CCMA	Commission for Conciliation Mediation and Arbitration
CDP	Community Development Practitioner
CDA	Central Drug Authority
CFO	Chief Financial Officer
CNDC	Community Nutrition Development Centres
COVID -19	Coronavirus 2019
CYCC	Child and Youth Care Centre
CYCW	Child and Youth Care Workers
DIC	Drop-in Centre
DORA	Division of Revenue Act
DSD	Department of Social Development
EBT	Electronic Banking Transfer
ECD	Early Childhood Development
EPWP	Extended Public Works Programme
EXCO	Executive Committee
EU	European Union
FET	Further Education and Training
GOVT	Government
HIV	Human Immune Virus
AIDS	Acquired Immune Deficiency Syndrome
HCBC	Home Community Based Care
HOD	Head of Department
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
HRP	Human Resource Plan
HWSETA	Health and Welfare Sector Education and Training Authority
ICT	Information Communication Technology
IDT	Independent Development Trust
IEC	Information, Education and Communication
LDP	Limpopo Development Plan
MDDA	Media Development Diversity Agency
MDG	Millennium Development Goals

MEC	Member of Executive Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MPAT	Management Performance Assessment Tool
NACCW	National Association of Child Care Workers
NDA	National Development Agency
NDP	National Development Plan
NGO	Non-Governmental Organization
NPO	Non-Profit Organization
NQF	National Qualification Framework
OD	Organisational Design
OFA	Organisational Functionality Assessment
OSD	Occupation Specific Dispensation
OVC	Orphans and Vulnerable Children
PERSAL	Personnel Salary
PFMA	Public Finance Management Act
PMDS	Performance Management Development System
SANCA	South African National Council for Alcoholism and Drug dependence
SAPS	South African Police Services
SAQA	South African Qualification Authority
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
SMS	Senior Management Services
TR	Treasury Regulations
TVET	Technical Vocational Education and Training
VEP	Victim Empowerment Programme
WAN	Wide Area Network

3. Foreword by The Member of the Executive Council

Name: Mme Nandi Ndalane
Title: Member of the Executive Council

Over the past year, our department has faced unprecedented challenges, yet we have emerged stronger and more united in our commitment to serving our people particularly the most vulnerable members of our society. Despite the obstacles and uncertainties, we have remained unwavering in our dedication to improving the lives of those who rely on our services.

I am pleased to share that we have made significant strides in our mission to create a more inclusive and supportive society. Our efforts have touched the lives of countless individuals, from providing vital assistance to older persons and people living with disabilities to empowering those affected by HIV and addressing the critical issue of child protection services. Furthermore, it is truly inspiring to see the positive impact of our initiatives in combating gender-based violence and addressing issues of substance abuse.

Through our collective efforts, we have made a tangible difference in the lives of those most in need, offering hope, support, and a pathway to a brighter future. We are pleased to report that in the past 5 years we have been able to reach and assist **45 748** older persons, provide crucial support to **12 463** people living with disabilities, and empower **368 333** individuals living with HIV through social change programs. Furthermore, we have successfully provided protection services to **251 987** children between the ages of 0-18, ensuring their safety and well-being.

Additionally, I am pleased to note that our efforts to address gender-based violence have shown positive results, with a noticeable decline in this concerning trend. We are proud to report that we reached out and aided **80 240** individuals struggling with substance abuse, offering crucial support and resources to help them on the path to recovery. Furthermore, our efforts to address food insecurity have made a significant impact, with **688 584** individuals who were vulnerable to hunger accessing essential food supplies and support. This has been a vital step in ensuring the well-being and dignity of those facing food insecurity in our province.

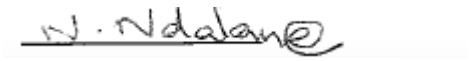
As we look ahead, I am filled with optimism and determination. Our department will continue to push boundaries, innovate, and advocate for the marginalized and vulnerable members of our society. Together, we will work towards a future where every individual has the opportunity to thrive, regardless of their circumstances.

Challenges that the Department faced for the financial year under review are, Delays in filling of the critical posts, Budgetary constraints, inadequate Information Technology systems, dilapidated Office Accommodation and shortage of Tools of trade mainly cars and computers.

The commitment to undertake research titled *"Factors associated with the rising incidences of Gender Based Violence and Femicide in the Province"* during the 2023/2024 was accomplished. We are proud to confirm that the research has been completed and the outcome is subjected to consultations with stakeholders for affirmation of findings before the executive management can sign off for publication and implementation of the recommendations.

I would like to extend my deepest gratitude to our dedicated selfless officials of our department, our development partners, Non Profit Organizations and civil society at large who have stood by us through thick and thin. Your unwavering commitment and passion drive our mission forward and inspire us to reach new heights of impact and excellence.

I am confident that by continuing working together, we can overcome any challenge and build a more compassionate, inclusive, and prosperous society for all.



Mme Nandi Ndalane

MEC of the Department of Social Development

Date 31- 05- 2024

4. REPORT OF THE ACCOUNTING OFFICER

Photo of Accounting Officer

Name: Ms NA Setlatjile (Acting)
Title: Head of Department

We are at the end of the sixth administration, and it is worth noting that it is now 10 years since the Department of Social Development started functioning as an autonomous department, after the split from the Department of Health and Social Welfare. During these 10 years, the Department has faced many trials and tribulations such as the COVID-19 pandemic and the resultant national lockdown from March 2020, which forced officials from all spheres to go the extra mile in ensuring that the people of Limpopo are food secure, have a roof over their heads and that assistance to victims of gender-based violence continues unabated.

The Department derives its mandate from Section 27(1)(C) of the Constitution, which advocates for the right of access to social assistance to those who are unable to support themselves and their dependents. The Department therefore provides a comprehensive social protection system to vulnerable individuals and households to eradicate poverty and to contribute towards sustainable livelihoods.

The Mandate of the Department of Social Development is to provide social protection services and leads government efforts to forge partnerships through which vulnerable individuals, groups and communities become capable and self-reliant participants, through implementation of the following budget programmes:

- **Programme 1**: ***Administrative Support Services*** - for the provision of political oversight as well as strategical direction and leadership through provision of overall strategic management and support services.
- **Programme 2**: ***Social Welfare Services*** - for integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society
- **Programme 3**: ***Children and Families*** - for comprehensive child and family care and support services to communities in partnership with stakeholders and civil society.
- **Programme 4**: ***Restorative Services*** - for provision of integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable.
- **Programme 5**: ***Development and Research*** – for provision of integrated sustainable development services for the empowerment of vulnerable households.

The mandate of the Department is founded on the provision of social protection and investment through the subsequent five interrelated programmes mentioned above, in partnership with civil society organisations which include, Non-Profit Organisations(NPO's) and Community Based Organisations, Faith Based Organisations, Business, Traditional Councils, Municipalities, Agencies and other Government Departments.

Throughout the period under review the Department is underpinned by the impact statement "Improved quality of life for the poor and vulnerable by 2030". This seeks to achieve the Vision 2030 as outlined in the NDP, which bears the following outcome statements:

- - Functional, Efficient and Integrated sector by 2025
- - Reduced levels of poverty, Inequality, Vulnerability and Social ill by 2025
- - Empowered, resilient Individuals, families and Sustainable Community by 2025

The Department boasts unqualified audit opinions in the previous 3 financial years and has managed to clear the long outstanding irregular expenditure amounting to 31 560 million.

Below is a table depicting the department receipts for 2023/24 FY:

Departmental receipts	2023/2024			2022/2023		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	**3 291**	**2 645**	**646**	**1 892**	**2 189**	**(297)**
Transfers received						
Fines, penalties and forfeits				**0**	**0**	**0**
Interest, dividends and rent on land	**0**	**3 302**	**(3 302)**			
Sale of capital assets	**1 365**	**1 800**	**(435)**	**350**	**3 071**	**(2 721)**
Financial transactions in assets and liabilities	**6 736**	**7 767**	**(1 031)**	**8 089**	**8 556**	**(467)**
Total	11 392	15 514	(4 122)	10 331	13 816	(3,485)

The department has as at March 2024 collected an amount of R15,514 million which is 136.0% against the adjusted budget of R11 392 million, the over collection is due to conducted auction and the earned during the fourth quarter for R1.800 million and the improved earned interest for R3 302 million in 2023/24 financial year.

- **Programme Expenditure**

Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	**385 210**	**382 903**	**2 307**	**366 486**	**353 211**	**13 376**

Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Social Welfare Services	**535 493**	**531 711**	**3 782**	**470 092**	**468 876**	**1 216**
Children and Families	**629 227**	**625 505**	**3 722**	**629 688**	**626 473**	**3 215**
Restorative Services	**257 940**	**245 878**	**12 062**	**209 699**	**201 320**	**8 379**
Development and Research	**227 884**	**221 807**	**6 0 77**	**231 377**	**229 055**	**2 322**
Total	2 035 754	2 006 804	27 950	1 907 342	1 878 935	28 407

- The department spent **98,6%** of the adjusted budget during 2023/24 financial year compared to 98,5% spent in 2022/23 financial year.
- Administration programme spent **99,4%** of its adjusted during 2023/24 financial year compared with 96,4% spent in 2022/23 financial year.
- Social Welfare Services programme spent **99,3%** of its adjusted budget during 2023/24 financial year compared with 99,7% spent in 2022/23 financial year.
- Children and Families programme spent **99,4%** of its adjusted budget during 2023/24 financial year compared with 99.7% spent in 2022/23 financial year.
- Restorative Services programme spent **95,3%** of its adjusted budget during 2023/24 financial year compared with 96,0% spent in 2022/23 financial year.
- Development and Research programme spent **97,3%** of its adjusted budget during 2023/24 financial year compared with 99,0% spent in 2022/23 financial year.

Virements/roll overs

For the period under review the Department has virements of R58 thousand for adjustment of the MEC salary/over expenditure for Statutory and no rollovers were requested.

The table below has a List all unsolicited bid proposals concluded for the year under review

No	Project Description	Progress	Comments
01	Management of Shiluvana Frail Care Centre for 36 months	Concluded	None
02	Installation of security surveillance system at Polokwane Welfare Complex and Mavambe Secure Care Centre	Concluded	None
03	Supply and delivery of food parcels to vulnerable families and individuals	Adjudicated	To be handed to Internal control.
04	Provision of clinical services to the employees of the department of social development	Adjudicated	No budget for implementation
05	Provision for vocational training to Youth and Women within Limpopo Province	Non-responsive	All bidders did not meet the stipulated requirements
06	Supply and delivery of Equipment	Awarded	None

The Challenges experienced in SCM in the year under review and how they were resolved.

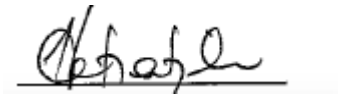
Description	How it was resolved
Items not included in the procurement plan	Requested amended of the procurement plan to include those items
Request to procure submitted late	Developed circular number 19 of 2023/24 to curb late submission of requests.
Non-responsive bidders	All bid to be advertised to include briefing sessions.

The Department did not receive any Gifts and Donations received in kind from non - related parties in the year under review.

In 2024/25, the Department will continue to pursue its mission of providing a comprehensive, integrated, sustainable and quality social development services to the vulnerable individuals, households and communities in partnership with relevant stakeholders including working with

civil society. To the officials within the Department for your commitment and resilience in ensuring that the people of Limpopo receive services that enrich and empower them.

It is with extreme pleasure that I Nkoto A Setlatjile in my capacity as the Acting Head of Department for the Department of Social Development present the 2023/24 Annual Report on the activities of Vote 12.



Name: Ms N A Setlatjile
Accounting Officer (Acting)
Department of Social Development
Date 31– 05 - 2024

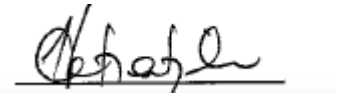
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2024.

Yours faithfully



Accounting Officer (Acting)
Name: Ms N A Setlatjile

Date 31 – 05 -2024

6. STRATEGIC OVERVIEW

6.1 Vision

A Caring and self-reliant Society

6.2 Mission

Provision of integrated, comprehensive, and sustainable social development services

6.3 Values

- **Accountability**

  Taking ownership for decisions and actions and accepting the consequences that come with them.

- **Caring**

  Showing sympathy and concern; embodying heart for all stakeholders and beneficiaries

- **Equality and equity**

  Treating everyone fairly and equally

- **Human dignity**

  Respecting everyone's human rights.

- **Respect**

  Showing due regard for the rights and obligations of others

7. LEGISLATIVE AND OTHER MANDATES

The Department derives its mandate from the Constitution of the Republic of South Africa, (Act No. 108 of 1996) as encapsulated hereunder:

27. (1) Everyone has the right to have access to— (a) health care services, including reproductive health care; (b) sufficient food and water; and (c) social security, including, if they are unable to support themselves and their dependents, appropriate social assistance.

28. (1) Every child has the right— (a) to a name and a nationality from birth; (b) to family care or parental care, or to appropriate alternative care when removed from the family environment; (c) to basic nutrition, shelter, basic health care services and social services; (d) to be protected from maltreatment, neglect, abuse or degradation; (e) to be protected from exploitative Labour practices; (f) not to be required or permitted to perform work or provide services that— (i) are inappropriate for a person of that child's age; or (ii) place at risk the child's well-being, education, physical or mental health or spiritual, moral or social development.

The following National Legislation and Policy documents form the legal and policy framework being implemented within the Department:

Relevant Legislation	Purpose of the Legislation
Social Assistance Act (Act no13 of 2004)	The Social Assistance Act, 1992 provides for the rendering of social assistance to persons, National Councils, and Social Development Organizations.
Social Service Professions Act, 1978 (Act no. 110 of 1978)	Promotes and regulates the practice of social service practitioners for social service professions.
White Paper for Social Welfare (1997)	Aims to transform social welfare services through developmental approach
Social Service Professions Act, 1978 (Act no. 110 of 1978)	Promotes and regulates the practice of social service practitioners for social service professions.
Probation Services Act, 1991 (Act no.116 of 1991)	Provides for the transformation of the child and youth care system.
Domestic Violence Act (Act no. 61 of 2003)	Provides for the protection of the victims of domestic violence and the vulnerable members of the society.
The Child Justice Act (Act no. 75 of 2008)	Provides the framework for dealing with children in conflict with the law.
Older persons Act (Act no.13 of 2006.)	Provide framework aimed at the empowerment and protection of older persons and at the promotion and maintenance of their status, rights, well-being, safety, and security.
Advisory Board on Social Development Act, 2001 (Act no. 3 of 2001)	Provides for a national advisory structure in the social development sector.

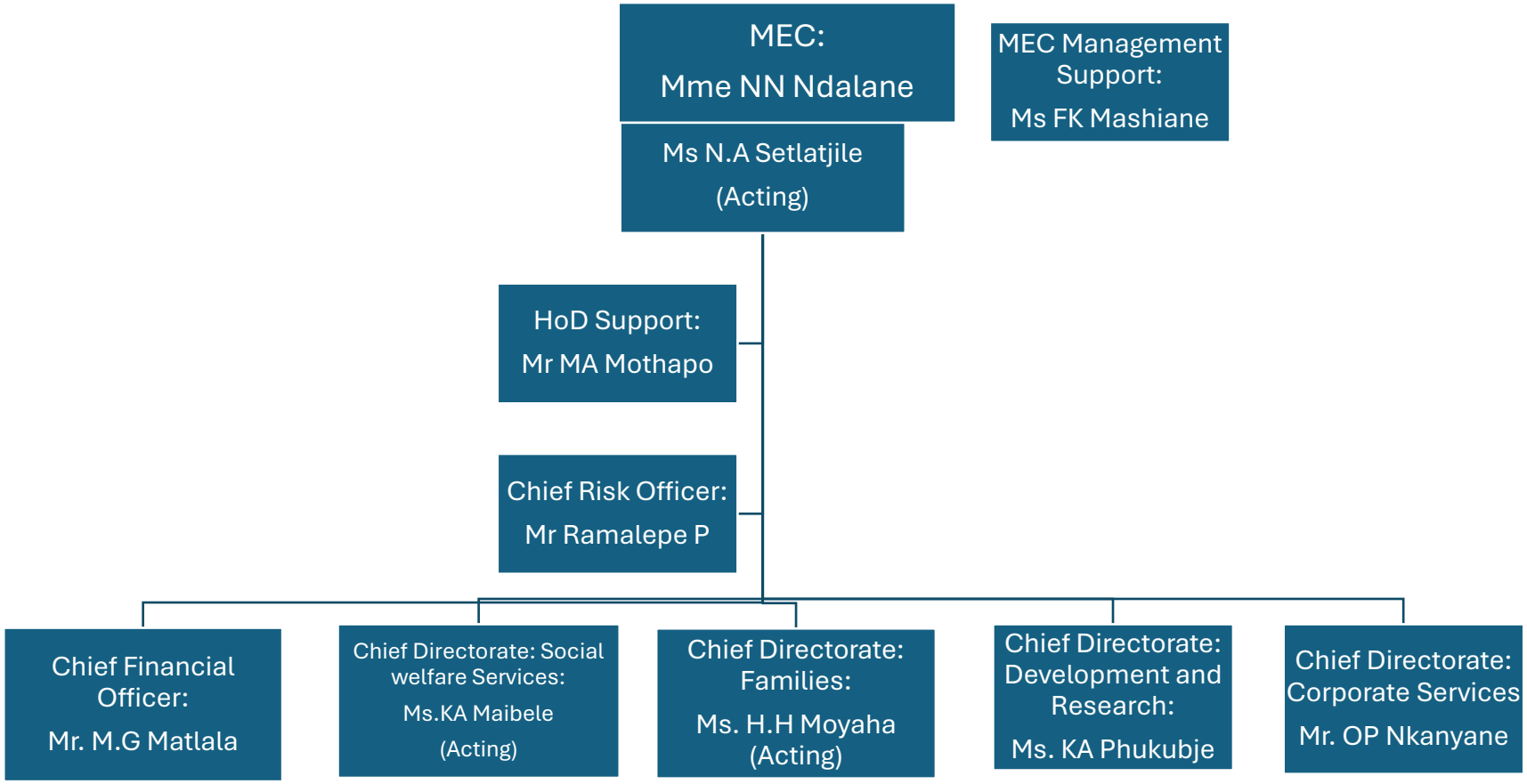
Relevant Legislation	Purpose of the Legislation
Non-Profit OrganisationsAct, 1997	This Act repealed the Fund-Raising Act, 1997, excluding the chapter that deals with relief funds, and provided for an environment in which non-profit organisationscan flourish. The Act also established an administrative and regulatory framework within which non-profit organisationscan conduct their affairs.
Cooperative Act No 14 of 2005	The Act promotes the development of sustainable cooperatives that comply with cooperative principles. It promotes equity and greater participation by black persons, especially those in rural areas, women, and persons with disability and youth in the formation of and management of cooperatives.
Children's Act No. 38 of 2005	Provides the framework for the care and protection of children.
Sexual Offences Related Matters Amendment Act no 32 of 2007	Provides for the regulation of sexual offences against vulnerable groups.
White Paper on families in South Africa, 2013	The policy is premised on the principle that families are the core of society, and its goals include, among others, the protection and support of families through effective and efficient service delivery; the creation of an enabling environment geared towards the self-reliance of families; and the promotion of inter-sectoral collaboration amongst stakeholders in the provision of services
Disaster Management Act No. 57 of 2002	27. (1) In the event of a national disaster, the Minister may by notice in the Gazette. Declare a national state of disaster if-- (a) existing legislation and contingency arrangements do not adequately provide for the national executive to deal effectively with the disaster: or (b) Other special circumstances warrant the declaration of a national state of (2) If a national state of disaster has been declared in terms of subsection (1) 1. The Minister may, subject to subsection (3), and after consulting the responsible Cabinet member. Make regulations or issue directions or authorize the issue of directions
Protection of Personal Information Act No. 4 of 2013 as amended	The purpose of this Act is to —

Relevant Legislation	Purpose of the Legislation
	(1) give effect to the constitutional right to privacy, by safeguarding personal information when processed by a responsible party, subject to justifiable limitations that are aimed at— (a) balancing the right to privacy against other rights, particularly the right of access to information; and (b) protecting important interests, including the free flow of information within the Republic and across international borders.
Relevant Policies	Purpose of the Policy
National Development Plan 2012,	Chapter 11 of the NDP requires that the Department of Social Development should spearhead the Social Protection to make sure there is alignment and coordination of Social Protection issues including addressing the challenges of eradicating poverty and reducing inequality.
NDP Five Year Implementation Plan, 2019-2024	The NDP Five Year Implementation Plan is aimed at reinforcing a coherent vision and plan to achieve the long-term priorities expressed in the NDP. It will also address the priorities specific to women, children, youth, and people with disabilities. It is intended to outline an indicative medium-term roadmap, which will form the basis for developing five-year institutional plans that will guide the realization of the NDP priorities. Through the NDP 5 Year Implementation Plan, government will collaborate with the private sector, Labour, and Civil Society to contribute to the achievement of the set priorities.
Medium Term Strategic Framework 2019-2024	It identifies the development challenges that government must confront in the next five years. It serves as a backdrop to guide planning and budgeting across the three spheres of government.
Limpopo Development Plan 2020-2025	It is the overarching development strategy for Limpopo province for the next five years. It seeks to reduce poverty, unemployment and inequality through sustainable economic development, social development, and transformation.
Integrated Monitoring Framework	Track progress using a variety of tools to measure the achievement of the priorities, by the different government and non-government stakeholders

Relevant Legislation	Purpose of the Legislation
White Paper for Social Welfare (1997)	The White Paper sets out the principles, guidelines, proposed policies, and programmes for developmental social welfare in South Africa. As the primary policy document, the White Paper serves as the foundation for social welfare in the post-1994 era.
Integrated National Disability Strategy ,1997	It provides for an integration of disability issues in all government development strategies, planning and programmes.
South African policy for older persons, 2005	To facilitate services that are accessible, equitable and affordable to older persons and that conform to prescribed norms and standards. Such services should empower older persons to continue to live meaningful lives in a society that recognizes them as important sources of enrichment, expertise, and community support
Disability Policy 2006	It recognizes that Persons with Disabilities are valuable human resources for the country and seeks to create an environment that provides them with equal opportunities, protection of their rights and full participation in society.
Relevant Conventions and Agreements	This refers to relevant and applicable Conventions and Agreements concluded relating to social development.
Population Policy 1998	It examines the current state and likely future directions of population policy in South Africa with reference to family planning activities set against the background of past and it also response to the changing socio-political situations in the country.
National Crime Prevention Strategy	It provides the need to follow developmental approach and inter-sectoral collaboration towards combating and addressing crime.
Minimum Standards for Residential Facilities on People with Disabilities, 2007	They serve as a guide to individuals and families as to what they can reasonably expect of a residential service. They have been developed for the purposes of the registration and inspection of residential services for people with disabilities.
National Drug Master Plan.	It guides and monitors the actions of government Departments to reduce the demand for and supply of drugs and the harm associated with their use and abuse.
Policy Framework on Orphaned and Vulnerable Children, 2005	It provides for a common agenda for mounting an effective response towards addressing the challenges posed by the HIV/AIDS epidemic. It outlines key actions that must be taken

Relevant Legislation	Purpose of the Legislation
	urgently, including the prioritization of support for orphans, vulnerable children and their families in the national policies, actions, and plans.
National Integrated Early Childhood Development Policy 2015	The Policy aims at addressing challenges encountered within the sector in relation to currently available legislation that is not well coordinated. The policy objective is to improve universal access to quality, equitable and appropriate services to children.
National Guideline on Victim Empowerment	It provides a framework for sound inter-Departmental and inter-sectoral collaboration and for the integration of effective institutional arrangements for a multi-pronged approach in managing victim empowerment.
National Food and Nutrition Security Policy (2013)	Policy for Food and Nutrition Security identifies four pillars of food security in South Africa namely, adequate availability of food, accessibility of food, utilization and quality of food and stability of food supply.
Policy On Social Development Services to Persons with Disabilities, 2018	Ensure the provision of social development services to persons with disabilities to improve the overall quality of their lives.
White Paper on the Rights of Persons with Disabilities 2015	Provide the framework for a uniform and coordinated approach by all government Departments and institutions in the mainstreaming of disability across all planning, design, budgeting, implementation and monitoring of services and development programmes
Guidelines on Reunification services for Families 2012	To facilitate the effective management of reunification services which promote uniformity and standardization among social services to families.
Limpopo Youth Development Strategy 2018	The strategy is set to change the lives of youth people of Limpopo through empowerment programmes implemented by various sectors and Department.
Departmental Preferential Procurement Policy 2023	To give effect to Section 2(1)(b)(i) and (ii) and 2(1)(c) of the Preferential Procurement Policy Framework Act, 2000(Act No. 5 of 2000) and Preferential Procurement Regulations, 2022

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MINISTER/MEC

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

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
N/A	***N/A***	***N/A***	***N/A***

PART B: PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Refer to page **171** of the Report of the Auditor-General, published as Part **F**: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

In the Annual Performance Plan (APP) 2023/24, forty- two (42) indicators were planned and implemented, of which twenty - seven (27) indicators were achieved which is (64%) and fifteen (15) indicators were not achieved, which is (36%).

2.1 Service Delivery Environment

The census 2022, revealed that the South African population increased from 51.7 million in 2011 to over 62 million in 2022; a growth rate of 1,8% in the intercensal period. Females constituted 51,5% of the total population, while 48,5% were males. The Limpopo population size's share increased from 5,404,868 in 2011 census to 6,572,721 in 2022 census, which is a growth of 1 167 852 (17.7%). About 52.8% (3 473 304) are females and 47.2% (3 099 416) are males with a child population constituting 40%, followed by 31% of youth, adults 19% and the elderly with 10%.

Life expectancy at birth for 2022 is estimated at 60.0 years for males and 65,6 years for females, which remains a drop from 2020 where life expectancy at birth was 62,4 and 68,4 for males and females respectively. Opportunities for employment, study, and quality of life play an important role amongst the push-pull factors resulting in high flow of migrants from Limpopo to Gauteng and western cape provinces.

The 2019-2024 MTSF period is at the tail end, and in preparation to usher in the seventh (7) administration, the department has conducted a performance review effective from April 2019 - March 2024 to lay the basis for the five-year review and ushering the new Medium Term Development Plan (MTDP) 2024-2029. The department provided services to **46 268** Older persons, **10 751** persons with disabilities accessed services, **368 333** people infected and affected by HIV and AIDS reached through social and behavior change programmes. While **251 987** Children aged 0-18 years provided with care and protection services, **139 161** Families strengthened and preserved.

Proactive awareness campaigns increased reporting of incidents of Gender-Based violence and femicide (GBVF), the trend is in the decline compared to the 2014-2019 baseline of **73 096** against the current achievement of **34 131** with the negative variance of **46 % (34 131 of 73 096)** incidents recorded from 2019 to March 2024.

Government has prioritized job creation, to date **21 273** Work opportunities for the poor and vulnerable were created through DSD programmes whereas **443 085** Individuals vulnerable to hunger had access to food through food and nutrition security.

2.2 Service Delivery Improvement Plan

The Department of Public Service and Administration (DPSA) issued circular no 14 of 2022 signed by the Director-General on 25 April 2022 directing both national and provincial departments to follow the Service Delivery Improvement Plan building blocks that will enable departments to produce realistic, effective, and credible SDIP. The departments were directed to submit the approved SDIP for 2023-2025 on 31 March 2023.

The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Substance Abuse Programme	100% of young and older people in Limpopo Province	42 400 people reached through the Substance abuse prevention programmes	42 400	79 812
Victim Empowerment Programme	100% of all victims of crime and violence with special focus to women, children,	10 100 of victims of crime and violence accessed funded VEP service sites	10 100	11 030
Care and Services to Families	100% of improved reported performance information is relevant, reliable accurate and complete as per Auditor General of South Africa findings	73 628 of improved reported performance information reported is relevant, reliable and accurate as per Auditor General of South Africa findings	73 628	73 135

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

Current/actual arrangements	Desired arrangements	Actual achievements
60 % of service recipients are consulted annually	60 % of service recipients are consulted annually	60 % of service recipients have been consulted during the year under review

Current/actual arrangements	Desired arrangements	Actual achievements
80% of all service recipients are to have equal access to departmental services.	80% of all service recipients are to have equal access to departmental services. Services will be 5km radius of access including mobile services. Services will be 80% elderly and disability friendly.100% of departmental intranet will be accessible.	60% of all service recipients had equal access to departmental services during the year under review. Services were 80% elderly and disability friendly.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
100% of reliable and full information which is user friendly through mediated and unmediated form of communication will be accessible to service recipients on a continuous basis.	100% of reliable and full information which is user friendly through mediated and unmediated form of communication will be accessible to service recipients on a continuous basis.	100% of reliable and full information which is user friendly through mediated and unmediated form of communication was accessible to service recipients.
100% of Annual and Citizens reports will be displayed on Website and distributed to District Offices.	80% Service recipients will be informed on how department is managed, how budget is spent on service delivery, and who is in charge in an annual report to citizens.	The Annual Report and Citizen's Report for 2022/23 FY provided to service recipient through District Offices and departmental website.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
The department utilises Presidential, Premier, Walk Inn Complaints.	The department will have complaints committees at Provincial, District and sub district offices. The complaint policy will be developed to guide complain procedures	The Provincial Policy guidelines was developed and established the Provincial Complaint Committee.
The department have mounted 27 suggestion boxes in various one stop centres.	The department to have complaint/compliment registers in all one stop centres	Complaint/Compliment registers placed in one stop centres during the period under review.

2.3 Organisational environment

During the period under review, the Department experienced the following challenges and successes in the implementation of the Strategic Plan 2020-2025 and the Annual Performance Plan 2023/24. Filling of funded vacant posts as per the recruitment plan, in the 2023/24 the Department has advertised 7 SMS positions and filled 2 positions for the Head of Polokwane Welfare and Director Child Protection Services. The Department has placed officials on acting basis on critical top management positions. The vacancy rate for the entire Department remained at 46%. Despite the budget shortfall, the Department managed to execute its mandate of providing the much-needed services to the most vulnerable people in the society including children, youth, women, elderly, and persons with disabilities.

The Department is in the process of reviewing its 2018 organizational structure to align with the MTEF budget structure and revised MTSF priorities, the Department has submitted the final draft to OTP and DPSA for review and concurrence before the final approval.

In the financial year under review, the Department implemented Grade Progression and Accelerated Grade Progression to employees on Occupational Specific Dispensation (OSD) and Non-OSD amounting to R17 M and 1252 employees were paid pay progression to the amount R 6M.

Budgetary constraints had a negative influence for the Department to achieve its objectives as many posts remain vacant for a long period. Inadequate budget for implementation of skills programs as per workplace skills plan, however the Department has settled all payment due for the skills levy and will continue to pay over the skill levy in the coming financial year.

Despite the introduction of the retention strategy (OSD), it is still difficult to attract Social Services Professionals that are required. Furthermore, other professionals are ascending to management positions, and this has negative impact in recruiting and retaining staff. The budget constraints to place social work graduates is still a great concern.

The Department is not able to absorb all graduates who completed their studies starting from 2013 academic year due to budgetary constraints. Funding for absorption of the graduates is not aligned with the number of graduates per province hence the province will not be able to appoint additional graduates in the coming financial years, the Department will utilize the available CoE budget to advertise for critical posts which include the posts of social service professionals.

The information technology remains a huge challenge in the Department, particularly with regards to vacancy rate in the ICT and inadequate provisioning of connectivity. HR Plan requires updated HR statistics to determine the current human resources in the Department and without HRIS accurate statistics will remain a problem.

The office accommodation remains a great challenge in the Department, particularly at District and Sub-Districts level. Due to inadequate budget constraints, the Department does not have adequate infrastructure budget and for provisioning of tools of trade in a form of computer equipment, office furniture and transportation.

2.4 Key policy developments and legislative changes

None

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Mandate: Social Development Sector “provides social protection services and leads government efforts to forge partnerships through which vulnerable individuals, groups and communities become capable and self-reliant participants”

The Department of social development provides its services in partnership with civil society organisations which include Non-profit Organisations (NPOs) and Community Based Organisations.

The five-year strategic Plan 2020-2025 was adopted in March 2020 and impacted by COVID-19 pandemic and subsequently the budget was reprioritized.

The Department adjusted some of its five-year targets in the Strategic plan 2020-2025 due to Covid -19 pandemic which necessitated the reprioritization of the budget by one hundred and ninety-eight million (R198m) which affected service delivery particularly on Community-based and Families programmes.

Impact Statement: Improved quality of life for the poor and vulnerable by 2030

•The Department continued to provide services to persons with disabilities, older persons in residential facilities, protected and cared for the children in Child and Youth Care Centres, resumed feeding in DICs and created jobs through social sector, rolled out vigorous awareness campaigns to reduce the incidences of substance abuse, gender-based violence and femicide. The department also improved its relations with development partners and focused services mainly in Capricorn and Mopani.

Outcome Statements:

Functional, Efficient and Integrated Sector by 2025

•The Department managed to improve its audit outcome in 2022/23 audit and resolved 83% (15 of 18) of AGSA findings as part of addressing "Priority 1: A Capable, Ethical and Developmental State". This can be attributed to vigorous implementation and effective monitoring of Audit Remedial Action Plan.

Reduced levels of Poverty, Inequality, Vulnerability and Social ills by 2025

•The Department provided much needed services to the most vulnerable in the society such as children, elderly, persons with disability, victims of crime, gender-based violence and femicide. This was a direct contribution to "Priority 6: Social Cohesion and Safe Communities".

Empowered, Resilient Individuals, Families and Sustainable Communities by 2025

•The Department is contributing directly to "Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services" through preservation of families, intensified job creation initiatives within EPWP Social Sector and food security programme as an attempt to create the much-needed work opportunities and to ensure the realisation of "Priority 2: Economic Transformation and Job Creation" and "LDP Priority 5: Accelerate social change and improve quality of life of Limpopo's citizens".

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose:

This Programme captures the strategic management and support services at all levels of the Department i.e. Provincial, District and Facility/Institutional level.

The aim of the programme is to:

- *Provide political and legislative interface between government, civil society and all relevant stakeholders.*
- *Provide overall strategic leadership, management and administrative services to the Department.*
- *Provides for the decentralization, management and administration of services at the District level within the Department.*

4.1.1 Sub-programme: Corporate Services

Programme: Administration / Sub-programme: Corporate Management Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Functional, efficient and integrated sector by 2025	Equity on women SMS and people with disabilities achieved	Percentage of women in SMS positions employed	48% (12 of 25)	50% (13 of 26)	50%	47.8% (11 of 23)	2.2%	One (1) male SMS appointed, and the posts vacated by female SMS

Programme: Administration / Sub-programme: Corporate Management Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
		(Level 13-16)						have not been filled
	Equity on women SMS and people with disabilities achieved	Percentage of people with disabilities employed	2% (62 of 3 033)	2 % (63 of 2 893)	2%	2.1% (61 of 2 852)	None	None

4.1.2 Sub Programme: Financial Management Service

Programme 1: Administration / Sub-programme: Financial Management Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Functional, efficient, and integrated	Improved audit outcome	Percentage of AGSA Audit findings resolved	1 470	1 369	100%	83% (15 of 18)	-7%	Three outstanding audit findings were not

Programme 1: Administration / Sub-programme: Financial Management Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
sector by 2025								resolved due to various dependencies as per remedial action plan.
	Budget spent in accordance with the norm	Percentage of budget spent	93.4% (43 of 46)	94.44% (17 of 18)	100%	97.4%	-2.6%	Non implementation of infrastructure maintenance project by DPWRI

In this programme, four (4) indicators were targeted in the APP 2023/24, of which one (1) indicator was achieved 25% and three (3) indicators not achieved 75%.

4.1.3 Strategy to overcome areas of underperformance.

Under performed indicator	Strategy to overcome areas of underperformance
Percentage of women in SMS positions employed (Level 13 - 15)	Prioritize appointment of women in SMS funded posts in line with the approved recruitment plan for 2024/25 FY.
Percentage of AGSA Audit findings resolved	The Department to improve monitoring of the progress made by Office of the Premier in clearing the findings related to Phasha Selatole expropriation process and implementation of ICT Disaster Recovery Solution.

Under performed indicator	Strategy to overcome areas of underperformance
Percentage of budget spent	Monitor the implementation of the approved Infrastructure Programme Management Plan by DPWRI

4.1.4 Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of MEC	10 822	10 438	384	9 982	8 631	1 351
Corporate Management	155 085	155 083	2	157 204	146 384	10 820
District Management	219 303	217 382	1 921	199 300	198 196	1 104
Total	385 210	382 903	2 307	366 486	353 211	13 275

4.2 Programme 2: Social Welfare Services

Purpose:

This Programme provides integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organisations.

The aim of the programme is to:

- Provide the payment of salaries and administration cost of the management and support staff providing services across all sub-programmes of this programme
- Design and implement integrated services for the care, support and protection of older persons.
- Design and implement integrated programmes and provide services that facilitate the promotion of the well-being and the socio-economic empowerment of persons with disabilities.
- Design and implement integrated community-based care programmes and services aimed at mitigating the social and economic impact of HIV and Aids.
- Respond to emergency needs identified in communities affected by disasters not declared, and or any other social condition resulting in undue hardship.

4.2.1 Sub-programme: Services to Older Persons

Programme 2: Social Welfare Services/ Sub-programme: Services to Older Persons								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty,	Older persons	Number of older	542	516	542	529	-13	Families prefer to care of their older

Programme 2: Social Welfare Services/ Sub-programme: Services to Older Persons								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
inequality, vulnerability and social ills by 2025	who accessed services.	persons accessing residential facilities						persons in a home environment.
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Older persons who accessed services.	Number of older persons accessing community-based care and support services	7 399	11 480	13 400	15 310	+1 910	Older Persons are attracted to Active Aging Programmes in all District.

4.2.2 Sub-programme: Persons with Disabilities

Programme 2: Social Welfare Services/ Sub-programme: Persons with Disabilities								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Persons with disabilities who accessed services	Number of persons with disabilities accessing residential facilities	294	294	294	290	-4	Families prefer to take care of persons with disabilities in a home environment.
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Persons with disabilities who accessed services.	Number of persons with disabilities accessing services in funded protective workshops	2 924	3 514	3 524	3 844	+320	Increased participation of NPOs in the Persons with Disabilities sector

4.2.3 Sub-programme: HIV and AIDS

Programme 2: Social Welfare Services/ Sub-programme: HIV and AIDS								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Implementers trained	Number of implementers trained on social, and behaviour change programmes	725	579	645	601	-44	Poor response by participants
	Beneficiaries reached through social behaviour change programmes	Number of beneficiaries reached through social and behaviour change programmes	25 618	39 514	145 283	148 979	+3 696	Improved relations with implementing partners and stakeholders
		Number of beneficiaries receiving psycho-social support services	13 259	14 029	10 327	13 390	+3 063	Improved collaborations with other stakeholders

4.2.4 Sub-programme: Social Relief

Programme 2: Social Welfare Services/ Sub-programme: Social Relief								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Individuals who benefited from Social Relief of Distress	Number of beneficiaries who benefitted from DSD social Relief programmes	-	2 698	2 000	7 215	+ 5 215	Increased incidents of disasters reported in the Province

In this programme, eight (08) indicators were targeted in the APP 2023/24, of which five (05) indicators were achieved (63%) and three (03) not achieved 37%.

4.2.5 Strategy to overcome areas of underperformance.

Under performed indicator	Strategy to overcome areas of underperformance
Number of older persons accessing residential facilities	Review the Technical Indicator Description in the 2024/25 APP to discourage institutionalisation.
Number of persons with disabilities accessing residential facilities	Review the Technical Indicator Description in the 2024/25 APP to discourage institutionalisation.
Number of implementers trained on social, and behaviour change programmes	Decentralisation of trainings during 2024/25 financial year

4.2.6 Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and Support	51 388	51 168	220	52 449	45 808	6 6 41
Services to Older Persons	161 559	160 781	778	149 747	152 205	(2 458)
Services to Persons with Disabilities	204 464	201 868	2 596	155 360	159 840	(4 480)
HIV/AIDS	117 238	117 164	74	111 502	110 184	1 318
Social Relief	844	730	114	1 034	839	195
Total	**535 493**	**531 711**	**3 782**	**470 092**	**468 876**	**1 216**

4.3 Programme 3: Children and Families

Purpose:

Provide comprehensive child and family care and support services to communities in partnership with stakeholders and Civil Society Organizations.

The aim of this programme is:

- Provide for the payment of salaries and administration cost of the management and support staff providing services across all sub-programmes of this programme.
- Programmes and services to promote functional families and to prevent vulnerability in families.
- Design and implement integrated programmes and services that provide for the development, care and protection of the rights of children.
- Provide comprehensive early childhood development services.
- Provide alternative care and support to vulnerable children.
- Provide protection, care and support to vulnerable children in communities.

4.3.1 Sub-programme: Care and Services to Families

Programme 3: Children and Families/ Sub-programme: Care and Services to Families								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty,	Families members participated in	Number of family members	33 502	35 184	73 628	73 135	- 490	Targeted family participants did not respond

Programme 3: Children and Families/ Sub-programme: Care and Services to Families								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
inequality, vulnerability and social ills by 2025	family preservations	participating in family preservation Services						positively to sessions
	Family members reunited	Number of family members re-united with their families	283	254	219	274	+55	Family members ready for reunification
	Family members participated in parenting programmes	Number of family members participating in parenting programmes	13 795	15 364	42 440	35 933	-6 507	Targeted family participants did not respond positively to sessions

4.3.2 Child Care and Protection Services

Programme 3: Children and Families/ Sub-programme: Child Care and Protection Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Orphans and vulnerable children cared for and protected	Number of reported cases of child abuse	398	678	520	954	+ 434	Communities willing to report cases of child abuse due to increased awareness campaigns
		Number of children with valid foster care order	34 029	36 843	36 571	37 543	+972	Improved collaboration with the children's courts.
		Number of children placed in foster care	3 091	2 665	1 735	2 272	+537	Improved collaboration with the children's courts.
		Number of children in foster care re-unified with their families	29	21	37	30	-7	Children not ready for re-unification

Programme 3: Children and Families/ Sub-programme: Child Care and Protection Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
	Children birth to school going age accessed services	Number of children accessing registered partial care facilities	1 075	1 589	1 591	1 983	+392	Parents are willing to enrol their children at the facilities

4.3.3 Sub-programme: Child and Youth Care Centres

Programme 3: Children and Families/ Sub-programme: Child and Youth Care Centres								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Children aged 0-18 cared and protected	Number of children placed in Child and Youth Care Centres	746	817	668	844	+176	Increased number of children in need of care and protection who required residential care

Programme 3: Children and Families/ Sub-programme: Child and Youth Care Centres								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
		Number of children in CYCCs re-unified with their families	112	140	83	170	+87	Children and families were ready for re-unification

4.3.4. Sub-programme: Community-Based Care Services for Children

Programme 3: Children and Families/ Sub-programme: Community-Based Care Services for Children								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Children aged 0-18 who accessed services	Number of children reached through community-based prevention and early	37 378	39 715	31 390	43 612	+12 222	Children are attracted to the services provided due to non-availability of recreational facilities

		intervention programmes						

In this programme, eleven (11) indicators were targeted in the APP 2023/24, of which eight (08) indicators were achieved (73%) and three (03) not achieved (27%)

4.3.5 Strategy to overcome areas of under performance.

Under performed indicator	Strategy to overcome areas of underperformance
Number of family members participated in parenting programmes	Review the annual target in the APP 2024/2025 to align with available resources.
Number of children in foster care re-unified with their families	

4.3.6 Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and Support	22 843	22 629	214	22 761	23 369	(608)
Care and Support Services to Families	103 753	103 404	349	99 232	99 427	(805)
Child Care and Protection Services	121 553	121 357	196	118 760	118 772	(12)
ECD and Partial Care	111 274	111 253	21	107 070	107 696	(626)

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Child and Youth Care Centres	141 546	139 637	1 909	158 632	155 929	2 703
Community-Based Care Services for Children	128 258	127 225	1 033	123 233	122 280	953
Total	**629 227**	**625 087**	**3 722**	**629 688**	**626 473**	**3 215**

4.4 Programme 4: Restorative Services

Purpose:

To provide integrated developmental social crime prevention and anti-substance abuse services to the most vulnerable in partnership with stakeholders and civil society organizations

The aim of this programme is:

- Provide the payment of salaries and administration cost of the management and support staff providing services across all sub-programmes of this programme.
- Develop and implement social crime prevention programmes and provide probation services targeting children, youth and adult offenders and victims within the criminal justice process.
- Design and implement integrated programmes and services to support, care and empower victims of violence and crime in particular women and children.
- Design and implement integrated services for substance abuse, prevention, treatment and rehabilitation.

4.4.1 Sub-programme: Crime Prevention and Support

Programme 4: Restorative Services/ Sub-programme: Crime Prevention and Support								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Persons who committed crime	Number of persons reached through social crime prevention programmes	11 516	14 329	14 000	20 667	+6 667	Improved collaboration with other stakeholders in JCPS.
		Number of persons in conflict with the law who completed diversion programmes	559	572	537	715	+178	Increased number of persons referred who complied with diversion orders
	Less Children 10-18 years in conflict with the law who committed crime	Number of children in conflict with the law who accessed secure care centres	143	58	125	49	-76	Placement of children in conflict with the law dependent on court referrals

4.4.2 Sub-programme: Victim Empowerment

Programme 4: Restorative Services / Sub-programme: Victim Empowerment								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities by 2025	Less incidents of gender-based violence	Number of victims of crime and violence accessing support services	10 573	12 094	10 100	11 030	+930	Increased social ills in hotspots areas
		Number of human trafficking victims who accessed social services.	3	0	4	0	0	No case of human trafficking reported
		Number of victims of GBVF and crime who accessed sheltering services	114	159	100	146	+46	Less GBVF Victims were referred for Sheltering services.

4.4.3 Sub-programme: Substance Abuse, Prevention and Rehabilitation

Programme 4: Restorative Services/ Sub-programme: Substance Abuse, Prevention and Rehabilitation								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities by 2025	Service users accessing substance abuse prevention and treatment services	Number of people reached through substance abuse prevention programmes	39 917	51 118	42 440	79 812	+37 372	Improved collaboration with stakeholders within JCPS.
		Number of service users who accessed Substance Use Disorder (SUD) treatment services	319	449	400	428	+28	Improved intake of service users who accessed substance use disorder (SUD) treatment services due to awareness programmes

In this programme, eight (08) indicators were targeted in the APP 2023/24, of which four (04) indicators were achieved (50%) and four (04) not achieved 50%.

4.4.4 Strategy to overcome areas of underperformance.

Under performed indicator	Strategy to overcome areas of underperformance
Number of persons in conflict with the law who completed diversion programmes	The desired outcome of the Technical Indicator Description has been reviewed in the APP 2024/25
Number of victims of crime and violence accessing support services	
Number of victims of GBVF and crime who accessed sheltering services	
Number of service users who accessed Substance- Use-Disorder (SUD) treatment services	Strengthen prevention programmes during 2024/25 financial year and collaboration with JCPS members

4.4.5 Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and Support	6 502	6 365	137	**7 340**	**7 341**	**(1)**
Crime Prevention and Support	76 581	74 993	1 588	**57 039**	**53 665**	**3 374**
Victim Empowerment	101 768	92 562	9 201	**79 285**	**75 962**	**3 323**
Substance Abuse, Prevention and Rehabilitation	73 089	71 953	1 136	**66 035**	**64 352**	**1 6 83**
Total	**257 940**	**245 878**	**12 062**	**209 699**	**201 320**	**8 379**

4.5 Programme 5: Development and Research

Purpose:

To provide sustainable development programmes which facilitate empowerment of communities, based on empirical research and demographic information.

The aim of this programme is:

- Provide the payment of salaries and administration cost of the management and support staff providing services across all sub-programmes of this programme.
- Building safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people.
- To support NPO registration and compliance monitoring, NPO stakeholder liaison and communication, provide institutional capacity building, manage NPO funding and monitoring and create a conducive environment for all NPO to flourish.
- Manage Social Facilitation and Poverty for Sustainable Livelihood programmes (including EPWP).
- To provide communities an opportunity to learn about the life and conditions of their locality and uplift the challenges and concerns facing their communities, as well as their strengths and assets to be leveraged to address their challenges.
- Create an environment to help young people to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities.
- Create an environment to help women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities.
- To promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, capacity building and by monitoring and evaluating the implementation of the policy.

4.5.1 Sub-programme: Community Mobilization

Programme 5: Development and Research / Sub-programme: Community Mobilization								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities by 2025.	Poor and vulnerable people mobilized to participate in community development and empowerment programmes	Number of people reached through community mobilization programmes	11 169	13 314	11 000	14 974	+ 3 974	Improved collaboration with other stakeholders within communities

4.5.2 Sub-programme: Institutional capacity building and support for NPOs

Programme 5: Development and Research / Sub-programme: Institutional capacity building and support for NPOs								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families, and sustainable communities by 2025	NPOs empowered to manage their affairs.	Number of NPOs capacitated according to the capacity building guideline	3 013	3 375	3 200	3 644	+444	Capacity building sessions for NPOs held in all Districts

4.5.3 Sub-programme: Poverty Alleviation and Sustainable Livelihoods

Programme 5: Development and Research / Sub-programme: Poverty Alleviation and Sustainable Livelihoods								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families and sustainable communities	Poor and the vulnerable people benefitting from funded sustainable	Number of people benefitting from poverty reduction initiatives	878	1 252	1 450	1 635	+ 185	Increased funding of income generating projects / initiatives implemented.

Programme 5: Development and Research / Sub-programme: Poverty Alleviation and Sustainable Livelihoods								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
by 2025income generating	livelihoods projects							
	Poor and the vulnerable people benefitting from household food and nutrition security programmes	Number of households accessing food through DSD food security programmes	11 296	3 323	7 200	5 760	-2 435	The Department delayed in the implementation of food security programme due to procurement processes
		Number of people accessing food through DSD feeding programmes (centre-based)	92 083	21 851	16 750	22 595	+5 849	High intake of beneficiaries in DSD feeding programmes due to public awareness programmes
	Work opportunities created	Number of EPWP work opportunities created through DSD programmes	3 115	2 822	2 500	2 75	+252	Budget increase in DICs resulted to additional participants recruited

4.5.4 Sub-programme: Community Based Research and Planning

Programme 5: Development and Research / Sub-programme: Community Based Research and Planning								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families, and sustainable communities by 2025	Poor and vulnerable households' status analysed for interventions	Number of households profiled	9 765	6 673	6 000	7 615	+1 615	Additional profiling due to ministerial opening of community care centres in Vhembe, Capricorn and Sekhukhune Districts.

4.5.5 Sub-programme: Youth Development

Programme 5: Development and Research / Sub-programme: Youth Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families, and	Young people between the ages of 18 to 35 empowered	Number of youth participating in skills	1 143	946	600	1 011	+ 411	Improved Collaboration with external stakeholders such

Programme 5: Development and Research / Sub-programme: Youth Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
sustainable communities by 2025	for job creation and other opportunities	development programmes						as NYDA, Tompi Seleka, UNIVEN, Impact Education
	Youth participating in entrepreneurs hip development programmes	Number of youths participating in entrepreneurs hip development programmes	6 972	6 907	6 000	8 019	+ 2 019	Improved Collaboration with stakeholders such as Department of Employment and Labour, LEDA, NYDA and Dept of Agriculture

4.5.6 Sub-programme: Women Development

Programme 5: Development and Research / Sub-programme: Women Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient	Women empowered on	Number of women	18 202	18 075	17 000	19 889	+2 889	Improved Collaboration with

Programme 5: Development and Research / Sub-programme: Women Development								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
individuals, families, and sustainable communities by 2025	skills, Cooperatives. SMMEs and food security initiatives	participating in empowerment programmes						stakeholders such as Avocado Vision, SEDA, ANOVA, Thuthuzela Centre, Hlaneki VEP on empowerment programmes and awareness on Gender Based Violence, Substance Abuse

4.5.7 Sub-programme: Population Policy Promotion

Programme 5: Development and Research / Sub-programme: Population Policy Promotion								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	****Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/2024**	**Reasons for deviations**
Empowered, resilient individuals, families, and sustainable communities by 2025	Impact of DSD funding residential facilities research report produced	Number of research projects completed	1	1	1	1	None	None

In this programme, 11 indicators were targeted in the original APP 2022/23, of which 10 indicators were achieved 91% and 1 not achieved 9%.

4.5.8 Strategy to overcome areas of underperformance.

Under performed indicator	Strategy to overcome areas of underperformance
Number of households accessing food through DSD food security programmes	Prioritise provisioning of food parcels through the CNDCs

4.5.9 Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management and support	170 000	169 988	12	164 652	165 009	(357
Community Mobilisation	171	146	25	500	336	164
Institutional Capacity and Support to NPO	13 858	13 553	305	14 291	13 807	484
Poverty Alleviation and Sustainable Livelihood	23 475	18 373	5 102	27 436	25 429	2 007
Community-Based Research and Planning	500	394	106	2 121	2 116	5
Youth Development	10 949	10 754	195	11 341	11 309	32
Women Development	5 033	4 701	332	7 032	7 079	(47)

Sub- Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Population policy and Promotion	3 898	3 898	0	4 004	3 970	34
Total	**227 884**	**221 807**	**6 077**	**231 377**	**229 055**	**2 322**

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

None

5.TRANSFER PAYMENTS

5.1. Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
None	***None***	***None***	***None***	***None***

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2023 to 31 March 2024

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Prevention, Treatment and Rehabilitation Services	NPOs	Provide prevention, treatment and rehabilitation services for the community	Yes	**5 400**	**4 979**	**NPO were non-compliant**
Services to Older Persons	NPOs	Provide care and support services to Older Persons	Yes	**29 852**	**29 372**	**Reduced number of beneficiaries at residential facilities**
Services to Youth Care Centres (CYCC)	NPOs	Provide care and support for children in need of care and protection	Yes	**32 019**	**30 332**	**Reduced number of beneficiaries at residential facilities**

Care and Support to Families	NPOs	Provide integrated services to families	Yes	**19 331**	**19 141**	
Victim Empowerment	NPOs	Provide counselling to victims of crime and violence in funded sites	Yes	**28 674**	**20 701**	**Savings in other programmes**
Community Based Care Services for children	NPOs	Provide services to orphans and vulnerable children	Yes	**74 055**	**73 083**	
Youth Development	NPOs	Empower youth structures to conduct services for youth development	Yes	**59 11**	**5911**	**None**
Community Based Projects	NPOs	Reduce vulnerability in poor households and communities	Yes	**19 882**	**14 793**	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2023 to 31 March 2024, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
None	***None***	***None***	***None***	***None***

6.CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The table below detail/s the conditional grants and earmarked funds paid by the department.

Conditional Grant 1: Public Works Roads and Infrastructure

Department/ Municipality to whom the grant has been transferred	Public Works Roads and Infrastructure
Purpose of the grant	Facilitate the achievement of the 2023/24 Social Sector Work opportunities targets
Expected outputs of the grant	Monitor and support implementation of the plan
Actual outputs achieved	405 jobs created and payment of stipend
Amount per amended DORA	R7 038 000 (Incentive grant) and R 2 394 000 (Integrated grant)
Amount transferred (R'000)	R9 432 000
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	R9 436 000
Reasons for the funds unspent by the entity	The overspending is due to misclassifications journal will be passed
Monitoring mechanism by the transferring department	Standard reporting tool per prescripts

6.2. Conditional grants and earmarked funds received.

The department did not receive any conditional grants and earmarked funds.

7.DONOR FUNDS

7.1. Donor Funds Receive

The Department did not receive any donor funding
Donor Fund : Not Applicable Name of donor : Not Applicable

Name of donor	HWSETA
Full amount of the funding	R2 022 075
Period of the commitment	2022/23 financial year
Purpose of the funding	Reimbursement of expenditure incurred against development and training of staff
Expected outputs	Training and development provided to DSD staff
Actual outputs achieved	Clearance of development and training expenditure from CoE programme
Amount received (R'000)	R654 600
Amount spent by the department (R'000)	R654 000
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	The employer report is submitted to the donor 0n quarterly basis

8.CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Infrastructure projects	2023/2024			2022/2023		
	Final Appropriation	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**

	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	7 607	6 367	1 240	12 028	9 289	2 739
Existing infrastructure assets	0	0		0	0	0
- Upgrades and additions	0	0		0	0	0
- Rehabilitation, renovations and refurbishments	0	0		0	0	0
- Maintenance and repairs	5 863	5 648	215	4 489	4 319	170
Infrastructure transfer						
- Current	5 863	5 648	215	4 489	4 319	170
- Capital	1 744	719	1 025	12 028	9 289	2 739
Total	**7 607**	**6 367**	**1 240**	**16 517**	**13 608**	**2 909**

PART C: GOVERNANCE

INTRODUCTION

The Department is committed to strengthening and improving Good Governance with a view of enhancing effective and efficient service delivery to the need and the most vulnerable in the society.

To this effect, the following Governance structures were put in place during the year under review:

- Executive Management Committee (EMC)
- Senior Management Committee (SMC)
- Departmental Budget Committee DBC)
- Departmental Transport Committee (DTC)
- Risk Management Committee (RMC)
- Financial Misconduct Board (FMB)
- Departmental Bid Committees (DBCs)
- Audit Steering Committee (ASC)

1. RISK MANAGEMENT

1.1. Risk Management Policy and Strategy

The Department has reviewed Risk Management Policy, Strategy, Charter, and Implementation Plan of which they had been approved and implemented. Awareness workshops were conducted to ensure that employees are familiar with all risk management enabling documents.

1.2. Risk Assessment Process

During the year under review, the Department conducted risk assessment at both strategic and operational levels. In the development and compilation of the risk assessment report, the Department considered the inputs made by the Audit Committee in ensuring that the risk assessment processes encompass the risks largely from the core mandate of the Department. The identified mitigation strategies were aligned to both Annual Performance Plan (APP) and Operational Plan.

The Department adopted risk assessment process plan as part of inclusive risk identification processes. The risk process plan incorporated comprehensive consultation with all relevant role players. The plan also included the training of Risk Management Committee members and the Risk Champions.

The Risk Management Unit had a joint technical planning session with Strategic Planning, Monitoring and Evaluation Unit to align the risk assessment process with the MTSF and sector priorities with identified strategic and operational risks.

As part of the process plan, the Risk Management Unit made presentation to Executive Management Committee and Senior Management Committee highlighting area of concern from the Audit Committee, the observation made throughout the previous years and other areas of concern as per the risk management reports. In the process of risk identification, reports of the Audit Committee, Internal Audit and AGSA as well as 2022/23 risk evaluation outcome were considered in the development the 2023/24 risk profile.

1.3. Outcome of the risk assessment processes and the evaluation

The legends below indicate the risk performance during the year under review. The green colour indicate that the risk has been satisfactory mitigated, amber colour indicates that the risk was partially mitigated but few positive progress has been registered and the red colour indicate that the risk was not adequately mitigated.

In some instances, the risks has been carried forward to the next financial due to its impact on the Departmental.

The following legends represent the performance of the risk in terms of how the Department have managed it in terms of the risk appetite of each risk identified

RISK RATING LEGENDS

Mitigated	
Partially mitigated	
Not adequately mitigated	

OUTCOMES	RISKS	MITIGATION	RISK EVALUTION	RATING
Empowered, resilient individuals, families and sustainable communities by 2025	Increased incidences of food insecurity	A call for proposal in this regard has been issued. Grid Assessment is currently underway	• As at 4th quarter, the risk was not mitigated and will be carried forward to the next financial year	
Empowered, resilient individuals, families and sustainable communities by 2025	Relapse of service users	19 Service Users were released at the end of March 2024.	• The risk was mitigated satisfactory and will be considered at the level of operational risks	
Reduced levels of poverty, inequality, vulnerability and social ills by 2025	Continuous re-offending of children	Social workers render reunification services to families in preparation for the release of the child. After care services are also rendered.	• The risk was mitigated satisfactory and will be considered at the level of operational risks	
Empowered, resilient individuals, families and sustainable communities by 2025	Secondary victimization of GBVF victims	12 Social Work Supervisors and Coordinators were trained on the VEP System on the 12-14 March 2024. 12 Cases referred by Gender Based Violence Command Centre to the Province	• The risk will be considered as part of the operational risks in the following financial year	
Functional, efficient, and integrated sector by 2025	Interrupted power supply	Not implemented due to cost containment measures.	• The risk was not mitigated due to non-availability of the funds and will be carried forward to the next financial year	
Functional, efficient, and integrated sector by 2025	Inability to spend the budget	Program Managers are continuously capacitated on Financial Management.	• The Department did not spend 100% of the total budget allocation and the risk will be carried forward to the financial year	

OUTCOMES	RISKS	MITIGATION	RISK EVALUTION	RATING
Functional, efficient, and integrated sector by 2025	Inability to obtain clean audit	No Monitoring was conducted due to budget constraints.	• The Department is currently on unquafilified audit opinion with emphasis of matters and the will be carried forward to the next financial year	
Functional, efficient, and integrated sector by 2025	Loss of paper based business information and records	The Department has leased 154 multifunctioning printers with scanning capabilities currently utilized. The Monitoring of records management policy implementation conducted at Head Office, Seshego TC, Capricorn Districts and PWC	• The risk remains high at the year end and will be carried forward to the financial year	
Functional, efficient, and integrated sector by 2025	Inadequate Office accommodation	We are currently engaging DPWI on office accommodation for Capricorn and Sekhukhune District office and Head Office.	• The risk remains high at the year end and will be carried forward to the financial year The risk was not mitigated.	

During the identification of the strategic and operational risks, the Department adopted the following risk appetite and tolerances statements

FRAUD RISK APPTETTITE AND TOLERANCE STATEMENT

The Limpopo Department of Social Development has committed itself to a zero-tolerance attitude towards any form of fraud, corruption, maladministration, or related activities in its operations.

The Limpopo Department of Social Development undertakes to fully investigate allegations of fraud / corruption, within the ambits of the law and its approved policies; and shall respect and protect the rights of all parties without casting aspersions against anyone involved.

FINANCIAL RISK APPTETTITE AND TOLERANCE STATEMENT

The Department, through the Finance Division, has no tolerance for instances of non-compliance with the PFMA, including but not limited to, unauthorised, irregular, fruitless and / or wasteful expenditure of more than zero-point five percent (0.5%) of its budget allocation.

HUMAN RESOURCES RISK APPTETTITE AND TOLERANCE STATEMENT

The Human Resources has undertaken not to expose the Limpopo Department of Social Development to risks that could result in:

a. Overall staff unavailability.
b. Lack of service delivery exceeding 3 consecutive days; and / or
c. A vacancy rate of 25% or more.

STAKEHOLDER RISK APPTETTITE AND TOLERANCE STATEMENT

The Department Management, as delegated by the Accounting Authority, has undertaken to ensure continuous stakeholder collaboration and engagements to mitigate risks of irreconcilable breakdown or lack of sustained confidence by its stakeholders.

REPUTATIONAL RISK APPTETTITE AND TOLERANCE STATEMENT

The Department has committed to manage risks that could result in complete loss of faith and legitimacy in its credibility by its internal or external stakeholders.

OPERATIONAL / ENVIRONMENTAL RISK APPTETTITE AND TOLERANCE STATEMENT

The Department Management has undertaken to adequately manage risks that could result in closure or major reduction in operations due to non-compliance to regulations, operational failures and / or gross negligence.

The Department, through the Occupational Health and Safety (OHS) Committee, has undertaken not to expose its premises and employees to risks that could result in the health and safety of employees and / or stakeholders being compromised.

TECHNOLOGY RISK APPTETTITE AND TOLERANCE STATEMENT

The Department has no appetite for unauthorised access to systems and confidential information; and will maintain strong controls to mitigate external threats against its technology infrastructure and systems.

Furthermore, the Department has a low appetite for losing continuity of business operations stemming from unreliable telecommunications and / or system unavailability. Therefore, business resiliency planning and execution shall be aligned with the strategic objectives.

The Department has a moderate appetite for innovative technology solutions to meet user demands in a rapidly changing environment. Therefore, the Department shall exercise appropriate governance and discipline when considering and adopting new technology.

COMPLIANCE RISK APPTETTITE AND TOLERANCE STATEMENT

The Department Management and the Risk and Compliance Unit have undertaken not to expose the Department to risks which could intentionally result in violations / non-compliance with the regulatory requirements or its approved internal policies.

SERVICE DELIVERY RISK APPTETTITE AND TOLERANCE STATEMENT

Service delivery risk is a function of business decisions, the execution of those decisions, and the resources deployed to implement key strategies in discharging the Limpopo Department of Social Development mandate. It also includes responsiveness to changes in the internal and external operating environments. Proper management of service delivery risk is critical to ensure the Limpopo Department of Social Development's relevance and ability to continue operating efficiently and effectively.

1.4. Risk Management Monitoring and Reporting

- The risk owners have developed a risk action plan of which progress was reported quarterly and annual basis as part of monitoring and evaluation of the impact of implementation of the mitigation strategies.
- Risk Management unit has developed and implemented risk management implementation plan and all the activities were achieved.
- The Risk Management Unit reported progress on quarterly and annual basis to the Risk Management Committee, Executive Management, Provincial Treasury and Audit Committee for review and provide combined assurance to the department.

1.5. Risk Management Committee

- The department has established a Risk Management Committee which is chaired by an independent chairperson who is not in the employ of Government. The Independent Chairperson was appointed for a period of 2 years ending August 2023. Subsequently the contract was extended by 6 months (September 2023 to February 2024)
- The committee comprised of all Chief Directors, District Directors, Director: GITO, Legal Services and the CRO serves as the secretariat. The Provincial Treasury (Internal Audit and Transversal Risk) participates in the RMC as standing invitees.
- The Committee held 3 Risk Management Committee meeting during the year under review.
- Independent risk chairperson prepared Quarterly Risk management Committee reports for the Accounting Officer and Audit Committee (AC) in terms of Public Sector Risk Management Framework and other applicable regulations.
- The reports dealt with the overview of risk management activities highlights and challenges facing the department together with the Risk Management Committee (RMC) resolutions and recommendations.

1.6. Risk Management Structure

- In terms of the approved Risk Management Structure, the directorate is responsible for 3 sub-directorates namely Risk Management, Security Management and Anti – Fraud and Corruption.

– As at the 31 March 2024, the vacancy rate was 58%, refer to the table below.

Posts	Risk Management	Anti – Fraud and Corruption	Security Management
1 x Chief Risk Officer	Post Filled.		
Deputy Directors:	Filled	Post vacant	Post vacant
Assistant Directors:	No post	Filled	Post vacant
Assistant Director x 5: District Office	Three Posts filled (Vhembe, Mopani, and Sekhukhune District), Capricorn District have official who has been seconded to perform Risk Management related function and there is a vacancy at Waterberg District.		

The non-filling of these critical posts contributed to the inability of the unit to fast-track and finalise the investigations of cases on time.

1.7. Impact in the management of risk on the departmental performance

The Department managed to mitigate at least 20% of the risks for the year under review, 40% of the risks not fully mitigated and were carried forward to the next financial year. About 40% of the risks have been considered at the operational level.

2. FRAUD AND CORRUPTION

The Department has reviewed the Anti-Fraud and Corruption Prevention Policy, Whistle Blowing Policy, and Fraud Prevention Plan. Reported fraud and corruption and some legacy cases of irregular expenditure were investigated and recommendations were implemented through Labour Unit.

The Department conducted awareness workshops as a proactive measure to ensure that employees are familiar with Anti-Fraud and Corruption policy,

All the allegation of fraud and corruption can be reported to the following institution or organisation

Institution	Contacts
National Anti-Corruption Hotline	0800 701 701
Office of the Premier	015 287 6000
Office of the MEC	015 230 4300
Office of the HOD	015 230 4301
Risk Management Unit	015 230 4448

The Department received 6 cases, 4 cases of unwanted expenditures were completed, and 6 cases are still under investigation.

Security Management

The Department has outsourced security services in all the Departmental buildings. Risk Management conduct monitoring on monthly basis to ensure compliance with security services level agreement.

Quarterly security meeting with the security service provider are being held to address any challenges that might be experienced during the operations.

Security awareness is conducted together with risk management and anti-fraud and corruption.

Department through Risk Management investigate security breaches and report criminal elements to SAPS.

3. MINIMISING CONFLICT OF INTEREST

The Department ensured that every member of the SMS has declared registrable interests and submitted to the Public Service Commission, declarations by members of Bid Adjudication Committees are done through the completion of security clearance forms and once a conflict of interest is identified, the incumbent is immediately asked to recuse himself or herself from participating in the proceedings of the bid committees.

4. CODE OF CONDUCT

The Code of conduct act as a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. Compliance with the code enhances professionalism and help to ensure confidence in the Public Service.

5. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The following measures were implemented to address the Health, Safety and Environmental issues and their effects on the Department:

The Department has a dedicated Employee Health and Wellness Division which assist employees who present with either work or personal related problems. Psycho-social support, counselling and debriefing services offered to affected employees which empowers them with skills, knowledge and positive reinforcement to manage their lifestyles.

The Occupational Health and Safety Committees established whereby meetings are held quarterly to engage on health and safety measures in the workplace. Periodical Occupational Health and Safety assessment conducted to determine potential occupational health hazards and to minimize injuries on duty and diseases.

Proactive Health Promotion, Education and Awareness programmes are periodically conducted in the workplace to empower employees on health-related matters. Health screenings services for non -communicable diseases, HIV Counselling and Testing, TB Screening are done to encourage employees to know their health status. The service helps the Department to promote health and wellness culture amongst employees and to maintain a safe and health work environment. Proactive health programmes implemented serves as preventative measure for lifestyle disease, helps employees to know and manage their health status, reduces workplace injuries, diseases, and absenteeism, builds effective teamwork and motivates employees for optimal performance.

6. PORTFOLIO COMMITTEES

The dates of the Portfolio Committee meetings were as follows:

- 17 April 2023
- 18 May 2023
- 26 July 2023
- 13 October 2023

Matters raised by the Portfolio Committee includes amongst others the following:

No	Matters raised	Progress made
1	Delays in the payment or transfer to Non-Profit organization (NPOs) which had a negative impact on service delivery particularly the poor and the vulnerable.	The Department developed and implemented budget spending accelerated strategy and all compliant organizations were paid by March 2023
2	Delay in the investigations of unwanted expenditure cases	The Department has completed investigations on legacy cases and currently investigating a case relating to missing documents which occurred in 2019.
3	Failure to institute consequence management on officials responsible for unwanted expenditure	The department has approved its consequence management framework and is being implemented accordingly
4	Delay in the filling of the post of the CFO is compromising the review function of the AFS	The department has established an AFS Technical Review Team to support the acting CFO and his team in a quest to improve the quality of the Annual Financial statements
5	Failure to resolve all AGSA findings	The Department has managed to resolve seventeen **(17)** of the eighteen **(18)** AGSA findings which is 94.45%, the unresolved finding relate to legacy matter on Phahla selotole.one stop facility

7. SCOPA RESOLUTIONS

This report covers SCOPA Resolutions for 2017/18, 2018/19,2019/20, 2020/21 and 2021/22 financial years.

Res. No.	Subject	Details	Response by the department	Resolved (Yes/No)
01	Irregular Expenditure	The Committee recommends that the Executing Authority must take action against the Accounting Officer for failing to take effective steps to prevent irregular expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.	The Executing Authority could not implement consequence management as the Accounting Officer whom the unwanted expenditure incurred during his/her office term has since retired. However, the department received response from LDoH for implementation of consequence management as per investigation report. However, LDoH did not implement consequence management as the matter prescript and the Department of Social Development requested condonation in terms of Annexure A – PMFA Compliance and Reporting Framework Instruction No.4 of 2022-23. The application has since been condoned by Provincial Treasury.	Yes
02	Fruitless and wasteful expenditure	The Committee recommends that the Executing Authority must take action against	The Executing Authority could not implement consequence management	No

Res. No.	Subject	Details	Response by the department	Resolved (Yes/No)
		Accounting Officer for failing to take effective steps to prevent fruitless and wasteful expenditure. Furthermore, the Committee recommends that the Accounting Officer must carry out all investigations into all allegations of financial misconduct committed by officials.	as the Accounting Officer whom the unwanted expenditure incurred during his/her office term has since retired.	
03	Stagnant in the audit outcomes	The Committee recommends that the Accounting Officer must develop a comprehensive plan to obtain a clean audit.	The department developed a comprehensive audit action plan to address the internal weaknesses in order to obtain clean audit.	No
04	Resolutions status	The Committee recommends that the Executing Authority must provide an update on the implementation of all outstanding House Resolutions dating back from 2014-2015 to 2018/19 financial years.	The Department has implemented the following House resolutions relating to the period 2014/15 to 2018/19 financial years. The department had 34 House Resolutions, 29 (85%) were implemented and 05 (14%) were not implemented.	

Res. No.	Subject	Details	Response by the department	Resolved (Yes/No)
05	Procurement and contract management	The Committee recommends that the Accounting Officer must contract the process of submitting the applications on condonement to Provincial Treasury for consideration.	Seven (07) transactions have been submitted to Provincial Treasury for condonation and all seven (07) transactions has been condoned by Provincial Treasury.	Yes
06	Annual financial statements, performance, and annual report	The Committee recommends that the Executing Authority must take appropriate action against both the Accounting Officer and the Chief Financial Officer for submitting financial statements for auditing which were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) and (b) of the PFMA.	Letter of intention to charge the Accounting Officer has been issued and investigation report as well as referral letter has been forwarded to the Mpumalanga Provincial Treasury to implement consequence management against Mr Dlamini TC: Former CFO.	No
07	Events after reporting date	The Committee recommends that the Executing Authority must brief the Portfolio Committee on Social Development on the impact of Covid-19 in the Department and how budget re-prioritization had on the overall performance of the Department.	The Executing Authority briefed Portfolio Committee on the impact of Covid-19 during 2020/21.	Yes

Res. No.	Subject	Details	Response by the department	Resolved (Yes/No)
08	Achievement of planned targets	The Committee recommends that the Executing Authority must take steps to ensure that the Accounting Officer put in place a comprehensive plan to address this anomaly.	The Executing Authority has instructed the Accounting Officer to develop comprehensive plan to address this anomaly by strengthening the Departmental Performance Information Management System as part of internal controls.	Yes
09	Other Reports	The Committee recommends that the Executing Authority must table a report on the implementation of the findings and recommendations of the Special Investigation Unit (SIU) on the forensic investigation into allegations relating to tender irregularities within the Supply Chain Management Unit of the Department which covered the 2019/20 financial period and its recommendations in the House once the investigations are concluded.	The Department has since instituted disciplinary processes against the two SCM officials (Mr. MH Mamabolo and Ms. CJ Mothata) of which Mr. MH Mamabolo was dismissed, and Ms. CJ Mothata was given two month's salary suspension. The Department further requested State Security Agency to conduct lifestyle audit and the indication was that SSA has no legislative mandate to conduct lifestyle audit currently pending the finalization and adoption of Lifestyle Audit framework which will	No

Res. No.	Subject	Details	Response by the department	Resolved (Yes/No)
			be of general application to all organs of state. SSA further advised the department to provide them with all SCM personnel for them to conduct vetting. The department has since submitted a list of all SCM officials to SSA for vetting.	
10	Transfer of funds	The Committee recommends that the Accounting Officer must take appropriate action against officials who failed to take appropriate measures to ensure that transfers and subsidies to entities are applied for their intended purposes.	The following Deputy Directors: Finance were served with final written warning letters: 1.Ms Shingange MP 2.Ms Mashimbye SM 3.Mr Lesufi MW	Yes
11	Asset management	The Committee recommends that the Accounting Officer must take appropriate action against officials who failed to evaluate the value of the assets before disposal.	Action could not be taken. The responsible official (Mr Maboya LW) has since retired.	Yes
12	Lifestyle Audit	The committee recommends that the Accounting Officer must appoint an independent firm to conduct a life style audit	Twenty-two (22) out of twenty-six (26) SCM officials has been vetted. Three (03) remaining officials are awaiting	No

Res. No.	Subject	Details	Response by the department	Resolved (Yes/No)
		on both management and officials within Supply Chain Management.	SSA to finalize the process and one (01) official has since passed-on.	

8. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department developed an audit action plan with eighteen (18) audit findings and managed to resolve/implement fifteen (15) findings. Three (3) finding were not resolved by the end of the financial year. The findings that were not resolved are as follows:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Prior year fruitless and wasteful expenditure was not investigated properly by investigation unit. (Phasha)	2010/11	DPW&I has issued notice of expropriation to all interested parties. Only one has submitted representation and requesting settlement negotiation. The department is still waiting for response from Senior Council regarding application of expropriation.
Backups not performed for the network environment as the department did not have a backup tool or software in place to perform backups.	2022/23	OTP has advertised a tender for appointment of service provider and tender closed on the 07th of February 2024, however it was found that there were no responsive bid and the department will request approval for deviation to procure the services on its own.
Inadequate human resource capacity in ICT due to vacant positions.	2022/23	The review of the organizational structure is underway. Consultation of Organizational Structure with District underway. The department has signed a new SLA with SITA for two resources. SITA staff Utilized

9. INTERNAL CONTROL UNIT

Internal Control Unit has been consolidating information/reports for oversight bodies to ensure compliance with submission deadlines. The unit organized pre-audit teams comprising of management who assisted in monitoring compliance to augment service rendered by the limited personnel in the unit and acts as a coordinator for the Department for audit purposes with both internal and external audits.

10. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit

- •Review the reliability and integrity of financial and non-financial performance information.
- •Appraise the economy, efficiency and effectiveness of the prescripts and plans, which could have a significant financial or operational impact.
- •Review means of recording, safeguarding and disposal of assets and verity the existence of assets.
- •Review operations and program outputs to ascertain whether results are consistent with the establishment outcomes and whether operations have been carried out effectively as planned.
- •Appraise the economy, efficiency and effectiveness with which resources are employed.
- •Perform an objective assessment of the effectiveness of the risk management processes.

Summary of audit work done

Assurance and Consulting Audit Services

Q1	Q2	Q3	Q4
Annual Financial Statements Review	Victims Empowerment	Interim Financial Statements	Existence and effectiveness of governance processes
Annual Reports Review	Security Management	Effectiveness of Risk Management Process	POPIA
Assurance on Performance Information			Transfer Payments
ECD Transfer to Education	Youth Development	Assurance on Performance Information	Asset Management
Follow Up	Follow Up	Follow Up	Follow Up

Fraud Audit

Q1	Q2	Q3	Q4
Follow up	General Fraud Risks Review	N/A	N/A

Performance Audit

Q1	Q2	Q3	Q4
N/A	N/A	N/A	Services rendered to children foster care

10.1 KEY ACTIVITIES AND OBJECTIVES OF THE AUDIT COMMITTEE

1. KEY ACTIVITIES

The Audit Committee (AC) activities are outlined in the approved AC Charter which requires that an Annual Schedule must be finalised and approved as a guideline for the AC activities of that particular financial year. The AC has satisfactorily performed its mandate as enshrined in Sections 76 (4) (d) and 77 of the Public Finance Management Act (Act No. 1 of 1999) read in conjunction with Treasury Regulations 3.1 which states that AC must, amongst others, review the following:

i. the effectiveness of the internal control systems;
ii. the effectiveness of the internal audit function;
iii. the risk areas of the institution's operations to be covered in the scope of internal and external audits;
iv. the adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
v. any accounting and auditing concerns identified as a result of internal and external audits;
vi. the institution's compliance with legal and regulatory provisions; and
vii. the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

1.1. VIRTUAL MEETINGS (POST COVID-19)

COVID-19 posed a serious threat to humanity, however the work of the AC has partly benefitted from the proclamations made by the state that most of the meetings must be held virtually. The Provincial Accountant General's (PAG's) office has realised some savings within the budget of the AC. The savings were realised mainly from accommodation and travelling by the AC members because meetings were held virtually. Given the spirit of good governance, the impact of COVID-19 on the AC is felt on the sense that virtual meetings are not equipped with necessary tools to monitor efficient and effective participation of all the AC stakeholders. This becomes even difficult when one has to evaluate the work of the AC through National Treasury 360 Degree evaluation tool. However, the PAG's office has been active in ensuring that the AC remains a value adding tool as a critical oversight and governance structure.

There has been immense improvement in terms of connectivity as there were little interruptions resulting from network challenges as compared to the previous financial year. However, Load shedding remains a serious challenge as it briefly affects the network resulting in poor connectivity for a time being. In addition, the new cell phone contract came with serious improvements in terms of data allocation and connectivity to Microsoft Teams which remains free thus not affecting allocated data to officials rendering support to the work of AC.

1.2. AUDIT COMMITTEE MEETINGS

During the financial year 2023/2024, the AC met five (5) times to perform its roles and responsibilities as stipulated in the AC Charter. All the AC meetings have taken place as planned through 2023/2024 AC Annual Schedule. As resolved during 2023 AC Annual Strategic Planning Workshop, briefing sessions between Members of Executive Council (MECs) and Cluster Chairpersons were held from 24 October 2023 to 14 November 2023. The briefing sessions were held virtually and afforded all the AC Chairpersons a slot with each MEC of the Department they serve to discuss all the pertinent issues affecting the Department.

First Quarter Cluster AC Meetings for August 2023 were held physically which were followed by the CAC Meeting held 19 September 2023. Given the governance role of the ACs, it is pertinent that some of the AC meetings are held physically to interact directly with the management in order that all the AC resolutions are timely implemented. The last CAC Meeting of the current reporting period was also held physically to deal with myriad of issues including finalisation and adoption of the Combined Assurance Framework.

1.3. 2024 AUDIT COMMITTEE ANNUAL STRATEGIC PLANNING WORKSHOP

The AC annual strategic planning workshop for 2024/25 financial year was held virtually to enable all the stakeholders to connect and participate in the session. This was due to the fact that HODs were required to connect virtually to deal with issues such as Combined Assurance, Ten (10) point implementation plan to move Department of Education, Public Works and Health out of qualified audit opinions to an improved audit outcomes etc. The strategic plan was held on 08 – 09 February 2024. Office of the Premier also made three (3) pertinent presentations on Limpopo's five (5) year performance review, Limpopo Collaborative Support Framework and Consequence Management Framework. The presentations were welcomed by ACs siting that Consequence Management Framework was long overdue and it will help the Province in dealing with stagnant issues in particular around irregular, fruitless and wasteful expenditures were consequence management is due against implicated officials.

The two (2) day strategic planning workshop has resulted in the AC members taking a total of thirty-two (32) resolutions to be implemented by affected stakeholders. Since the PAG has insisted on all the Stakeholders proving feedback on each resolution they are affected and no resolution register should be submitted without response, the Province has realized improvement in implementation of AC resolutions. All the protocol documents such as the AC Charter, Internal Audit Charter, and Reporting Frameworks were reviewed and adopted during first day of the workshop.

1.4. CAC CHAIRPERSON MEETINGS

During the current financial year, the CAC Chairperson managed to attend two (2) EXCO meetings to report on overall AC activities covering the work of all the Departments. EXCO meetings are mainly based on invite by EXCO Secretariat depending on the agenda of the day. However, PAG's office continuously advises EXCO Secretariat on the importance of inviting CAC Chairperson to EXCO quarterly meetings in order to resent CAC overall quarterly reports. Unfortunately, the CAC Chairperson was not invited to attend any of the HOD Forums held during the current reporting period.

Invitations to these structures (EXCO and HOD Forums) are welcomed and strategic in nature as they provide an opportunity for the CAC Chairperson to interact with Executive Authorities and Accounting Officers of all the Departments to highlight areas requiring improvement.

1.5. 360 DEGREE AUDIT COMMITTEE EVALUATION FEEDBACK

National Treasury 360 Degree Evaluation tool was used to evaluate the work and performance of the AC. The final evaluation yielded an average score of 4.34 (from rating of 1 – 5) when combining the average scores of all the AC Stakeholders. This represented a slight regression from the previous evaluation period which yielded an average score of 4.72. The AC stakeholders who participated in the performance evaluation of the AC included Provincial Internal Audit, External AC Members and Management (Accounting Officers, Chief Risk Officers, Chief Financial Officers, Head of Internal Controls and GITO). Auditor General South Africa as an AC stakeholder could not participate in the performance review of the AC, mentioning that they do their own evaluation in the management report of each Department to protect and maintain their independence.

In comparison to the average scores of the three (3) stakeholders (AC; SIAS; and Management), it must be noted that Management recorded highest average score of 4.55. The lowest score was recorded by Shared Internal Audit Services at an average score of 3.95. The following were critical issues that Departments felt were not robustly engaged to their satisfaction by the AC members as follows:

1.5.1. Understanding of Departmental Environment
1.5.2. Oversight of Internal Audit and External Audit matters by AC Members
1.5.3. Concerns around reviews of both the findings and recommendations by internal and external auditors to ensure that recommendations are implemented
1.5.4. Concerns around reviewing the appropriateness of the external audit fee
1.5.5. Concerns around review of a whistleblower hotline and reviewing the log of incoming calls
1.5.6. Understanding of Business & Risks of the Departments

It must be noted that these issues are repeating from the previous evaluation report thus AC must take these issues seriously and address them promptly.

1.6. AUDIT COMMITTEE MEMBERSHIP

Current AC Membership was appointed with effect from 01 January 2023 and will expire on 31 December 2025. A total of 17 AC members were appointed during 2022 AC membership recruitment process. There is no resignation or premature termination of any AC Member's contract during the current period. Total number of female AC members are seven (7) while a total number of male AC members are ten (10) represented as: 58.8% males and 41.2% females. This is a decline in the appointment of female candidates as during the previous AC composition the number stood at eight (8) and it has currently decreased to seven (7). There is a strong need to improve female recruitment into the Limpopo AC membership as 41% is very low.

1.7. THE FOLLOWING TABLE STIPULATE THE NATURE AND ACTIVITIES OF EACH AC MEETING/EVENT HELD:

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
1.	May 2023	Review of Fourth Quarterly Performance Information and Draft Annual Report (Including Draft Annual Financial Statements) before submission to the Auditor General	a. Annual Performance Report, b. Draft Annual Financial Statements, c. Fourth Quarterly Risk Management Report, d. Fourth Quarterly Internal Audit Progress Report.
2.	June 2023	CAC Meeting to consider Clusters AC Reports	e. Clusters AC Reports reporting on matters pertaining to Draft Annual Performance Report including Draft AFS
3.	July 2023	Review of Draft Audit and Management Reports	f. Draft Management Reports, g. Draft External Audit Reports.
4.	August 2023	CAC Meeting to consider Clusters AC Reports	h. Clusters AC Reports on matters pertaining to External Audit Reports.
5.	August 2023	Review of First Quarter Performance Information including Financial & Non-Financial Reports	a. First Quarter Accounting Officer's Report to the AC (Financial & Non-Financial), b. First Quarter Risk Management Report, c. SCOPA Resolutions Implementation Progress, d. Auditor General Audit Findings Implementation Progress, e. First Quarter Internal Audit Report
6.	September 2023	CAC Meeting to consider Clusters AC Reports	f. Clusters AC Reporting on matters concerning to First Quarter Reports
7.	October / November 2023	AC Briefing Sessions between AC Chairpersons and Hon. MECs to discuss AC Matters.	
8.	November 2023	Review of Second Quarter Performance Reports (Financial and Non-Financial)	a. Second Quarter Accounting Officer's Report to the AC (Financial & Non-Financial), b. Second Quarter Risk Management Report,

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
			c. SCOPA Resolutions Implementation Progress, d. Auditor General Audit Findings Implementation Progress, e. Second Quarter Internal Audit Report.
9.	December 2023	CAC Meeting to consider Clusters AC Reports	f. Clusters AC Reports on matters pertaining to Second Quarter Audit Committee Reports as per paragraph 7 above.
10.	February 2024	AC Annual Strategic Planning Workshop	a. Approval of the Audit Committee Charter, b. Approval of the Internal Audit Charter, c. Review of the Accounting Officer's Reporting Framework to the AC, d. AC Improvement Plan by Clusters AC Chairpersons e. Reflection on the Status of the Previous Year AC Resolutions, f. 360 Degree AC Evaluation Feedback.
11.	February / March 2024	Third Quarterly Departmental Reports and approval of the Three-Year Internal Audit Plan, Annual Internal Audit Plan and Auditor General Audit Coverage Strategy	g. All information under No. 5, h. Three Year Internal Audit Plans and Annual Internal Audit Plans for 2022/2023. i. Auditor General Audit Coverage Strategies
12.	April 2024	CAC Meeting to consider Clusters AC Reports	j. Clusters AC Reports on matters pertaining to Third Quarter AC Reports as per paragraph 11 above.

2. OBJECTIVES OF THE AUDIT COMMITTEE

The Strategic Objectives of the AC as stipulated in its approved written Terms of Reference (AC Charter) are to ensure:

a. the availability of a well-resourced, functional and sustained internal audit function;

b. sound relationship with all assurance providers, oversight structures and other stakeholders;
c. effective and efficient Internal and External Audit processes;
d. promotion of sound functional interaction between the internal audit and other assurance providers;
e. that there is adequate and effective corporate governance, encompassing fraud and risk management, information technology, internal control, financial management and reporting systems;
f. Accounting Officers are fully supported in fulfilling their responsibilities in terms of the PFMA;
g. accountability in terms of financial management and performance information for effective service delivery; and
h. Compliance with relevant laws and regulations.

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

CLUSTER 3

Name	Qualifications	Internal or external	If internal, position in the Department	Date Appointed	Date Resigned	No. of Meetings Attended (Health)	No. of Meetings Attended (Social Development.)
KV MAJA	• Masters of Business leadership (MBL) • Hons BCOMPT • B.Com (Accounting) • Certified Internal Auditor (CIA) • IIA Accredited Quality Assurance Assessor.	External	N/A	01 February 2023	To Date	6	5

Name	Qualifications	Internal or external	If internal, position in the Department	Date Appointed	Date Resigned	No. of Meetings Attended (Health)	No. of Meetings Attended (Social Development.)
SP MZIZI	• Certified Director, IODSA • ACG, CGISA • Post graduate diploma in corporate law • Post graduate certificate in corporate governance • ACMA CGMA, CIMA • BCom Honors: Financial Management • B Tech: Cost and Management Accounting Higher diploma in education	External	N/A	01 February 2020 Re-appointed 01 February 2023	To Date	6	5
KG MBONAMBI	• B Com Accounting • B Com(Hons)	External	N/A	01 February 2023	To Date	5	3
NJ MPJANE	• CA (SA) • B Com (Accounting Science. • B Com (Accounting Science (Hons) • IRBA Certificate	External	N/A	01 February 2020 Re-appointed 01 February 2023	To Date	6	5
ADV. L.T NEVONDWE	• Bachelor of Laws (LLB) (Univen) • Masters of Laws (LLM) (Univen)	External Co-opted	N/A	1 January 2023	To date	1	1

3.AUDIT COMMITTEE REPORT

LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

REPORT OF THE AUDIT COMMITTEE ON
LIMPOPO DEPARTMENT OF THE DEPARTMENT OF SOCIAL DEVELOPMENT

We are pleased to present our report for the financial year ended 31 March 2024.

Audit Committee Structure

Limpopo Provincial Government has an Audit Committee which is two tiered consisting of 4 Cluster Audit Committees, dealing with specific departments, and a shared Central Audit Committee.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related code of conduct, policies and practices.

Stakeholder Engagement/s

The committee has been able to engage with the following stakeholders:

- Limpopo Provincial Treasury senior management
- Limpopo Provincial Internal Auditors (Shared Internal Audit Services)
- Limpopo Provincial Auditor General (AGSA)

Audit Committee Skills Development

A strategic and induction session was held during the last quarter of the financial year to assist the audit committee members better understand their challenging roles and the direction of the province in general.

The Effectiveness of Internal Control

Based on the results of the formal documented review of the design, implementation and effectiveness of the department's system of internal controls conducted by the internal audit and AGSA during the financial year ended 31 March 2024, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit, the Audit Committee concluded that no material internal control breaches come to the Committee's attention.

Risk Management

The Audit committee reviewed the department's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy and concluded that there is a room for improvement in so far as department's risk management maturity level in capacitation of the risk management unit and funding of the risk management activities.

In-Year Management and Monthly/Quarterly Report

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is somewhat satisfied with the quality, accuracy, uselessness, reliability, appropriateness, and adequacy of the department in-year reporting systems.

Internal Audit

The Audit committee:

- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the department's systems of internal control;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that the internal audit unit should finalise the fully implementation of Combined assurance framework.

Compliance with the relevant laws and regulations

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the department did not fully comply with the enabling laws and regulations as well as its departmental policies and standard operating procedures, especially in the area of quality of annual financial statement and supply chain management (including expenditure management).

Evaluation of Annual Financial Statements

The Audit Committee has reviewed audited annual financial statements for the year ended 31 March 2024 and is satisfied with the presentation and disclosure as presented and audited by AGSA.

Evaluation of Annual Performance Report

The Audit Committee has reviewed audited annual performance report for the year ended 31 March 2024 and is satisfied with the presentation and disclosure as presented and audited by AGSA.

Consideration of the Final Audit report

The Audit Committee considered the final audit report by AGSA and is in disagreement with the qualification paragraph relating to valuation of immovable tangible assets.

Kgoale Maja

Chairperson of the Audit Committee

Date : 15 August 2024

11. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:

Criteria	Response Yes / No	Discussion (*include a discussion on your response and indicate what measures have been taken to comply*)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Not applicable
Developing and implementing a preferential procurement policy?	Yes	Applied the PPPFA and its 2022 Regulations
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable
Developing criteria for entering into partnerships with the private sector?	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Not applicable

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The human resources management was guided by the Strategic Plan and MTEF Strategic Human Resources to support the Head of Department as an Accounting Officer to achieve the set strategic objectives of the Department. The department has fully implemented the recruitment plan as approved by the Provincial Treasury.

2. OVERVIEW OF HUMAN RESOURCES

The MTEF HR Plan for period 2023/2026 has been developed to ensure that the workforce supply matches current and future demands. In Addition, the Departmental MTEF HR Plan sets out the issues, evidence and strategies required to deliver a sustainable workforce capable of continuing to deliver high quality social services to the people of Limpopo.

The following were Human Resource gaps identified during the development of the MTEF HR Plan:

- Filling of funded vacant posts. The vacancy rate remains at 46%.
- Shortage of Social Services Professionals.
- Shortage of required skills and competencies.
- Inaccurate Human Resource Information data.
- Inadequate budget

Human resource priorities for the year under review and the impact of these.

- Review and implementation of organisational structure that supports the strategic objectives of the Department
- Review and implementation of the MTEF Recruitment Plan.
- Review and implementation of the Human Resource Development Strategy and Performance Management Development Policy.
- Implementation of Employment Equity plan and Update Human Resource Information Management (PERSAL System)
- Establishment of a comprehensive and fully capacitated Employee Health and Wellness Programme
- Establishment of a comprehensive and fully capacitated Labour Relations service.

Human Resource Skills Program/Workshop

No	Name of the Skills Program/Workshop	Target Group	Number of employees trained
1	Trauma Debriefing and Counselling	Social Work Supervisor (SWS)	142
2	Basic Computer Training	Social Workers (SW's), Community Development Practitioners (CDP's), Child and Youth Care Workers (CYCW's) and Support staff	32
3	Occupational Certificate	Child and Youth Care Worker	31
4	Leave Management Session	SW's, CDP's, CYC's Support staff	19
5	Demand Planning skills development programme	Supply chain Management	2
6	Advancing Culture Shift To Achieve Clean Governance	D.D Compliance	1
7	Gender Mainstream	SW's and CYCW's and Support staff	31
8	Markerting, Health Issues and Stress management	SW's , CDP's, CYCW's and Support staff	17
9	Capacity Building Workshop	CDP's	75
10	Foster Care Monitoring Tool	SW's ,	21
11	Youth employees' Motivational workshop	Youth	50
12	Mentoring for The Public Service Managers	SW's , CDP's, CYCW's and Support staff	6
Total			427
The total budget costs for training (2023-2024 Financial year): Amount R696 638.00			

Employee Performance Management

During the financial year 2023/2024 the Department implemented Grade Progression and Accelerated Grade Progression to employees on Occupational Specific Dispensation (OSD) and Non-OSD amounting to R17 M and 1420 employees were paid pay progression to the amount R 6M.

Employee Health and Wellness programmes.

The Department implement the Department of Public Service and Administration Employee Health and Wellness Strategic Framework which are Wellness Management, Health and Productivity Management, Safety, Health Risk and quality Management, and the HIV, TB and STI workplace programme.

Despite the challenges faced by the Employee Health and Wellness programmes, proactive wellness activities such as health screening for non-communicable diseases, financial wellness to minimize economic stress amongst employees, mental health awareness, provision of psycho-social support to employees, emergency evacuation drill, health, and safety assessment to identify potential hazards to employees and facilitation of health and safety committees.

Challenges: The Department is unable to address health and safety assessment findings due to budget constraints.

Highlights achievements

The Department developed Recruitment for 2023/2024 financial year and filled all the positions within legislative timeframe. Majority of positions were filled through promotion of internal staff. This has boosted the staff morale and will go a long way in ensuring that service delivery is improved. Human Resource Workplace Skills Plan was implemented, and the following programmes were implemented:

CHALLENGES FACED BY THE DEPARTMENT

Budgetary constraints: Budgetary constraints had a negative influence for the Department to achieve its objectives as many posts remain vacant for a long period. Inadequate budget for implementation of skills programs as per workplace skills plan

Introduction of new legislations: The introduction of new legislations such as Children's Act requires the increase in the total number of Social Services Professionals who are readily available in the marketplace, but inadequate budget is hampering the increase in the number of social service professionals.

Staffing mix and provision of care: Despite the introduction of the retention strategy (OSD), it is still difficult to attract Social Services Professionals that are required. Furthermore, other professionals are ascending to management positions, and this has negative impact in recruiting and retaining staff. The budget constraints to place social work graduates is still a great concern.

The Department is not able to absorb all graduates who completed their studies starting from 2013 academic year due to budgetary constraints. Funding for absorption of the graduates is not aligned with the number of graduates per province hence the province will not be able to appoint additional graduates in the coming financial years.

Increased moral decay: The increase in social ills and moral decay calls for social services professionals to assess and analyse beneficiary's needs before the provision of social interventions.

Information Technology: The information technology remains a huge challenge in the Department, particularly Human Resource Information System (HRIS). HR Plan requires updated HR statistics to determine the current human resources in the Department and without HRIS accurate statistics will remain a problem. There is no connectivity in most of the Sub-District's offices.

Office Accommodation: The office accommodation remains a great challenge in the Department, particularly at District and Sub-Districts level.

Tools of trade: The tools of trade in the Department remains a great concern in particular transport (vehicle), computers and office furniture.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	382 904.00	213 593.00	0.00	0.00	55.80	463.00
Children and Famillies	625 086.00	480 270.00	0.00	0.00	76.80	475.00
Restorative Services	245 856.00	169 547.00	0.00	0.00	69	476
Social Welfare Services	531 235	323 366.00	0.00	0.00	60.90	519.00
Development and Research	221 807	169 967	0.00	0.00	76.60	271.00
Total	**2 006 888.00**	**1 356 745**	**0.00**	**0.00**	**67.60**	**441.00**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	**45634.00**	**3.00**	**196.00**	**232827.00**
Skilled (level 3-5)	**152792.00**	**11.00**	**479.00**	**318981.00**
Highly skilled production (levels 6-8)	**716806.00**	**51.40**	**1476.00**	**485641.00**
Highly skilled supervision (levels 9-12)	**412512.00**	**29.60**	**586.00**	**703945.00**
Senior and Top management (levels 13-16)	**32218.00**	**2.30**	**23.00**	**1400783.00**
Contract (levels 1-2)	**172.00**	**0.00**	**1.00**	**172000.00**
Contract (levels 3-5)	**752.00**	**0.10**	**3.00**	**250667.00**

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Contract (levels 6-8)	**350.00**	**0.00**	**1.00**	**350000.00**
Contract (levels (9-12)	**1043.00**	**0.10**	**1.00**	**104300.00**
Contract other	**1373.00**	**0.10**	**0.00**	**0.00**
Periodic remuneration	**207.00**	**0.00**	**1.00**	**207000.00**
Abnormal appointment	**8509.00**	**0.60**	**309.00**	**27537.00**
Total	**1 372 369.00**	**98.40**	**445 719.00**	**1 394 667.00**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2023 and 31 March 2024

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	169558.00	76.80	797.00	0.40	8837.0	4.00	16484.00	7.50
Children and Famillies	379 420.00	77.10	187.00	0.00	20110.00	4.10	3986100	8.10
Restorative Services	128921.00	77.30	49.00	0.00	6606.00	4.00	13030.00	7.80
Social Welfare Services	255 961.00	77.60	123.00	0.00	12149.00	3.70	24162.00	7.30
Development and Research	136420.00	73.90	0.00	0.00	6507.00	3.50	9990.00	5.40
Total	**1070281.00**	**76.70**	**1156.00**	**0.10**	**54209.00**	**3.90**	**103527.00**	**7.40**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	30 256	66.30	27.00	0.10	3856.00	8.40	7798.00	17.10
Skilled (level 3-5)	108 809	71	49.00	0.30	9428.00	620.00	20552.00	13.40
Highly skilled production (levels 6-8)	565 380	78	299.00	0.00	28818.00	4.00	51116.00	710.00

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Highly skilled supervision (levels 9-12	334 648	78.70	333.00	0.10	11100.00	2.60	23771.00	5.60
Senior management (level 13-16)	27 838.	82	0.00	0.00	1007.00	3.00	289.00	0.90
Contract (levels 1-2)	172	100	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	752	100	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 6-8)	350	100	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels (9-12)	956	90	0.00	0.00	0.00	0.00	0.00	0.00
Contract other	1 367	99.10	0.00	0.00	0.00	0.00	0.00	0.00
Periodic remuneration	207	99.50	0.00	0.00	0.00	0.00	0.00	0.00
Abnormal appointment	0	0.	0.00	0.00	0.00	0.00	0.00	0.00
Total	**1 070 781**	**76.70**	**1156.00**	**0.10**	**54209.00**	**3.90**	**103527.00**	**7.40**

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2024

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration, Permanent	550	501	2.50	-
Children and Families	1050	1011	1.40	-
Development And Support Services , Permanent	319	319	0	-
Restorative Services, Permanent	361	356	1.40	-
Social Welfare Services, Permanent	660	623	0.50	-
Total	**2983**	**2808**	**1.20**	**-**

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2024

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	198	196	1	-
Skilled (3-5)	490	479	2.20	-
Highly skilled production (6-8)	1492	1476	1.10	-
Highly skilled supervision (9-12)	590	586	0.07	-
Senior management (13-16)	24	23	4.20	-
Other, Permanent	3	3	0.00	-
Contract (Levels 3-5), Permanent	1	1	0.00	-
Contract (Levels 6-8), Permanent	3	3	0.00	-
contract (Levels 9-12), Permanent	1	1	0.00	-
Contract (Levels >= 13), Permanent	1	1	**0.00**	**-**
Total	**2803**	**2769**	**1.20**	**0.00**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2024

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	152	**147**	**3.30**	**0.00**
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC., Permanent	**6**	**5**	**16.70**	
ARTISAN PROJECT AND RELATED SUPERINTENDENTS, Permanent	**5**	**5**	**0**	

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
AUXILIARY AND RELATED WORKERS, Permanent	**5**	**5**	**0**	
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	**159**	**157**	**1.30**	
COMMUNITY DEVELOPMENT WORKERS, Permanent	**321**	**321**	**0**	
FINANCE AND ECONOMICS RELATED, Permanent	**70**	**68**	**2.90**	**00**
FINANCIAL AND RELATED PROFESSIONALS, Permanent	**6**	**6**	**0.00**	
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	**7**	**7**	**0**	
FOOD SERVICES AIDS AND WAITERS, Permanent	**23**	**23**	**0**	
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER, Permanent	**1**	**1**	**0**	
HOUSEHOLD AND LAUNDRY WORKERS, Permanent	**12**	**11**	**1**	
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED, Permanent	**5**	**5**	**0.**	
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	**4**	**4**	**0**	
HUMAN RESOURCES CLERKS, Permanent	**22**	**22**	**0**	
HUMAN RESOURCES RELATED, Permanent	**40**	**38**	**0**	
LEGAL RELATED, Permanent	**1**	**1**	**1**	
LIBRARY MAIL AND RELATED CLERKS, Permanent	**1**	**1**	**1**	

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
LOGISTICAL SUPPORT PERSONNEL, Permanent	15	15	0	
MESSENGERS PORTERS AND DELIVERERS, Permanent	16	14	12.50	
NURSING ASSISTANTS, Permanent	10	9	10	
OCCUPATIONAL THERAPY, Permanent	1	1	0	
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	70	68	2.90	
OTHER OCCUPATIONS, Permanent	2	2	0	
PROFESSIONAL NURSE, Permanent	15	15	0	
PSYCHOLOGISTS AND VOCATIONAL COUNSELLORS, Permanent	2	2	0	
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	2	2	0	
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	12	12	0	
SENIOR MANAGERS, Permanent	2	2	0	
SOCIAL SCIENCES RELATED, Permanent	1671	1660	0.70	
STAFF NURSES AND PUPIL NURSES, Permanent	11	11	0	
TRADE LABOURERS , PERMANENT	2	2	0	
YOUTH WORKERS, Permanent	132	127	3.80	
TOTAL	**2803**	**2769**	**1.20**	

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	0		0	0	0
Salary Level 15	0	0	0	0	0%
Salary Level 14	3	2	67%	1	33%
Salary Level 13	28	19	68%	9	32%
Total	32	22	69%	33	31%

Table 3.3.2 SMS post information as on 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0				
Salary Level 14	4	2	50%	2	50%
Salary Level 13	24	19	79%	5	21%
Total	29	22	75%	7	15%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2023 and 31 March 2024

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	**1**	**0**	**2**
Salary Level 13	0	**0**	**5**
Total	**1**	**0**	**7**

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2023 and 31 March 2024

Reasons for vacancies not advertised within six months
The affected post is the position of Chief Director: Corporate Services. The recruitment process was delayed however the appointment was at its final stage at the end of March 2024.

Reasons for vacancies not filled within twelve months
The 6 posts were not filled timeously due to repeated reprioritization of SMS posts. At the end of the financial year 2 were filled.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2023 and 31 March 2024

Reasons for vacancies not advertised within six months
Same as listed above.
Reasons for vacancies not filled within six months listed
Inadequate COE allocation

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2023 and 31 March 2024

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0	0
Senior Management Service Band A	0	0	0	0	0	0	0
Senior Management Service Band B	0	0	0	0	0	0	0
Senior Management Service Band C	0	0	0	0	0	0	0
Senior Management Service Band D	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 and 31 March 2024

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

Employees with a disability	

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 and 31 March 2024

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	N/A
0	0	0	0	N/A
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 and 31 March 2024

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

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

3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	**201**	**-**	**5**	
Skilled (Levels3-5)	**489**	**2**	**11**	
Highly skilled production (Levels 6-8)	**1407**	**12**	**46**	
Highly skilled supervision (Levels 9-12)	**605**	**2**	**21**	
Senior Management Service Bands A Permanent	**19**	**1**	**1**	
Senior Management Service Bands B Permanent	**2**	**-**	**1**	
Senior Management Service Bands C Permanent	**1**	**-**	**-**	

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Management Service Bands D Permanent	**1**	**-**	**-**	
Other Permanent	**46**	**-**	**46**	
Contract (Levels 1-2) Permanent	**1**	**-**	**-**	
Contract (Level 3-5) Permanent	**3**	**-**	**-**	
Contract (levels 6-8) Permanent	**1**	**-**	**-**	
Contract (Levels 9-12) Permanent	**1**	**-**	**-**	
Total	**2808**	**17**	**131**	

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	94	-		0.00
All Artisans in the Building Metal Machinery etc.	8	-	-	0
Artisan Project and Related Superintendents	2	1	-	50
Auxiliary and Related Workers	61	-	-	0
Cleaners in offices Workshops Hospitals etc.	120	-	-	0
Communication and information related	5	-	-	0
Community Development Workers	301		8	2.6
Finance and Economic related	9	-	-	0
Financial Clerk and credit controller	28	-	-	0
Food Services Aids and Waiters	45	-	-	0
Food services workers	12	-	-	0
Forestry Labourers	2	-	-	0
Head of Department	1	-	-	0
Health science and Related	1	-	-	0

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Household and Laundry Workers	13	-	-	0
Household food and Laundry services related	9	-	-	0
Human Resources & Organisational Development and Related Professions	24	-	-	0
Human Resource Related	13	-	-	0
Legal Related	1	-	-	0
Library Mail and Related Clerks	31	-	-	0
Light Vehicle Drivers	1	-	-	0
Logistical support	2	-	-	0
Material Recording and Transport Clerks	4	-	-	0
Messengers Porters and Deliverers	21	1	-	5
Nursing Assistants	10	-	1	10
Occupational Therapy	3	-	1	33
Other Administrative & Related Clerls and Orgavisers	53	-	-	0
Other Administrative Policy and Related Officers	4	-	-	0
Other Occupations	1	-	-	0
Probation Workers	18	-	-	0
Professional Nurse	12		1	8
Psychologist and Vocational Counsellors	2	-	-	0
Risk Management and Security Services	3	-	-	0
Secretaries & Others key Operating Clerks	63	-	-	0
Security Guards	1	-	-	0
Senior Managers	7	1		0
Social Science Supplementary Workers	164	-	-	0
Social Work and Related Professionals	1489	7	24	16

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Speech Threpay and Audiology	1	-	-	0
Staff Nurses and Pupil Nurses	10	-	-	0
Youth Workers	153	-	-	0
TOTAL	**2800**	**10**	**35**	**2**

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2023 and 31 March 2024

Termination Type	Number	% of Total Resignations
Death, Permanent	11	8%
Resignation, Permanent	35	26%
Expiry of contract, Permanent	43	32%
Dismissal – misconduct, Permanent	2	1%
Retirement, Permanent	21	16%
Transfer out	19	14%
Total	**131**	**100%**
Total number of employees who left as a % of total employment	**4.7%**	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2023 and 31 March 2024

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	94	5	-	65	69%
All Artisans in the Building Metal Machinery etc.	8	-	-	8	100%
Artisan Project and Related Superintendents	2	-	-	1	50%
Auxiliary and Related Workers	61	10	16	59	98%
Cleaners in offices Workshops Hospitals etc.	120	12	-	30	25%
Communication and information related	5	-	0.00	-	0.00
Community Development Workers	301	46	15	135	45%
Finance and Economic related	9	-	-	9	0.00
Financial Clerk and credit controller	28	-	-	17	60%
Food Services Aids and Waiters	45	-		10	22%
Food services workers	12	-	-	1	8%
Forestry Labourers	2	-	-	-	0.00
Head of Department	1	-	-	-	0.00
Health science and Related	1	-	-	-	0.00

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Household and Laundry Workers	13	-	-	9	-
Household food and Laundry services related	9	-	-	-	-
Human Resources & Organisational Development and Related Professions	24	3	-	14	5%
Human Resource Related	13	-	-	4	30%
Legal Related	1	-	-	1	100%
Library Mail and Related Clerks	31	-	-	13	41%
Light Vehicle Drivers	1	-	-	-	0.00
Logistical support	2	-	-	-	0.00
Material Recording and Transport Clerks	4	-	-	-	0.00
Messengers Porters and Deliverers	21	-	-	11	52%
Nursing Assistants	10	-	-	8	80%
Occupational Therapy	3	-	1	-	
Other Administrative & Related Clerls and Orgavisers	53	-	-	11	20
Other Administrative Policy and Related Officers	4	-	-	-	0.00
Other Occupations	1	-	-	-	0.00

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Probation Workers	18	-	-	-	0.00
Professional Nurse	12	-	1		
Psychologist and Vocational Counsellors	2			2	100
Risk Management and Security Services	3	-	0.00	3	100%
Secretaries & Others key Operating Clerks	63	-	-	2	3
Security Guards	1				
Senior Managers	7	-	0.00	7	100%
Social Science Supplementary Workers	162			137	
Social Work and Related Professionals	1489	209	14	579	38
Speech Therapy and Audiology	1	-	-	-	
Staff Nurses and Pupil Nurses	10	-	-	8	80
Youth Workers	153	9	6	127	
TOTAL	**2800**	**294**		**1269**	**45%**

Table 3.5.5 Promotions by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Employees 1 April 20YY	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	201	12	6	61	30.30
Skilled (Levels3-5)	489	18	37	330	67.50
Highly skilled production (Levels 6-8)	1510	260	17	622	41.30
Highly skilled supervision (Levels 9-12)	605	4	0.66	347	57.40
Senior Management (Level 13-16)	23	-	-	18	78.30
Other	46	-	-		-
Contract (Levels 1-2), Permanent	1	-	-	-	-
Contract (Levels 3-5), Permanent	1	-	-	-	-
Contract (Levels 6-8), Permanent	3	-	-	-	-
contract (Levels 9-12), Permanent	1	-	-	-	-
Contract (Levels >= 13), Permanent	1	-	-	-	-
Total	**2800**	**294**	**10.5**	**1378.00**	**47.90**

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2024

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	36	-	-	-	23	-	-	2	61
Professionals	533	-	-	-	1373	2	0	5	1913
Technicians and associate professionals	102	-	-	-	175	-	-	-	277
Clerks	83	-	-	-	165	-	-	-	248
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	101	-	-	-	160	-	-	-	261
Total	**855**	**-**	**-**	**-**	**1896**	**2**	**-**	**7**	**2760**
Employees with disabilities	**28**	**-**	**-**	**-**	**31**	**-**	**-**	**1**	**60**

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	1
Senior Management	11	**-**	-	-	10	-	-	-	21
Professionally qualified and experienced specialists and mid-management	176	-	-	-	486	-	-	7	669
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	441	-	-	-	963	-	-	-	1404
Semi-skilled and discretionary decision making	159	-	-	-	319	2	-	-	480
Unskilled and defined decision making	67	-	-	-	118	-	-	-	185
Total	**855**	**0**	**0**	**0**	**1896**	**2**	**0**	**7**	**2760**

Table 3.6.3 Recruitment for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management	1								1
Professionally qualified and experienced	1								1

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
specialists and mid-management									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2				4				6
Semi-skilled and discretionary decision making	2								2
Unskilled and defined decision making									
Total	**6**				**4**				**10**
Employees with disabilities									

Table 3.6.4 Promotions for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Employees with disabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Table 3.6.5 Terminations for the period 1 April 2023 to 31 March 2024

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	-	-	-	-	-	-	-	1
Senior Management	1	-	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management	5	-	-	-	14	-	-	-	19

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11	-	-	-	22	-	-	-	33
Semi-skilled and discretionary decision making	4	-	-	-	6	-	-	-	10
Unskilled and defined decision making	1	-	-	-	4	-	-	-	5
Total	**23**	**-**	**-**	**-**	**46**	**-**	**-**	**-**	**69**
Employees with Disabilities									

Table 3.6.6 Disciplinary action for the period 1 April 2023 to 31 March 2024

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Negligence and Insubordination	1	0	0	0	0	0	0	0	1
Gross Dishonesty	0	0	0	0	1	0	0	0	1
Fraud	1	0	0	0	1	0	0	0	2
Sexual harrassment	1	0	0	0	0	0	0	0	1
Assault	2	0	0	0	2	0	0	0	4
Fruitless and wasteful expenditure	1	0	0	0	0	0	0	0	1
Misuse of State Property	0	0	0	0	1	0	0	0	1

Absenteeism	1	0	0	0	0	0	0	0	1
TOTAL	**7**	**0**	**0**	**0**	**5**	**0**	**0**	**0**	**12**

Table 3.6.7 Skills development for the period 1 April 2023 to 31 March 2024

Occupational category	**Male**				**Female**				**Total**
	African	**Coloured**	**Indian**	**White**	**African**	**Coloured**	**Indian**	**White**	
Legislators, senior officials and managers	4	0	0	0	5	0	0	0	9
Professionals	103	0	0	0	245	0	0	0	348
Technicians and associate professionals	5	0	0	0	14	0	0	0	19
Clerks	11	0	0	0	25	0	0	0	36
Service and sales workers	0	0	0	0		0	0	0	
Skilled agriculture and fishery workers	0	0	0	0		0	0	0	
Craft and related trades workers	0	0	0	0		0	0	0	
Plant and machine operators and assemblers	0	0	0	0		0	0	0	
Elementary occupations	7	0	0	0	9	0	0	0	16
Total	**130**				**298**				**428**
Employees with disabilities									

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2023

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	3	2	2	100%
Salary Level 13	28	19	19	100%
Total	**32**	**22**	**22**	**100%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2024

Reasons
None

Notes

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

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2024

Reasons
None

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2023 to 31 March 2024

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male		1871.00	0.00	0.00	0.00
Female		830.00	0.00	0.00	0.00
Asian					
Male		0.00	0.00	0.00	0.00
Female		0.00	0.00	0.00	0.00
Coloured					
Male		0.00	0.00	0.00	0.00
Female		2.00	0.00	0.00	0.00
White					
Male		0.00	0.00	0.00	0.00
Female		5.00	0.00	0.00	0.00
Total	**0**	**2769**	**0**	**0**	**0**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)		196	0.00	0.00	0.00	0.00
Skilled (level 3-5)		479	0.00	0.00	0.00	0.00
Highly skilled production (level 6-8)		1476	0.00	0.00	0.00	0.00

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Highly skilled supervision (level 9-12)		586	0.00	0.00	0.00	0.00
Other		3	0.00	0.00	0.00	0.00
Contract (Levesl 1-12)		1	0.00	0.00	0.00	0.00
Contract (Levels 3-5)		3	0.00	0.00	0.00	0.00
Contract (Levels 6-8)		1	0.00	0.00	0.00	0.00
Contract (Levels 9-12)		1	0.00	0.00	0.00	0.00
Total	**0**	**2746**	**0**	**0**	**0**	**0**

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2023 to 31 March 2024

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	-	45	-	-	-
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED		9			
HUMAN RESOURCES CLERKS		13			
HOUSEHOLD AND LAUNDRY WORKERS		12			

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.		8			
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF		23			
MESSENGERS PORTERS AND DELIVERERS		23			
RISK MANAGEMENT AND SECURITY SERVICES		3			
SOCIAL SCIENCES RELATED		2			
FINANCE AND ECONOMICS RELATED		9			
LOGISTICAL SUPPORT PERSONNEL		2			
FOOD SERVICES WORKERS		2			
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS		51			
AUXILIARY AND RELATED WORKERS		78			
OTHER OCCUPATIONS		2			
LEGAL RELATED		1			
FINANCIAL AND RELATED PROFESSIONALS		27			

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
BUILDING AND OTHER PROPERTY CARETAKERS		32			
PROBATION WORKERS		18			
OCCUPATIONAL THERAPY		1			
SOCIAL SCIENCES SUPPLEMENTARY WORKERS		159			
ADMINISTRATIVE RELATED		106			
COMMUNICATION AND INFORMATION RELATED		5			
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS		62			
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	1	127	1	2	1642
LIBRARY MAIL AND RELATED CLERKS		32			
HUMAN RESOURCES RELATED		13			
FORESTRY LABOURERS		2			
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER		1			
SOCIAL WORK AND RELATED PROFESSIONALS	7	1489	1	32	4584

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
YOUTH WORKERS	1	157	1	2	1973
MATERIAL-RECORDING AND TRANSPORT CLERKS		4			
PSYCHOLOGISTS AND VOCATIONAL COUNSELLORS		2			
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS		4			
ARTISAN PROJECT AND RELATED SUPERINTENDENTS		3			
PROFESSIONAL NURSE		13			
SENIOR MANAGERS		5			
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)		1			
SPEECH THERAPY AND AUDIOLOGY		1			
LIGHT VEHICLE DRIVERS		1			
SECURITY GUARDS		1			
HEALTH SCIENCES RELATED		1			
FOOD SERVICES AIDS AND WAITERS		12			
NURSING ASSISTANTS		10			
COMMUNITY DEVELOPMENT WORKERS		305			

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
STAFF NURSES AND PUPIL NURSES		10			
Total	**9**	**2887**	**0**	**36**	**3967**

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	-	19	-	-	-	-
Band B	-	2	-	-	-	-
Band C	-	1	-	-	-	-
Band D	-	1	-	-	-	-
Total		**23**	**-**	**-**	**-**	**-**

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2023 and 31 March 2024

Salary band	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0

Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2023 and 31 March 2024

Major occupation	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
N/A	0	0	0	0	0	0

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2023 to 31 December 2024

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	1360	90	157	7.30	9	953.00
Skilled (levels 3-5)	3407	83.70	418.00	19.40	8	3438.00
Highly skilled production (levels 6-8)	8289	84	1093.00	50.60	8	14364.00
Highly skilled supervision (levels 9 -12)	3235	82.60	446.00	20.60	7	80.20

Top and Senior management (levels 13-16)	83	92.80	11	0.50	8.00	394.00
Contract (levels 1-2)	6	100	1	0.00	6	4.00
Contract (levels 3-5)	8	100	1	0.00	8	8
Contract (levels 6-8)	24	100	1	0.00	24	30
Contract other	142	42.30	32	1.50	4	31
Total	**16554**	**83.90**	**2160.00**	**100**	**8.00**	**27242.00**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	127	100	8.00	14.30	16.00	88.00
Skilled (Levels 3-5)	380	100	13.00	23.20	29.00	399.00
Highly skilled production (Levels 6-8)	957	100	20.00	35.70	48.00	1692.00
Highly skilled supervision (Levels 9-12)	253	100	14.00	25.00	18.00	611.00
Contract (level 6-8)	9	100	1.00	1.80	9.00	11.00
Total	**1726**	100	**56.00**	**100.00**	**31.00**	**2802.00**

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

Table 3.10.3 Annual Leave for the period 1 January 2023 to 31 December 2024

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	5222.25	26.00	198.00
Skilled Levels 3-5)	12654.00	25.00	514.00
Highly skilled production (Levels 6-8)	3837.80	24.00	1573.00
Highly skilled supervision(Levels 9-12)	16311.00	27.00	609.00
Senior management (Levels 13-16)	613.00	26.00	24.00
Contract (levels 1-2)	20.00	20.00	1.00
Contract (levels 3-5)	48.00	16.00	3.00

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (levels 6-8)	11.00	11.00	1.00
Contract (levels (9-12)	1.00	1.00	1.00
Contract other	976.00	21.00	46.00
Total	**74234.50**	**25.00**	**2970.00**

Table 3.10.4 Capped leave for the period 1 January 2023 to 31 December 2023

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00
Skilled Levels 3-5)	0.00	0.00	0.00	66.00
Highly skilled production (Levels 6-8)	1.00	1.00	1.00	85.00
Highly skilled supervision(Levels 9-12)	10.00	2.00	5.00	59.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00
Contract (levels 3-5)	**0.00**	**0.00**	**0.00**	0.00
Contract (levels 6-8)	**0.00**	**0.00**	**0.00**	**0.00**
Contract (levels (9-12)	**0.00**	**0.00**	**0.00**	**0.00**
Contract other	**0.00**	**0.00**	**0.00**	**0.00**
Total	**11.00**	**3.00**	**4.00**	**70.00**

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

Table 3.10.5 Leave payouts for the period 1 April 2023 and 31 March 2024

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual discounting with resignation	691.00	23.00	3043.00
Annual gratuity: Death/Retirement/Medical retirement	1364.00	26.00	52462.00
Capped gratuity: Death/Retirement/Medical retirement	2788.00	17.00	164000.00
Total	**4843.00**	**49.00**	

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Nurses Social workers General cleaners All staff	Periodical health screenings for non-communicable disease Coordination of HIV Counselling and Testing, TB and STI Screenings Periodical Occupational Health and Safety Assessment to identify potential health hazard. Health Education, Promotion and Awareness.

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr Nkanyane O P: Acting Chief Director Corporate Services
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If	X		1 Deputy Director,

Question	Yes	No	Details, if yes
so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.			5 x seconded social workers to Employee Health and Wellness. Allocated Budget for last financial year was R 100 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		The Department implement the four key pillars of the EHW Strategic Framework namely: Wellness Management which includes provision of psycho-social support, Counselling, and physical well-being of employees. Health and Productivity Management programmes which encompass the health promotion and education, mental health management and management of communicable and non-communicable disease. Occupational health and Safety (OHS) which includes hazards identification, environment assessment and compliance with statutory requirements of the OHS Act. Workplace HIV & AIDS, TB and STI which encompass HIV Counselling and Testing, TB Screening, HIV information and Awareness and Condom distribution in the workplace.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please	X		Mr Mabilu TAR, (Diversity Management), Mr Rasivumo M S, (HRM), Ms Moselana C,

Question	Yes	No	Details, if yes
provide the names of the members of the committee and the stakeholder(s) that they represent.			(Logistics), Ms Mokonyama I (Risk), Mr Tshilamulela T (Budget), Mr Mundalamo (Assets Management), Mr Machaka T S (Deputy Director : Corporate Services, Mr Hongwane B (Deputy Director Corporate Service), Ms Makgoba L (Deputy Director Corporate Service), Ms Thobejane A (Deputy Director Corporate Service), Mr Mogotlane (Labour Organisation), Ms Selamulela T (Labour organisation)
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		The Department implement the approved Transversal Human Resource Management which include HIV and AIDS Workplace policy to mitigate against unfair discrimination based on the HIV status.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		The approved Transversal HIV and AIDS Workplace policy is being applied by the Department to protect positive employees and those who have disclosed their status. Health awareness sessions which include HIV & AIDS are periodically done to empower employees on their rights and non-stigmatisation in the workplace.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		HIV Counselling and Testing (HCT) are periodically arranged for employees to know their health status. A total of 4 HCT sessions were arranged whereby 121 employees tested HIV.

Question	Yes	No	Details, if yes
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		The Department annual develop Employee Health and Wellness operational plans with specific indicators on health promotion. Quarterly and annual reports are compiled to measure performance against the operational plan indicators. The Employee Health and Wellness System Monitoring annual report is compiled which helps in measuring the implementation and support of employee health and wellness.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2023 and 31 March 2024

Subject matter	Date
None	

Total number of Collective agreements	**None**

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 and 31 March 2024

Types of misconduct	Number	% of total
Gross dishonesty	1	9%
Fraud	1	9%
Absenteeism	1	9%
Assault	1	9%
Theft	1	9%
Failure to disclose financial interests	1	9%
Divulging confidential information	1	9%
Misuse of state vehicle/property	4	36%
Total	**11**	**100%**

Notes

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

Total number of Disciplinary hearings finalised	**None**

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024

Type of misconduct	Number	% of total
Gross dishonesty	1	6%
Fraud	1	6%
Assault	**4**	**25%**
Misuse of state vehicle/property	**8**	**50%**
Absenteeism	**1**	**6%**
Theft	**1**	**6%**
Total	**16**	**100%**

Table 3.12.4 Grievances logged for the period 1 April 2023 and 31 March 2024

Grievances	Number	% of Total
Number of grievances resolved	11	73%
Number of grievances not resolved	4	27%
Total number of grievances lodged	**15**	**100%**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2023 and 31 March 2024

Disputes	Number	% of Total
Number of disputes upheld	2	67%
Number of disputes dismissed	1	33%
Total number of disputes lodged	**3**	**100%**

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

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2023 and 31 March 2024

Number of people suspended	1
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	1

Cost of suspension(R'000)	

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2023 and 31 March 2024

Occupational category	**Gender**	**Number of employees as at 1 April 20YY**	**Training needs identified at start of the reporting period**			
			Learnerships	**Skills Programmes & other short courses**	**Other forms of training**	**Total**
Legislators, senior officials and managers	Female	25	0	5	0	5
	Male	36	0	8	0	8
Professionals	Female	1386	0	115	28	143
	Male	536	0	28	10	38
Technicians and associate professionals	Female	175	0	34	0	34
	Male	102	0	11	0	11
Clerks	Female	165	0	18	0	18
	Male	83	0	12	0	12
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 20YY	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Elementary occupations	Female	160	0	33	0	0
	Male	101	0	10	0	10
Sub Total	Female	1905	0	205	28	233
	Male	885	0	69	10	79
Total		**2769**	**0**	**274**	**38**	**312**

Table 3.13.2 Training provided for the period 1 April 2023 and 31 March 2024

Occupational category	Gender	Number of employees as at 1 April 2023	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	32	0	5	0	5
	Male	40	0	4	0	4
Professionals	Female	1406	0	202	43	245
	Male	536	0	80	23	103
Technicians and associate professionals	Female	175	0	6	8	14
	Male	102	0	5	0	5
Clerks	Female	165	0	4	20	25
	Male	83	0	3	8	11
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	160	0	0	9	0
	Male	101	0	0	7	0
Sub Total	Female	1905	0	217	80	297
	Male	885	0	92	38	130
Total		**2769**	**0**	**309**	**118**	**427**

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2023 and 31 March 2024

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

3.15 Utilisation of Consultants

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

(a) The rendering of expert advice;

(b) The drafting of proposals for the execution of specific tasks; and

(c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 and 31 March 2024

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None	0	0	0

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	0	0	0

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	0	0	0

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	0	0	0

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2023 and 31 March 2024

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

PART E: PFMA COMPLIANCE REPORT

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

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	53 907	32 444
Adjustment to opening balance	-	9 405
Opening balance as restated	-	41 849
Add: Irregular expenditure confirmed	74 532	12 815
Less: Irregular expenditure condoned	(31 560)	(354)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable[1]	-	-
Less: Irregular expenditure not recoverable and written off	-	(403)
Closing balance	**96 879**	**53 907**

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	8 186	7 151
Irregular expenditure for the current year	-	-

[1] Transfer to receivables

Total	**8 186**	**7 151**

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

Description[2]	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	74 382	4 655
Total	**74 382**	**4 655**

c) Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Non- Compliance with local content	-	35
Department failed to specify minimum threshold	-	65
Procured service without completing SBD 4 form	-	12
Non-compliance to Local content and production during procurement of clothing	-	170
Non-compliance to Local content and production during procurement of clothing	-	52
Pauper Burial: SCM officials failed to detect Government official is a director of the funeral parlour	-	20
Procurement of school uniform without following proper procurement process	1 130	-
Procurement of security service through quotation instead of bid	5 393	-

[2] Group similar items

Description	2023/2024	2022/2023
	R'000	R'000
Procurement of security service through bid instead of quotation	10 109	-
Bids not submitted to AGSA for audit	2 913	-
Bids not submitted to AGSA for audit	11 603	-
Appointment of supplier without completion of declaration certificate for local content (SBD 6.2)	34	-
Appointment of supplier without completion of declaration certificate for local content (SBD 6.2)	136	-
Non-compliance to Local content and production during procurement of clothing	52	-
Non-compliance to Local content and production during procurement of clothing	170	-
Pauper Burial: SCM officials failed to detect Government official is a director of the funeral parlour	20	-
Total	**31 560**	**354**

The department incurred irregular expenditure relating to irregular appointments, the matter was brought to the attention of the department by the Office of Public Protector, and the department is in the process of implementing the recommendations.

d) Details of irregular expenditure removed - (not condoned)

Description	2023/2024	2022/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	**-**	**-**

e) Details of irregular expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	**-**	**-**

f) Details of irregular expenditure written off (irrecoverable)

Description	2023/2024	2022/2024
	R'000	R'000
Irregular expenditure written off	-	-
Total	**-**	**-**

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
N/A

Total

N/A

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)[3]

Description	**2023/2024[4]**	**2023/2024**
	R'000	**R'000**
N/A	-	-
	-	-
Total	**-**	**-**

N/A

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken

[3] Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023
[4] Amounts of irregular expenditure related to the current year must be disclosed in the annual financial statements.

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	6 056	5 905
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	7	179
Less: Fruitless and wasteful expenditure recoverable[5]	(128)	(13)
Less: Fruitless and wasteful expenditure not recoverable and written off	-	(15)
Closing balance	**5 935**	**6 056**

The department erroneously omitted to disclose one official who was overpaid grade progression in the prior year and did not acknowledge to pay the debt, it was discovered towards the end of March 2024. The department followed up with the official who happen to acknowledge the debt in the current year. Prior period error has been done on fruitless and wasteful expenditure and contingent assets.

[5] Transfer to receivables

Reconciling notes

Description	2023/2024	2022/20236
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	0
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	49
Fruitless and wasteful expenditure for the current year	7	130
Total	**7**	**179**

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

Description[7]	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	7	179
Total	**7**	**179**

c) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	128	13
Total	**128**	**13**

[6] Record amounts in the year in which it was incurred
[7] Group similar items

The department has created debts to the value of R128 thousands that are currently deducting.

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	-	15
Total	**-**	**15**

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

Disciplinary steps taken
N/A
Total

1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable[8]	-	-
Less: unauthorised not recoverable and written off[9]	-	-
Closing balance	**-**	**-**

N/A

Reconciling notes

Description	2023/2024	2022/202310
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
Total	**-**	**-**

[8] Transfer to receivables
[9] This amount may only be written off against available savings
[10] Record amounts in the year in which it occurred

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

Description[11]	2023/2024	20222023
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	**-**	**-**

N/A

1.4. Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))[12]

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	**-**	**-**

N/A

[11] Group similar items
[12] Information related to material losses must be disclosed in the annual financial statements.

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
(*Group major categories, but list material items)*	-	-
	-	-
	-	-
	-	-
	-	-
Total	**-**	**-**
N/A		

c) Other material losses recoverable

	2023/2024	2022/2023
	R'000	R'000
N/A	-	-
	-	-
	-	-
Total	**-**	**-**

d) Other material losses not recoverable and written off

Nature of losses	2023/2024	2022/2023

	R'000	R'000
IDT Independent development trust	20 417	-
	-	-
	-	-
Total	**20 417-**	**-**

IDT (advance made to IDT) The department has written off irrecoverable debts and IDT advance payments. Other debtors (bursary defaulters) These debtors relate to bursaries the department offered to students from poor households. The student unfortunately could not complete their studies and therefore owe the department. The student does not have the means to pay-off the debts. The department has impaired these debtors and referred irrecoverable debt to the debt collectors.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	11979	12 688
Invoices paid **within** 30 days or agreed period	11968	12 673
Invoices paid **after** 30 days or agreed period	11	15
Invoices older than 30 days or agreed period (***unpaid and without dispute***)	None	None

Invoices older than 30 days or agreed period (***unpaid and in dispute***)	None	None

11 invoices were affected by incorrect capturing of invoices receipts date and technical omission from the payment run.

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Supply and delivery of Stationery (Logbooks, Trip Authorities and file covers)	Government Printing Works Polokwane	Sole Supplier	Not applicable	R44,385.63
Supply and delivery of Stationery (Analysis book and file covers)	Government Printing Works Polokwane	Sole Supplier	Not applicable	R14,502.82
Supply and delivery of Stationery	Government Printing Works Polokwane	Sole Supplier	Not applicable	R32,352.95
Supply and delivery of Stationery (SWS forms)	Government Printing Works Pretoria	Sole Supplier	Not applicable	R102,235.00

Supply and delivery of Stationery (File covers)	Government Printing Works Pretoria	Sole Supplier	Not applicable	R33201.77
Supply and delivery of Stationery	Government Printing Works Pretoria	Sole Supplier	Not applicable	R27132.00
Paupers Burial	Mogodumane Funeral Parlour and Undertake	Limited bidding	Not applicable	R8,204.72
Paupers Burial	Mogodumane Funeral Parlour and Undertake	Limited bidding	Not applicable	R10,139.72
Emergency repairs at Mavambe Secure Care Centre	Come Forever General Trading	Emergency	Not applicable	R84,442.79
Paupers Burial	Markmon Group of Companies	Limited bidding	Not applicable	R14,705.48
Total				**R371 302.88**

3.2. Contract variations and expansions

3.3. Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	**R'000**	**R'000**
Provision of additional security services at Botlokwa One Stop Centre	Double Option Trading 120 (Pty) Ltd	Expansion	**DSDP 32/21**	R5,495,751.36		R801,463.76

Provision of security services at Sekutupu Old Age Home Sewerage Plant	Gija Security Services	Expansion	**DSDP 06/22**	R4,608,000.00		R384,000.00
Provision of security services at Lepelle Nkumpi Sudio 2 offices	Gija Security Services	Expansion	**DSDP 06/22**	R4,608,000.00		R384,000.00
Provision of security services at Tauetsoala Community Care Centre	Marebole Security Solutions	Expansion	**DSDP 14/22**	R9,216,000.00		R64,000.00
Provision of security services at Tauetsoala Community Care Centre	Bravospan 90 cc	Expansion	**DSDP 13/22**	R9,216,000.00		R205 056.00
Management of Shiluvana Frail Care Centre	Life Nkanyisa (Pty) Ltd	Extension	**DSDP 24/18**	R264,552,000.00	R123 901 205.90	R37 089 104.00
Provision of security services at Mamvuka Community Care Centre	Petkay Trading Enterprise	Expansion	**DSDP 21/22**	R8,640,000.00		R149,333.34
Provision of security services at Sekutupu Old Age Home Sewerage Plant	GIJA security services	Expansion	**DSDP 24/18**	R4,608,000.00	R384,000.00	R1,750,000.00
Total						**R 40 826 957.10**

PART F: FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to Limpopo Provincial Legislature on vote no. 12: Department of Social Development

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Department of Social Development set out on pages **189** to **260** which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Department of Social Development as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (DoRA).

Basis for qualified opinion

Immovable tangible capital assets

3. The department did not record all items of immovable tangible capital assets in the asset register in accordance with Chapter 11 of MCS, *Capital assets*. Buildings and other fixed structures transferred by the National Department of Social Development to the Limpopo Department of Social Development were omitted in the asset register. I was unable to obtain sufficient appropriate audit evidence that management properly accounted for immovable tangible capital assets, due to the status of the accounting records to support these assets. I was unable to confirm these assets by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the buildings and other fixed structures stated at R593 026 000 (2023: R592 307 000) in immovable tangible capital assets disclosed in note **30** to the financial statements.

Context for opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

5. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

8. As disclosed in note **31** to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of errors in the financial statements of the department at, and for the year ended, 31 March 2024.

Material losses

9. As disclosed in note **7.1** to the financial statements, material losses of R20 417 000 were incurred as a result of a write-off of irrecoverable debtors.

Other matter

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

Unaudited supplementary schedules

11. The supplementary information set out on pages **261** to **276** does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations or has no realistic alternative but to do so.

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

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

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page **184,** forms part of our auditor's report.

Report on the audit of the annual performance report

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

17. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Social welfare services	**39 - 44**	To provide integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organizations.
Children and families	**45 - 50**	Provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.

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

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives.
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included.
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. The material findings on the reported performance information for the selected programmes are as follows:

Programme 2: Social welfare services

Various indicators

22. Based on the audit evidence, the actual achievements for three indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially more. The targets were still achieved.

Indicator description	Target	Reported achievement
Number of beneficiaries reached through social and behaviour change programme	145 283	148 979
Number of beneficiaries receiving psychosocial support services	10 327	13 390
Number of beneficiaries who benefitted from DSD social Relief Programmes	2 000	7 215

Programme 3: Children and families

Various indicators

23. Based on the audit evidence, the actual achievements for seven indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially more. The targets were still achieved and/or the achievement against the target were better than reported.

Indicator description	Target	Reported achievement
Number of family members participating in family preservation services	73 628	73 135
Number of children placed in foster care	1 735	2 272
Number of children with valid foster care orders	36 571	37 543
Number of children accessing registered partial care facilities	1 591	1 983
Number of children placed in child and youth care centers	668	844
Number of children in child in youth care centres reunified with their families	83	170
Number of children reached through community-based prevention and early intervention programmed	31 390	43 612

Number of family members reunited with their families

24. An achievement of 274 was reported against a target of 219. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the achievement against the target was lower than reported.

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

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

27. The tables that follow, provide information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages **39** to **50**.

Social welfare services

Targets achieved: 63% *Budget spent: 99%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**

Number of older persons accessing residential facilities	542	529
Number of persons with disabilities accessing residential facilities	294	290
Number of implementers trained on social, and behaviour change programmes	645	601

Children and families

Targets achieved: 73% *Budget spent: 99%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of family members participating in family preservation Services	73 628	73 135
Number of family members participating in parenting programmes	42 440	35 933
Number of children in foster care re-unified with their families	37	30

Material misstatements

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 2: social welfare services as well as programme 3: children and families. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

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

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

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

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

Annual financial statements, performance and annual report

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

    Material misstatements of movable capital assets and transfers and subsidies identified by the auditors in the submitted financial statements were corrected and the supporting records were provided, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.

Strategic planning and performance management

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

Expenditure management

35. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 31 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with section 2(a) of the Preferential Procurement Policy Framework Act 5 of 2000 and treasury regulation 16A6.3 (b).

Other information in the annual report

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

37. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

38. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

39. The other information I obtained prior to the date of this auditor's report is part E of the annual report (PFMA compliance report- Irregular, fruitless and wasteful, unauthorised expenditure and material losses), and the rest of the annual report (i.e. General information, performance information, governance, human resource management and other PFMA compliance report) is expected to be made available to us after 31 July 2024.

40. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

41. When I do receive and read the rest of the other information (i.e. General information, performance information, governance, human resource management, and other PFMA compliance report), if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

42. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

43. The matters reported below are limited to the significant internal control deficiencies that resulted in qualified opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

44. The accounting officer did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.

45. The accounting officer did not ensure that steps were taken to ensure that deficiencies in internal control on performance information identified by auditors were addressed. The department developed a plan to address internal and external audit findings, but the accounting officer did not monitor adherence to the plan.

46. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information. The financial statements and annual performance report contained numerous misstatements that required corrections.

47. Compliance with laws and regulations was not adequately monitored by the accounting officer.

Other reports

48. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

49. The public protector was investigating allegations into alleged irregular appointment of certain candidates at some secured centres to positions without meeting the minimum requirements as set out in the advertisement. The investigation commenced on the 23 March 2021 and was concluded and signed off on 29 December 2023.

50. The outcome of the investigation concluded that some of the candidates who were appointed, did not meet the minimum requirements for the post as outlined in the advertisement.

51. The department is in the process of taking disciplinary action against employees who were part of the selection panel. The matter with the employees who were appointed irregularly is being perused in court.

Auditor General

Polokwane

31 July 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required

to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the] financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); Section 38(1)(d); 38(1)(h)(iii); 38(1)(j); 39(1)(a); Section 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); Section 43(1); 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.14; 6.3.1(a); 6.3.1(b); Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; Regulation 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a); Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A 6.3(e); 16A6.4; Regulation 16A6.5; 16A6.6; 16A7.1; 16A7.3; Regulation 16A7.6; 16A7.7; 16A8.2(1); 16A8.2(2); Regulation 16A8.3; ; 16A8.4; 16A9.1(b)(ii); Regulation ; 16A 9.1(d); 16A 9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 5 of 2023	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); Section 16(3)(a)(ii)(bb)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Health Act 61 of 2003	Section 13
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1

Legislation	Sections or regulations
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1;
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2;
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
State Information Technology Agency Act 88 of 1998	Section 7(3)

LIMPOPO DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE: 12

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Appropriation per programme

	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
ADMINISTRATION	355,612	27,500	(58)	383,054	380,747	2,307	99.4%	364,413	351,138
SOCIAL WELFARE SERVICES	505,618	29,875	-	535,493	531,199	4,294	99.2%	470,092	468,876
CHILDREN AND FAMILIES	682,875	(53,648)	-	629,227	625,514	3,713	99.4%	629,688	626,473
RESTORATIVE SERVICES	264,680	(6,740)	-	257,940	245,878	12,062	95.3%	209,699	201,320
DEVELOPMENT AND RESEARCH	224,871	3,013	-	227,884	221,807	6,077	97.3%	231,377	230,949
Subtotal	**2,033,656**	**-**	**(58)**	**2,033,598**	**2,005,145**	**28,453**	**98.6%**	**1,905,269**	**1,878,756**
Statutory Appropriation	2,098	-	58	2,156	2,156	-	100.0%	2,073	2,073
MEMBERS OF EXECUTIVE COUNCIL	2,098	-	58	2,156	2,156	-	100.0%	2,073	2,073
TOTAL	**2,035,754**	**-**	**-**	**2,035,754**	**2,007,301**	**28,453**	**98.6%**	**1,907,342**	**1,880,829**

	2023/24				2022/23	
	Final Budget	Actual Expenditure			Final Budget	Actual Expenditure
	R'000	R'000			R'000	R'000
Reconciliation with statement of financial performance						
ADD						
Departmental receipts	15,514				13,816	
Actual amounts per statement of financial performance (Total revenue)	**2,051,268**				**1,921,158**	
Actual amounts per statement of financial performance (Total expenditure)		**2,007,301**				**1,880,829**

LIMPOPO DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE: 12

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Appropriation per economic classification									
	2023/24							2022/23	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1,703,564	(1,129)	-	1,702,435	1,682,023	20,412	98.8%	1,594,642	1,581,114
Compensation of employees	1,360,576	(1,129)	-	1,359,447	1,356,744	2,703	99.8%	1,315,819	1,313,642
Goods and services	342,988	-	-	342,988	325,272	17,716	94.8%	278,823	267,467
Interest and rent on land	-	-	-	-	7	(7)	-	-	5
Transfers and subsidies	**307,315**	**1,129**	**-**	**308,444**	**285,277**	**23,167**	**92.5%**	**278,375**	**270,494**
Provinces and municipalities	300	-	-	300	232	68	77.3%	436	282
Departmental agencies and accounts	10,039	-	-	10,039	7,734	2,305	77.0%	7,300	7,284
Non-profit institutions	291,814	-	-	291,814	271,845	19,969	93.2%	264,028	256,355
Households	5,162	1,129	-	6,291	5,466	825	86.9%	6,611	6,573
Payments for capital assets	**24,875**	**-**	**-**	**24,875**	**19,584**	**5,291**	**78.7%**	**34,325**	**24,460**

Buildings and other fixed structures	1,744	-	-	1,744	719	1,025	41.2%	12,028	9,289
Machinery and equipment	23,131	-	-	23,131	18,865	4,266	81.6%	22,297	15,171
Payments for financial assets	-	-	-	-	20,417	(20,417)	-	-	4,761
Total	**2,035,754**	**-**	**-**	**2,035,754**	**2,007,301**	**28,453**	**98.6%**	**1,907,342**	**1,880,829**

Statutory appropriation per economic classification									
	2023/24							**2022/23**	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Economic classification									
Current payments	2,098	-	58	2,156	2,156	-	100.0%	2,073	2,073
Compensation of employees	2,098	-	58	2,156	2,156	-	100.0%	2,073	2,073
Total	**2,098**	**-**	**58**	**2,156**	**2,156**	**-**	**100.0%**	**2,073**	**2,073**

LIMPOPO DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE: 12

APPROPRIATION STATEMENT
for the year ended 31 March 2024

Programme 1: ADMINISTRATION									
	2023/24							**2022/23**	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final Budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
OFFICE OF THE MEC	10,974	(2,308)	-	8,666	8,282	384	95.6%	7,909	6,558
CORPORATE MANAGEMENT SERVICES	145,369	9,716	-	155,085	155,083	2	100.0%	157,204	146,384
DISTRICT MANAGEMENT	199,269	20,092	(58)	219,303	217,382	1,921	99.1%	199,300	198,196
Total for sub programmes	**355,612**	**27,500**	**(58)**	**383,054**	**380,747**	**2,307**	**99.4%**	**364,413**	**351,138**
Economic classification									
Current payments	**328,781**	**25,731**	**(58)**	**354,454**	**339,721**	**14,733**	**95.8%**	**327,970**	**323,175**
Compensation of employees	188,676	24,261	(58)	212,879	211,436	1,443	99.3%	206,308	205,559
Goods and services	140,105	1,470	-	141,575	128,282	13,293	90.6%	121,662	117,612
Interest and rent on land	-	-	-	-	3	(3)	-	-	4
Transfers and subsidies	**12,617**	**677**	**-**	**13,294**	**10,409**	**2,885**	**78.3%**	**10,156**	**10,046**
Provinces and municipalities	300	-	-	300	232	68	77.3%	436	272
Departmental agencies and accounts	10,039	-	-	10,039	7,734	2,305	77.0%	7,300	7,284
Households	2,278	677	-	2,955	2,443	512	82.7%	2,420	2,490

Payments for capital assets	**14,214**	**1,092**	**-**	**15,306**	**10,200**	**5,106**	**66.6%**	**26,287**	**17,917**
Buildings and other fixed structures	1,744	-	-	1,744	719	1,025	41.2%	12,028	9,289
Machinery and equipment	12,470	1,092	-	13,562	9,481	4,081	69.9%	14,259	8,628
Payments for financial assets	-	-	-	-	20,417	(20,417)	-	-	-
Total	**355,612**	**27,500**	**(58)**	**383,054**	**380,747**	**2,307**	**99.4%**	**364,413**	**351,138**

Programme 2: SOCIAL WELFARE SERVICES

	2023/24							2022/23	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
MANAGEMENT AND SUPPORT	65,083	(13,695)	-	51,388	51,168	220	99.6%	52,449	45,808
SERVICES TO OLDER PERSONS	147,640	13,919	-	161,559	160,781	778	99.5%	149,747	152,205
SERVICES TO PERSONS WITH DISABILITIES	171,469	32,995	-	204,464	201,662	2,802	98.6%	155,360	159,840
HIV AND AIDS	120,021	(2,783)	-	117,238	116,858	380	99.7%	111,502	110,184
SOCIAL RELIEF	1,405	(561)	-	844	730	114	86.5%	1,034	839
Total for sub programmes	**505,618**	**29,875**	**-**	**535,493**	**531,199**	**4,294**	**99.2%**	**470,092**	**468,876**
Economic classification									
Current payments	**406,394**	**29,866**	**-**	**436,260**	**435,601**	**659**	**99.8%**	**380,864**	**380,242**

Compensation of employees	292,763	30,769	-	323,532	323,368	164	99.9%	314,827	311,126
Goods and services	113,631	(903)	-	112,728	112,233	495	99.6%	66,037	69,116
Interest and rent on land									
Transfers and subsidies	**97,680**	**9**	**-**	**97,689**	**94,124**	**3,565**	**96.4%**	**88,992**	**83,846**
Non-profit institutions	96,399	-	-	96,399	92,967	3,432	96.4%	88,414	83,305
Households	1,281	9	-	1,290	1,157	133	89.7%	578	541
Payments for capital assets	**1,544**	**-**	**-**	**1,544**	**1,474**	**70**	**95.5%**	**236**	**27**
Machinery and equipment	1,544	-	-	1,544	1,474	70	95.5%	236	27
Payments for financial assets	-	-	-	-	-	-	-	-	4,761
Total	**505,618**	**29,875**	**-**	**535,493**	**531,199**	**4,294**	**99.2%**	**470,092**	**468,876**

Programme 3: CHILDREN AND FAMILIES									
	2023/24							**2022/23**	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
ADMINISTRATION	23,919	(1,076)	-	22,843	22,629	214	99.1%	22,761	23,369

CARE AND SERVICES TO FAMILIES	107,753	(4,000)	-	103,753	103,404	349	99.7%	99,232	98,427
CHILD CARE AND PROTECTIONS	151,053	(29,500)	-	121,553	121,357	196	99.8%	118,760	118,772
ECD AND PARTIAL CARE	114,524	(3,250)	-	111,274	111,253	21	100.0%	107,070	107,696
CHILD AND YOUTH CARE CENTRES	142,310	(764)	-	141,546	139,637	1,909	98.7%	158,632	155,929
COMMUNITY-BASED CARE SERVICES FOR CHILDREN	143,316	(15,058)	-	128,258	127,234	1,024	99.2%	123,233	122,280
Total for sub programmes	**682,875**	**(53,648)**	**-**	**629,227**	**625,514**	**3,713**	**99.4%**	**629,688**	**626,473**
Economic classification									
Current payments	**547,528**	**(46,011)**	**-**	**501,517**	**500,738**	**779**	**99.8%**	**506,713**	**505,768**
Compensation of employees	527,331	(46,435)	-	480,896	480,270	626	99.9%	486,334	485,220
Goods and services	20,197	424	-	20,621	20,468	153	99.3%	20,379	20,548
Transfers and subsidies	**134,570**	**(7,722)**	**-**	**126,848**	**123,971**	**2,877**	**97.7%**	**122,964**	**120,705**
Provinces and municipalities	-	-	-	-	-	-	-	-	10
Non-profit institutions	133,405	(8,000)	-	125,405	122,565	2,840	97.7%	121,743	119,479
Households	1,165	278	-	1,443	1,406	37	97.4%	1,221	1,216
Payments for capital assets	777	85	-	862	805	57	93.4%	11	-
Machinery and equipment	777	85	-	862	805	57	93.4%	11	-

Total	**682,875**	**(53,648)**	**-**	**629,227**	**625,514**	**3,713**	**99.4%**	**629,688**	**626,473**

Programme 4: RESTORATIVE SERVICES

	2023/24							2022/23	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
ADMINISTRATION	9,852	(3,350)	-	6,502	6,365	137	97.9%	7,340	7,341
CRIME PREVENTION AND SUPPORT	79,176	(2,595)	-	76,581	74,993	1,588	97.9%	57,039	53,665
VICTIM EMPOWERMENT	84,819	16,949	-	101,768	92,567	9,201	91.0%	79,285	75,962
SUBSTANCE ABUSE, PREVENTION AND REHABILITATION	90,833	(17,744)	-	73,089	71,953	1,136	98.4%	66,035	64,352
Total for sub programmes	**264,680**	**(6,740)**	**-**	**257,940**	**245,878**	**12,062**	**95.3%**	**209,699**	**201,320**
Economic classification									
Current payments	**228,495**	**(13,755)**	**-**	**214,740**	**211,274**	**3,466**	**98.4%**	**181,893**	**175,053**
Compensation of employees	183,143	(13,250)	-	169,893	169,547	346	99.8%	145,259	143,866
Goods and services	45,352	(505)	-	44,847	41,723	3,124	93.0%	36,634	31,186
Interest and rent on land	-	-	-	-	4	(4)	-	-	1

Transfers and subsidies	**29,645**	**8,000**	**-**	**37,645**	**29,107**	**8,538**	**77.3%**	**21,927**	**21,521**
Non-profit institutions	29,302	8,000	-	37,302	28,907	8,395	77.5%	21,589	21,184
Households	343	-	-	343	200	143	58.3%	338	337
Payments for capital assets	**6,540**	**(985)**	**-**	**5,555**	**5,497**	**58**	**99.0%**	**5,879**	**4,746**
Machinery and equipment	6,540	(985)	-	5,555	5,497	58	99.0%	5,879	4,746
Total	**264,680**	**(6,740)**	**-**	**257,940**	**245,878**	**12,062**	**95.3%**	**209,699**	**201,320**

Programme 5: DEVELOPMENT AND RESEARCH

	2023/24							2022/23	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
MNAGEMENT AND SUPPORT	158,926	11,074	-	170,000	169,988	12	100.0%	164,652	165,009
COMMUNITY MIBILISATION	311	(140)	-	171	146	25	85.4%	500	336
INSTITUTIONAL CAPACITY BUILDING AND SUPPORT	15,204	(1,346)	-	13,858	13,553	305	97.8%	14,291	13,807
POVERTY ALLEVIATION AND SUSTAINABLE LIVELIHOODS	27,521	(4,046)	-	23,475	18,373	5,102	78.3%	27,436	27,323
COMMUNITY BASED RESEARCH AND PLANNING	1,358	(858)	-	500	394	106	78.8%	2,121	2,116

APPROPRIATION STATEMENT
for the year ended 31 March 2024

YOUTH DEVELOPMENT	12,016	(1,067)	-	10,949	10,754	195	98.2%	11,341	11,309
WOMEN DEVELOMENT	5,281	(248)	-	5,033	4,701	332	93.4%	7,032	7,079
POPULATION POLICY PROMOTION	4,254	(356)	-	3,898	3,898	-	100.0%	4,004	3,970
Total for sub programmes	**224,871**	**3,013**	**-**	**227,884**	**221,807**	**6,077**	**97.3%**	**231,377**	**230,949**
Economic classification									
Current payments	**190,268**	**3,040**	**-**	**193,308**	**192,533**	**775**	**99.6%**	**195,129**	**194,803**
Compensation of employees	166,565	3,526	-	170,091	169,967	124	99.9%	161,018	165,798
Goods and services	23,703	(486)	-	23,217	22,566	651	97.2%	34,111	29,005
Transfers and subsidies	**32,803**	**165**	**-**	**32,968**	**27,666**	**5,302**	**83.9%**	**34,336**	**34,376**
Non-profit institutions	32,708	-	-	32,708	27,406	5,302	83.8%	32,282	32,387
Households	95	165	-	260	260	-	100.0%	2,054	1,989
Payments for capital assets	**1,800**	**(192)**	**-**	**1,608**	**1,608**	**-**	**100.0%**	**1,912**	**1,770**
Buildings and other fixed structures									
Machinery and equipment	1,800	(192)	-	1,608	1,608	-	100.0%	1,912	1,770
Total	**224,871**	**3,013**	**-**	**227,884**	**221,807**	**6,077**	**97.3%**	**231,377**	**230,949**

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2024

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

	2023/24 R`000	2022/23 R`000
Details	**285,277**	**270,494**

2. Detail on payments for financial assets

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

	2023-2024 R`000	2022-2023 R`000
Details	**20,417**	**4,761**

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

4.1 Per programme

Programme	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
ADMINISTRATION	**385,210**	**382,903**	**2,307**	**1%**

Explanation of variance: • Goods and services underspending is due to inability in implementing the assessed infrastructure maintenance projects and processing of payments for price adjustments for security services under contractual obligation. Building and other Infrastructure underspending on the infrastructure is due to delay by Public Works in finalizing the final accounts for completed capital projects.

SOCIAL SERVICES	**535,493**	**531,199**	**4,294**	**1%**

Explanation of variance: •The minimal underspending is due to Active Aging Programme Event which was held in fourth Quarter and the invoice could not be paid before end of March 2024.

CHILDREN AND FAMALIES	**629,227**	**625,514**	**3,713**	**1%**

Explanation of variance: The underspending is due to delay in implementing advanced quarterly payment transfers to NPOs, postponement of activities which could have required expenditure of the budget.

RESTORATIVE	**257,940**	**245,878**	**12,062**	**5%**

Explanation of variance: The underspending is due to inability to process payments for non-compliant NPOs.

DEVELOPMENT AND RESEARCH	**227,884**	**221,807**	**6,077**	**3%**

Explanation of variance: The underspending is due to the inability to process payments to non-compliant NPOs during implementation of Community Nutrition Development Centres (CNDC), for centre based feeding programme.

4.2 Per economic classification

Economic classification	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
Current payments	**1,703,564**	**1,682,023**	**21,541**	**1%**
Compensation of employees	1,359,447	1,356,744	2,703	0%
Goods and services	342,988	325,272	17,716	5%
Interest and rent on land	-	7	(7)	0%
Transfers and subsidies	**308,444**	**285,277**	**23,167**	**8%**

Provinces and municipalities	300	232	68	23%
Departmental agencies and accounts	10,039	7,734	2,305	23%
Non-profit institutions	291,814	271,845	19,969	7%
Households	6,291	5,466	825	13%
Payments for capital assets	**24,875**	**19,584**	**5,291**	**21%**
Buildings and other fixed structures	1,744	719	1,025	59%
Machinery and equipment	23,131	18,865	4,266	18%
Payments for financial assets	-	20,417	(20,417)	-

The underspending is due to inability to implement and pay assessed infrastructure maintenance projects and processing of payments for price adjustments for security services under contractual obligation as increased by R60 million mainly under property payments. Transfer payment underspent due to non-compliance by NPOs (CSD). Furthermore, payment of capital assets underspent due to delay in submission of final accounts by service providers and the implementation of finance lease increased to R5.3 million during 2023/24 Budget Adjustment.

4.3 Per conditional grant

Conditional grant	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a percentage of Final Budget %
EPWP GRANT	2,394	2,394	-	0%
SOC SEC EPWP INCENTIVE GRANT	7,038	6,952	86	1%
Total	**9,432**	**9,346**	**86**	**1%**

The one percent deviation is due to non-compliance by NPO's with regard to central supplier database.

LIMPOPO DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE: 12

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
REVENUE			
Annual appropriation	1	2,033,598	1,905,269
Statutory appropriation	2	2,156	2,073
Departmental revenue	3	15,514	13,816
TOTAL REVENUE		**2,051,268**	**1,921,158**
EXPENDITURE			
Current expenditure			
Compensation of employees	4	1,356,744	1,313,642
Goods and services	5	325,272	267,467
Interest and rent on land	6	7	5
Total current expenditure		**1,682,023**	**1,581,114**
Transfers and subsidies			
Transfers and subsidies	8	285,277	270,494
Total transfers and subsidies		**285,277**	**270,494**

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2024

Expenditure for capital assets			
Tangible assets	9	19,584	24,460
Total expenditure for capital assets		**19,584**	**24,460**
Payments for financial assets	7	20,417	4,761
TOTAL EXPENDITURE		**2,007,301**	**1,880,829**
SURPLUS/(DEFICIT) FOR THE YEAR		**43,967**	**40,329**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		**28,453**	**26,513**
Annual appropriation		28,367	26,311
Conditional grants		86	202
Departmental revenue and NRF receipts	14	15,514	13,816
SURPLUS FOR THE YEAR		**43,967**	**40,329**

LIMPOPO DEPARTMENT SOCIAL DEVELOPMENT
VOTE: 12

STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
ASSETS			
Current assets		**31,873**	**34,817**
Cash and cash equivalents	10	24,890	5,912
Prepayments and advances	11	-	13,192
Receivables	12	6,983	15,713
Non-current assets		**1,083**	**789**
Receivables	12	1,083	789
TOTAL ASSETS		**32,956**	**35,606**
LIABILITIES			
Current liabilities		**31,613**	**26,907**
Voted funds to be surrendered to the Revenue Fund	13	21,466	22,120
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	9,028	4,361
Payables	15	1,119	426
TOTAL LIABILITIES		**31,613**	**26,907**
NET ASSETS		**1,343**	**8,699**

	2023/24	2022/23

LIMPOPO DEPARTMENT SOCIAL DEVELOPMENT
VOTE: 12

STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

	Note	R'000	R'000
Represented by:			
Recoverable revenue		1,343	8,699
TOTAL		**1,343**	**8,699**

LIMPOPO DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE: 12

STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
Recoverable revenue			
Opening balance		8,699	12,235
Transfers:		**(7,356)**	**(3,536)**
Irrecoverable amounts written off	7.1	(3,794)	(4,041)
Debts revised			-
Debts recovered (included in departmental revenue)		(4,692)	(135)
Debts raised		(1,130)	(640)
Closing balance		**1,343**	**8,699**
TOTAL		**1,343**	**8,699**

LIMPOPO DEPARTMENT OF SOCIAL DEVELOPMENT
VOTE: 12

CASH FLOW STATEMENT
for the year ended 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**2,049,468**	**1,918,787**
Annual appropriation funds received	1.1	2,033,598	1,905,969
Statutory appropriation funds received	2	2,156	2,073
Departmental revenue received	3	10,412	10,745
Interest received	3.3	3,302	-
Net (increase)/decrease in net working capital		22,615	(5,545)
Surrendered to Revenue Fund		(39,954)	(82,041)
Current payments		(1,682,016)	(1,581,109)
Interest paid	6	(7)	(5)
Payments for financial assets		(20,417)	(4,761)
Transfers and subsidies paid		(285,277)	(270,494)
Net cash flow available from operating activities	16	**44,412**	**(25,168)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(19,584)	(24,460)
Proceeds from sale of capital assets	3.3	1,800	3,071
(Increase) in non-current receivables	12	(294)	(204)
Net cash flow available from investing activities		**(18,078)**	**(21,593)**

CASH FLOW STATEMENT
for the year ended 31 March 2024

CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(7,356)	(3,536)
Net cash flows from financing activities		**(7,356)**	**(3,536)**
Net increase/(decrease) in cash and cash equivalents		18,978	(50,297)
Cash and cash equivalents at beginning of period		5,912	56,209
Cash and cash equivalents at end of period	17	**24,890**	**5,912**

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1.	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	**Going concern** The financial statements have been on a going concern basis.
3.	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
4.	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	**Foreign currency translation**

	Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6.	**Comparative information**
6.1	**Prior period comparative information** Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	**Current year comparison with budget** A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7.	**Revenue**
7.1	**Appropriated funds** Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received.

	In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.
8.	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of

	payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold. Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.
8.4	**Leases**
8.4.1	**Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	**Finance leases** Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9.	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position.

	Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
10.	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments and advances are initially and subsequently measured at cost. NPOs earns prepayments when they submit their claims.
11.	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
12.	**Financial assets**
12.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
12.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
13.	**Payables**

	Payables recognised in the statement of financial position are recognised at cost.
14.	**Capital assets**
14.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
14.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
14.3	**Intangible capital assets** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

	Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
14.4	**Project costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
15.	**Provisions and contingents**
15.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
15.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not

	within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
15.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
15.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
16.	**Unauthorised expenditure** Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure recorded in the notes to the financial statements comprise of • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised incurred in the current year.
17.	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is

expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

18. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

19. Changes in accounting policies, estimates and errors

Changes in accounting policies are applied in accordance with MCS requirements.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

20. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are

	classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
21.	**Principal-Agent arrangements** The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
22.	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
23.	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
24.	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements.
25.	**Inventories** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.

26.	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
27.	**Transfer of functions** Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for the Department:

	2023/24			2022/23		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
ADMINISTRATION	383,054	383,054	-	364,413	365,113	(700)
SOCIAL WELFARE SERVICES	535,493	535,493	-	470,092	470,092	-
CHILDREN AND FAMILIES	629,227	629,227	-	629,688	629,688	-
RESTORATIVE SERVICES	257,940	257,940	-	209,699	209,699	-
DEVELOPMENT AND RESEARCH	227,884	227,884	-	231,377	231,377	-
Total	**2,033,598**	**2,033,598**	**-**	**1,905,269**	**1,905,969**	**(700)**

The department equitable share allocations was fully received. The funds not spent will be subsequently surrendered to the Provincial Treasury.

1.2. Conditional grants

	Note	2023/24 R'000	2022/23 R'000
Total grants received	32	9,432	10,435
Provincial grants included in total grants received		9,432	10,435

The decline is due to reduction of Conditional Grant budget in 2023 / 24 financial year.

2. Statutory Appropriation

	Note	2023/24 R'000	2022/23 R'000
President salary			
Member of executive council		2,156	2,073
Total		**2,156**	**2,073**
Actual Statutory Appropriation received		2,156	2,073

The R58 thousand was adjusted to defray the over expenditure on the statutory due to salary adjustment for 2022/23 financial year arrears.

3. Departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	2,646	2,189
Interest, dividends and rent on land	3.2	3,302	-
Sales of capital assets	3.3	1,800	3,071
Transactions in financial assets and liabilities	3.4	7,766	8,556
Total revenue collected		**15,514**	**13,816**

Total	**15,514**	**13,816**

An increase in sale of capital assets is due to auction done by the service provider and the write off of bursary defaulters' debtors.

3.1. Sales of goods and services other than capital assets

	Note	2023/24 R'000	2022/23 R'000
Sales of goods and services produced by the department		2,646	2,189
Sales by market establishment		1,250	838
Other sales		1,396	1,351
Total	3	**2,646**	**2,189**

The increase in sales by market establishment is due to the implementation of rentals in state houses. Other sales relate revenue from commissions on insurance.

3.2. Interest, dividends and rent on land

	Note	2023/24 R'000	2022/23 R'000
Interest		3,302	-
Total	3	**3,302**	**-**

An increase on interest is due write off of bursary defaulters debtors.

3.3. Sales of capital assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		**1,800**	**3,071**
Machinery and equipment		1,800	3,071

Total	3	**1,800**	**3,071**

An increase in sale of capital assets is due to the proceeds from auction done by the service provider.

3.4. Transactions in financial assets and liabilities

	Note	2023/24 R'000	2022/23 R'000
Other receipts including Recoverable Revenue		7,766	8,556
Total	3	**7,766**	**8,556**

The increase in transactions in financial assets and liabilities is due to interdepartmental claims received relating to prior years.

3.4.1. Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

	Note	2023/24 R'000	2022/23 R'000
	Annex 1H		
Donations		-	156
Total gifts, donations and sponsorships received in kind		**-**	**156**

The department did not receive any donation during the year under review.

4. Compensation of employees

4.1. Analysis of balance

	Note	2023/24 R'000	2022/23 R'000
Basic salary		964,466	894,328
Performance award		775	1,298
Service based		735	643
Compensative/circumstantial		7,167	6,439
Periodic payments		208	244
Other non-pensionable allowances		151,349	193,805
Total		**1,124,700**	**1,096,757**

The department settled all compensation of employees' debts, pay progression and accelerated grade progression. Department of social Development incurred expenditure of R512 thousands, on Compensative /Circumstantial services in 2023. At the end of the financial year, the department erroneously classified this expenditure as Other non- Pensionable Allowances. it was determined that the expenditure was in fact Compensative /Circumstantial and not Other non- Pensionable Allowances progression.

4.2. Social contributions

Employer contributions	Note	2023/24 R'000	2022/23 R'000
Pension		125,382	116,266
Medical		104,636	97,490
UIF		83	85
Bargaining council		223	225
Insurance		1,720	2,819
Total		**232,044**	**216,885**

Total compensation of employees	**1,356,744**	**1,313,642**
Average number of employees	2,820	2,903

The reduction in average number of employees is due to natural attrition.

5. Goods and services

	Note	2023/24 R'000	2022/23 R'000
Administrative fees		185	38
Advertising		75	1,177
Minor assets	5.1	73	491
Catering		2,776	2,681
Communication		5,300	4,869
Computer services	5.2	12,140	13,702
Consultants: Business and advisory services	5.9	336	50
Legal services		2,127	31
Contractors		45	506
Agency and support / outsourced services		113,673	68,882
Audit cost - external	5.3	8,885	8,327
Fleet services		15,895	17,804
Inventories	5.4	21,102	13,838
Consumables	5.5	8,680	6,693
Operating leases		2,094	889
Property payments	5.6	95,987	87,982
Rental and hiring		404	348
Transport provided as part of the departmental activities		28	384
Travel and subsistence	5.7	33,176	35,944
Venues and facilities		1,389	1,404
Training and development		598	893
Other operating expenditure	5.8	304	534
Total		**325,272**	**267,467**

The department had a number of accruals from prior year relating to property payments and agency and support which were paid from the current year budget.

5.1. Minor assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		**73**	**491**
Machinery and equipment		73	491
Total	5	**73**	**491**

The variance is due to budget reprioritization in line with limited resources

5.2. Computer services

	Note	2023/24 R'000	2022/23 R'000
SITA computer services		12,140	13,702
Total	5	**12,140**	**13,702**

The department had accruals and payables which were paid during 2022/23 for SITA services.

5.3. Audit cost - external

	Note	2023/24 R'000	2022/23 R'000
Regularity audits		8,885	8,327
Total	5	**8,885**	**8,327**

The variance is due to the increase in audit cost.

5.4. Inventories

	Note	2023/24 R'000	2022/23 R'000
Clothing material and accessories		4,523	1,210
Farming supplies		978	1,884
Food and food supplies		8,950	6,572
Fuel, oil and gas		717	1,018
Materials and supplies		5,934	3,154
Total	5	**21,102**	**13,838**

The increase is due to acquisition of food parcels and school uniform for HIV/AIDS and acquisition of toiletries, cleaning, material and disposable nappies for Social Development centres.

5.5. Consumables

	Note	2023/24 R'000	2022/23 R'000
Consumable supplies		3,160	2,571
Uniform and clothing		550	492
Household supplies		1,366	1,454
Building material and supplies		-	25
IT consumables		1,074	286
Other consumables		170	314
Stationery, printing and office supplies		5,520	4,122
Total	5	**8,680**	**6,693**

The increase in other consumables is due to the procurement of laptops for service delivery.

5.6. Property payments

	Note	2023/24 R'000	2022/23 R'000
Municipal services		10,567	9,987
Property maintenance and repairs		12,056	9,705
Other		73,364	68,290
Total	5	**95,987**	**87,982**

The department had a number of accruals from prior year relating to property payments and agency and support which were paid from the current year budget.

5.7. Travel and subsistence

	Note	2023/24 R'000	2022/23 R'000
Local		32,994	35,944
Foreign		182	-
Total	5	**33,176**	**35,944**

The decline is due to the implementation of austerity measures on travel and subsistence.

5.8. Other operating expenditure

	Note	2023/24 R'000	2022/23 R'000
Resettlement costs		123	234
Other		181	300

Total	5	**304**	**534**

The underspending is due to delay in implementing the 2023/24 DSD Recruitment Plan

5.9. Remuneration of members of a commission or committee of inquiry (Included in Consultants: Business and advisory services)

Name of Commission / Committee of Inquiry	Note	2023/24 R'000	2022/23 R'000
Risk management committee (14 members)		208	263
Total		**208**	**263**

Risk management committee is chaired by an external person and is the only member remunerated by the department. The department is using shared services in relation to audit committee and internal audit.

6. Interest and rent on land

	Note	2023/24 R'000	2022/23 R'000
Interest paid		7	5
Rent on land		-	-
Total		**7**	**5**

The interest paid on overdue accounts.

7. Payments for financial assets

	Note	2023/24 R'000	2022/23 R'000
Debts written off	7.1	20,417	4,761
Total		**20,417**	**4,761**

The department has written off irrecoverable Bursary defaulters debts and IDT advance payments.

7.1. Debts written off

Nature of debts written off	Note	2023/24 R'000	2022/23 R'000
Other debt written off			
Other debtors (bursary defaulters) These debtors relate to bursaries the department offered to students from poor households. The student unfortunately could not complete their studies and therefore owe the department. The student does not have the means to pay-off the debts. The department has impaired these debtors and referred irrecoverable debt to the debt collectors.		7,225	4,761
IDT (advance made to IDT)The department has written off irrecoverable Bursary defaulters debts and IDT advance payments.		13,192	-
Total		20,417	4,761
Total debt written off	7	**20,417**	**4,761**

The department has written off irrecoverable Bursary defaulters' debts and IDT advance payments. These debtors relate to bursaries the department offered to students from poor households. The student unfortunately could not complete their studies and therefore owe the department. The student does not have the means to pay-off the debts. The department has impaired these debtors and referred irrecoverable debt to the debt collectors.

8. Transfers and subsidies

	Note	2023/24 R'000	2022/23 R'000
Provinces and municipalities	33	232	282
Departmental agencies and accounts	Annex 1B	7,734	7,284
Non-profit institutions	Annex 1F	271,845	256,355
Households	Annex 1G	5,466	6,573
Total		**285,277**	**270,494**

The was significant increased on transfers to NPI on service to older person, people with disabilities, victim empowerment and community-based care for children.

9. Expenditure for capital assets

	Note	2023/24 R'000	2022/23 R'000
Tangible capital assets		**19,584**	**24,460**
Buildings and other fixed structures		719	9,289
Machinery and equipment		18,865	15,171
Total		**19,584**	**24,460**

The variance is due to budget reprioritisation for payments of maintenance projects within goods and services.

9.1. Analysis of funds utilised to acquire capital assets - Current year

	2023/24		
	Voted funds	Aid assistance	Total
Name of entity	**R'000**	**R'000**	**R'000**
Tangible capital assets	**19,584**	**-**	**19,584**
Buildings and other fixed structures	719		719
Machinery and equipment	18,865		18,865
Total	**19,584**		**19,584**

The variance is due to budget reprioritisation for payments of maintenance projects within goods and services.

9.2. Analysis of funds utilised to acquire capital assets - Prior year

	2022/23		
	Voted funds	Aid assistance	Total
Name of entity	**R'000**	**R'000**	**R'000**
Tangible capital assets	24,460		24,460
Buildings and other fixed structures	9,289		9,289
Machinery and equipment	15,171		15,171
Total	**24,460**		**24,460**

9.3. Finance lease expenditure included in Expenditure for capital assets

	Note	2023/24 R'000	2022/23 R'000

Tangible capital assets		
Machinery and equipment	6,387	5,625
Total	**6,387**	**5,625**

The variance is due to budget reprioritisation for payments of maintenance projects within goods and services.

10. Cash and cash equivalents

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General Account		27,477	14,106
Disbursements		(2,587)	(8,194)
Total		**24,890**	**5,912**

The delay in implementation of maintenance projects, and finalisation of procurement processes by Department of Public Works Road and Infrastructure.

11. Prepayments and advances

	Note	2023/24 R'000	2022/23 R'000
Advances paid (Not expensed)	11.1	-	13,192
Total		**-**	**13,192**

Analysis of Total Prepayments and advances

Current Prepayments and advances	-	13,192
Total	**-**	**13,192**

The decline in a prepayment and advance is due to write off of the advance made to IDT.

11.1. Advances paid (Not expensed)

		2023/24				
		Amount as at 1 April 2023	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
Public entities		13,192	(13,192)			
Total	11	**13,192**	**(13,192)**			

The decline in a prepayment and advance is due to write off of the advance made to IDT.

		2022/23				
		Amount as at 1 April 2022	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2023
	Note	R'000	R'000	R'000	R'000	R'000
Public entities		13,192				

Total	11	**13,192**				

The decline in a prepayment and advance is due to write off of the advance made to IDT.

12. Receivables

		2023/24			2022/23		
		Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Claims recoverable	12.1	2,541		2,541	3,397	-	3,397
Recoverable expenditure	12.2	2,451		2,451	3,032	-	3,032
Staff debt	12.3	1,625	374	1,999	1,795	163	1,958
Other receivables	12.4	366	709	1,075	7,489	626	8,115
Total		**6,983**	**1,083**	**8,066**	**15,713**	**789**	**16,502**

The variance is due to write offs of bursary defaulters' debts

12.1. Claims recoverable

	Note	2023/24 R'000	2022/23 R'000
Provincial departments		1,546	1,650
Public entities			338
Private enterprises		995	1,409
Total	12	**2,541**	**3,397**

The department has improved in terms of implementation of recoveries from NPOs.

12.2. Recoverable expenditure

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Sal Tax Debt		65	1
Sal Medical Aid :Cl		-	17
Payable Adv:P		2,171	1,893
Sal reversal		189	1,121
Pension recoverable		25	-
Sal Deduction Disallowance Acc:dom		1	-
Total	12	**2,451**	**3,032**

The decline on recoverable expenditure is due to the debts created for an overpayment on accelerated grade progression.

12.3. Staff debt

	Note	2023/24 R'000	2022/23 R'000
Group major categories, but list material items			
Staff Debt		1,999	1,958
Total	12	**1,999**	**1,958**

The material amount on staff debt relates to amount to be recovered from pension.

12.4. Other receivables

	2023/24	2022/23

	Note	R'000	R'000
Group major categories, but list material items			
Fruitless and wasteful expenditure		-	2
Non-Profit Organisation		-	484
Other debtors		1,075	7,629
Total	12	**1,075**	**8,115**

The significant decline in other receivable due to write off.

12.5. Impairment of receivables

	Note	2023/24 R'000	2022/23 R'000
Estimate of impairment of receivables		1,067	21,190
Total		**1,067**	**21,190**

The significant increase is as a result of the balance relate to R13 million advanced to Independent Development Trust (IDT) for the construction of Seshego Treatment Centre which was utilized without authorization the matter has been referred to the Minister of Public Works. The variance is due to write offs of bursary defaulters' debts

13. Voted funds to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		22,120	67,320
Prior period error			
As restated		22,120	67,320
Transferred from statement of financial performance (as restated)		28,453	26,513

Voted funds not requested/not received	1.1	-	700
Paid during the year		-29,107	-72,413
Closing balance		21,466	22,120

During the financial year 2022-2023 the department passed a manual journal on the annual financial statement to the value of R1.8 million. The transactions were relating to 3 nonprofit organization which rejected in the prior year and the year was closed before those transactions were resolved in the system. The manual journal was passed in order to correct the expenditure which was indicating that we have overpaid the organization whereas that was not the case. Therefore, the rejections were resolved in the current financial year in the system hence the prior period error. The same transaction affected the amount the department have surrendered in the prior year and the anomaly will be corrected in the current financial year.

13.1. Prior period error

Nature of prior period error	Note	**2022/23 R'000**
The prior period error relates to prior year rejection for 3 organisation which the department could not be able to resolve before the end of the financial year and the figure was resolved in the current year.		1,894
Relating to 2022/23		
Total prior period errors		**1,894**

The prior period error relates to prior year rejection for 3 organisation which the department could not be able to resolve before the end of the financial year and the figure was resolved in the current year that affected nonprofit organisations.

13.2. Reconciliation on unspent conditional grants

	Note	2023/24 R'000	2022/23 R'000
Total conditional grants received	1.2	9,432	10,435
Total conditional grants spent		-9,346	-10,233
Unspent conditional grants to be surrendered		86	202
Less: Paid to the Provincial Revenue Fund by Provincial department			-
Approved for rollover			-
Not approved for rollover			-
Due by the Provincial Revenue Fund		**86**	**202**

The decline is due to conditional grant budget reduction.

14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		4,361	173
Prior period error			
As restated		4,361	173
Transferred from statement of financial performance (as restated)		15,514	13,816
Own revenue included in appropriation		-	-
Paid during the year		-10,847	-9,628
Closing balance		**9,028**	**4,361**

The closing balance relate to revenue accruals and will be surrendered to revenue fund in the current year.

15. Payables - current

	Note	2023/24 R'000	2022/23 R'000
Amounts owing to other entities		-	54
Clearing accounts	15.1	1,119	372
Total		**1,119**	**426**

The increase on payables is due to interface timing difference.

15.1. Clearing accounts

Description	Note	2023/24 R'000	2022/23 R'000
Identify major categories, but list material items			
Sal GEHS		615	225
Sal Income tax		299	134
Sal Pension		196	13
Sal finance other institutions		9	-
Total	15	**1,119**	**372**

The increase on payables is due to interface timing difference.

16. Net cash flow available from operating activities

	Note	2023/24 R'000	2022/23 R'000
Net surplus/(deficit) as per Statement of Financial Performance		43,967	40,329
Add back non-cash/cash movements not deemed operating activities		445	-65,497
(Increase)/decrease in receivables		8,730	2,637
(Increase)/decrease in prepayments and advances		13,192	-
Increase/(decrease) in payables - current		693	-8,182
Proceeds from sale of capital assets		-1,800	-3,071
Expenditure on capital assets		19,584	24,460
Surrenders to Revenue Fund		-39,954	-82,041
Voted funds not requested/not received		-	700
Net cash flow generated by operating activities		**44,412**	**-25,168**

The increase in net Cashflow generated by operating activities is due to the decline in surrender to the revenue fund as a results of improved spending and the decreased in working capital due to debts written off and recovery of debtors.

17. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General account		27,477	14,106

Disbursements	-2,587	-8,194
Total	**24,890**	**5,912**

The department had a number of accruals from prior year relating to property payments and agency and support which were paid from the current year budget.

18. Contingent liabilities and contingent assets

18.1. Contingent liabilities

Liable to	Nature	Note	2023/24 R'000	2022/23 R'000
Claims against the department		Annex 3B	537	537
Intergovernmental payables		Annex 5	625	1,409
Total			**1,162**	**1,946**

The decline is due to legal fees paid to the department of Justice.

18.2. Contingent assets

Nature of contingent asset	Note	2023/24 R'000	2022/23 R'000
Over payment- Ditirisano trading		324	324
Stolen computers at the project Ermos trading		69	69
Vehicle Accidents districts		2,216	2,235
Overpayment of salary		-	174
Recalculated State Housing Rental 2016/17		2,567	2,529
Total		**5,176**	**5,331**

The significant amount on contingent assets relates to vehicle accidents and state housing rentals.

19. Capital commitments

	Note	2023/24 R'000	2022/23 R'000
Buildings and other fixed structures		6,263	6,563
Machinery and equipment		-	4,050
Total		**6,263**	**10,613**

The commitments for infrastructure projects that remained in the commitments are the two projects Saselemami, Mokgophoong due to the final accounts that is still to be paid.

20. Accruals and payables not recognised

20.1. Accruals

		2023/24			2022/23
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		16,381	402	16,783	36,683
Transfers and subsidies			2	2	-
Capital assets		744	443	1,187	1,386
Total		**17,125**	**847**	**17,972**	**38,069**

Listed by programme level	Note	2023/24 R'000	2022/23 R'000

Administration	9,882	13,935
Social Welfare Services	4,899	20,803
Children and Families	1,099	740
Restorative Services	1,376	2,061
Development and Research	716	530
Total	**17,972**	**38,069**

The department has done the prior period error due to the invoices for the financial year 2022-2023 which was not submitted in the prior year but was submitted in January for the leases.

20.2. Payables not recognised

		2023/24			2022/23
		30 Days	**30+ Days**	**Total**	**Total**
Listed by economic classification	Note	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		1,186		1,186	1,493
Transfers and subsidies			130	130	5,470
Capital assets		15		15	-
Total		**1,201**	**130**	**1,331**	**6,963**

		2023/24	**2022/23**
Listed by programme level	Note	**R'000**	**R'000**
Administration		144	5,104
Social Welfare Services		857	644
Children and Families		92	278
Restorative Services		225	11
Development and Research		13	926
Total		**1,331**	**6,963**

The decline is due to improved department cashflow position as most of the invoices were processed before year end.

21. Employee benefits

	Note	2023/24 R'000	2022/23 R'000
Leave entitlement		68,375	69,927
Service bonus		41,794	38,415
Capped leave		18,825	20,421
Other		47,597	45,141
Total		**176,591**	**173,904**

The employee's leave credit for annual is 22 or 30, It is up to the employees to decide when to utilize those credits between January- December, the Persal report only indicated pro rata credit of up to March 2023 hence employees who took more than the pro rata credit has negative leaves which will be cleared during the cycle to the value of R712 thousands. Programmatic penalization of leave credit due to Leave Without Pay. The disclosure of Accelerated grade progression for professionals in terms of circular no 27 of 2021 was omitted in the prior year Other employee benefits is made up of long service to the value of R687 thousands, PMDS R403 thousands, Pay Progression R27.2 million, Accelerated Grade Progression R18 million and other employee benefits to the value of R1.2 million relate to allowance leave gratuity and overtime.

22. Lease commitments

22.1. Operating leases

	2023/24

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year			194		194
Total lease commitments			**194**		**194**

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year			189		189
Total lease commitments			**189**		**189**

The lease buildings relate to office accommodation rental.

22.2. Finance leases **

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year				3,639	3,639
Later than 1 year and not later than 5 years				1,378	1,378

Total lease commitments				**5,017**	**5,017**

	2022/23				
	Specialised military equipment	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year				4,508	4,508
Later than 1 year and not later than 5 years				2,291	2,291
Total lease commitments				**6,799**	**6,799**

The leases on machinery and equipment is due to cell phones and photocopier machines.

23. Accrued departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Tax revenue			
Sales of goods and services other than capital assets		161	-
Sales of capital assets		701	-
Transactions in financial assets and liabilities		4,358	-
Total		**5,220**	**-**

The department raised R2.6 million on the auction and the service provider manage to deposit only R1.8 million before the 31 March 2024 hence the remaining balance was disclosed as accrued revenue.

23.1. Analysis of accrued departmental revenue

	Note	2023/24 R'000	2022/23 R'000
Opening balance			
Add: amounts recorded		5,220	
Closing balance		**5,220**	

The department did not write off any accrued departmental revenue.

24. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2023/24 R'000	2022/23 R'000
Irregular expenditure - current year		74,532	12,816
Fruitless and wasteful expenditure - current year		7	179
Total		**74,539**	**12,995**

The department incurred irregular expenditure relating to irregular appointments, the matter was brought to the attention of the department by the Office of Public Protector, and the department is in the process of implementing the recommendations.

25. Related party transactions

Revenue received	Note	2023/24 R'000	2022/23 R'000
Transactions in financial assets and liabilities			2,704

Total		**2,704**

Year end balances arising from revenue/payments	Note	**2023/24 R'000**	**2022/23 R'000**
Receivables from related parties		-	-346
Payables to related parties			-
Total			**-346**

In-kind goods and services (provided)/received	Note	**2023/24 R'000**	**2022/23 R'000**
List in-kind goods and services between the department and related party			
Shared Internal Audit Services		3,220	3,938
Provincial Treasury (Audit Committee)		436	428
Department of Sport Arts and Culture (shared services)		26,729	22,245
Provincial Treasury (Scanners and money detector)		313	-
Total		**30,698**	**26,611**

The Department of Health is accommodating some of the officials of Social Development at some of their institution (Clinics, Hospitals, Health Care Centres and the level of the districts). The Department of Health pays for Physical Security, water, lights, telephone municipal rate and taxes and all these services are for free. The Provincial Treasury advised both Departments to discontinue with 80/20 methodology. The department could not disclose the value of the shared services incurred by the Department of Health for 2023-2024 financial year due to the impracticability of sitting arrangements at these institutions. An amount of R 313 thousand is for scanners and money detectors transferred to the departments from Provincial Treasury.

Other related parties include Department of Education, Department of Safety Security and Liaison, Department of Co-operate Governance Human Settlement and Traditional Affairs,

Department of economic Development Environment and Tourism, Provincial Legislature, Office of the Premier, Department of Transport and the Department of Agriculture.

26. Key management personnel

	2023/24 R'000	2022/23 R'000
Political office bearers (provide detail below)	2,156	2,073
Officials:		
Level 15	2,047	1,835
Level 14	5,168	5,894
Level 9 -13	18,915	18,520
Family members of key management personnel		
Total	**28,286**	**28,322**

27. Non-adjusting events after reporting date

Nature of the event	Note	2023/24 R'000
Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made		
Incapacity leave		544
Total		**544**

The balance of R544 thousands relate to incapacity leaves that were not finalised during the financial year 2023-24 .

28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets					
	116,814		**13,618**	**11,210**	
MACHINERY AND EQUIPMENT					**119,222**
Transport assets	58,812		1,054	6,505	53,361
Computer equipment	37,050		6,079	3,160	39,969
Furniture and office equipment	12,968		1,461	562	13,867
Other machinery and equipment	7,984		5,024	983	12,025
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**116,814**	**-**	**13,618**	**11,210**	**119,222**

An amount of R 313 thousand is for scanners and money detectors transferred to the departments from Provincial Treasury. An amount of R6.3 million relates to finance lease, an

amount of R827 thousands relate to donation made by the National Department of Social Development, and an amount of R11.2 milli0n relate to disposal of assets.

Movable Tangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		31	348
Total		**31**	**348**

Asset management unit officials are currently continuing with verification to reduce this number.

28.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets					
	114,479	**-**	**9,589**	**7,254**	
MACHINERY AND EQUIPMENT					**116,814**
Transport assets	64,392		790	6,370	58,812
Computer equipment	29,470		8,161	581	37,050

Furniture and office equipment	13,069		-	101	12,968
Other machinery and equipment	7,548		638	202	7,984
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**114,479**	**-**	**9,589**	**7,254**	**116,814**

The movement relates to acquisition of assets for tools of trade and a disposal of assets sold on auction. The department did not have any prior period error recorded.

28.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					
	Specialised military assets	**Intangible assets**	**Heritage assets**	**Machinery and equipment**	**Biological assets**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Opening balance				43,065		43,065
Value adjustments						
Additions				1,003		1,003
Disposals				2,073		2,073
Total Minor assets				**41,995**		**41,995**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets						
Number of minor assets at cost				21,026		21,026
Total number of minor assets				**21,026**		**21,026**

Minor capital assets under investigation

	Note	Number	Value R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:			
Machinery and equipment		26	58

An amount of R3 thousand relate to a transfer out of the carboard still to the Department of Public Works Roads and Infrastructure amount of R930 thousands is donation relating to minor assets. Asset management unit officials are currently continuing with verification to reduce this number.

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance				44,890		44,890
Additions				647		647

Disposals				2,472		2,472
Total Minor assets				**43,065**		**43,065**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost				21,645		21,645
Total number of minor assets				**21,645**		**21,645**

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	1,732			1,732
TOTAL INTANGIBLE CAPITAL ASSETS	**1,732**			**1,732**

The department acquired software license in the prior year.

29.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1,732				1,732
TOTAL INTANGIBLE CAPITAL ASSETS	**1,732**				**1,732**

30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**592,307**	**719**		**593,026**
Non-residential buildings	589,442	719		590,161
Other fixed structures	2,865			2,865
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**592,307**	**719**		**593,026**

The department has disclosed the expenditure for completed projects.

Immovable Tangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the immovable tangible capital assets per the asset register that are under investigation:			
Buildings and other fixed structures		1	5,811
Heritage assets			
Land and subsoil assets			
Total		1	5,811

Mohlaletse One Stop Centre was built on a private land and the building is not yet under the control of the department..

30.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	583,637		8,670		592,307
Dwellings	-		-		-
Non-residential buildings	580,772		8,670		589,442
Other fixed structures	2,865		-		2,865

TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**583,637**		**8,670**		**592,307**

30.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

		2023/24			
		Opening balance 1 April 20YY	**Current Year WIP**	**Ready for use (Assets to the AR) / Contracts terminated**	**Closing balance 31 March 20ZZ**
	Note Annex 7	**R'000**	**R'000**	**R'000**	**R'000**
Buildings and other fixed structures		35,650			35,650
Total		**35,650**			**35,650**

The R35 million relate to projects that were at planning stage,

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance 1 April 2023	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2023
Note	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	35,031		619		35,650
Total	**35,031**		**619**		**35,650**

31. Prior period errors

31.1. Correction of prior period errors

		2022/23		
		Amount bef error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
Revenue: (E.g. Annual Appropriation, Departmental revenue, Aid assistance, etc.)				
Nas (financial assets and liability	NAS 3	-	4,761	4,761

Total	**-**	**4,761**	**4,761**

The department omitted to disclose the detail transactions note to Payments for financial assets on the NAS hence the correction.

		2022/23		
		Amount bef error correction	**Prior period error**	**Restated**
	Note	**R'000**	**R'000**	**R'000**
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
compensation of employees(circum)	**5**	5,927	512	6,439
compensation of employees (other non-pensionable allowance)	**5**	194,317	-512	193,805
Property Payments Municipal service	**6**	1,723	8,264	9,987
Property Payments Other	**6**	76,554	-8,264	68,290
Transfers and subsidy (nonprofit organisation)	**9**	254,461	1,894	256,355
Cash and cash equivalent (Outstanding Payments)	**11**	-6,300	-1,894	-8,194
Net effect		**526,682**		**526,682**

Department of social Development incurred expenditure of R512 thousands, on Compensative /Circumstantial services in 2023. At the end of the financial year, the department erroneously classified this expenditure as Other non- Pensionable Allowances. it was determined that the expenditure was in fact Compensative /Circumstantial and not Other non- Pensionable Allowances progression.

	2022/23

	Note	Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Intergovernmental payables	25	193	1,216	1,409
Net effect		**193**	**1,216**	**1,409**

The department erroneously pick the figure for annexure 5 interdepartmental payable for 2022 financial year instead of 2023 financial year hence the prior period error.

		2022/23		
		Amount bef error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
Other: (E.g. Unauthorised expenditure, Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
Leave entitlement	**28**	69,927	6	69,933
Irregular Expenditure	**31**	4,630	8,186	12,816
Employees benefits (Other)	**28**	29,410	15,731	45,141
Accruals	**27**	35,492	1,191	36,683
fruitless and Wasteful Expenditure	**32**	130	49	179
Contingent Assets	**25**	125	49	174
Commitments (Infrastructure)	**26**	11439	-4876	6,563
Net effect		**151,153**	**20,336**	**171,489**

- The disclosure of Accelerated grade progression for professionals in terms of circular no 27 of 2021 was omitted in the prior year.
- The department omitted accrual to the value of R 1.1 million hence the correction.

- The department erroneously omitted to disclose one official who was overpaid grade progression in the prior year and did not acknowledge to pay the debt, it was discovered towards the end of March 2024. The department followed up with the official who happened to acknowledge the debt in the current year. Prior period error has been made on fruitless and wasteful expenditure and contingent assets.
- The department incurred irregular expenditure relating to irregular appointments, the matter was brought to the attention of the department by the Office of Public Protector, and the department is in the process of implementing the recommendations.
- The corrections on leave entitlement relate to audit findings for prior year which was not corrected during the audit.
- The department during the audit discovered that the commitments to the value of R4.8 million was not supposed to have been disclosed as commitments.

32. Statement of conditional grants received

	2023/24									2022/23	
	GRANT ALLOCATION					SPENT					
	Division of Revenue Act / Provincial grants	Roll overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under- / (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act / Provincial grants	Amount spent by depart-ment
Name of grant	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**
EPWP INTERGRATED GRANT FOR PROV	2,652			-258	2,394	2,394	2,394	-	100.0%	2,570	2,371
SOC SEC EPWP INCENTIVE GRANT	7,581			-543	7,038	7,038	6,952	86	98.8%	7,865	7,862
TOTAL	**10,233**	**-**	**-**	**-801**	**9,432**	**9,432**	**9,346**	**86**		**10,435**	**10,233**

33. Statement of conditional grants and other transfers paid to municipalities

	2023/24							2022/23	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Capricorn district municipality	200		-100	100	89			202	100
Mopani District Municipality	50			50	40			46	43
Sekhukhune District Municipality	50			50	33			42	51
Vhembe district Municipality	50			50	48			58	58
Waterberg District Municipality	50			50	22			35	30
TOTAL	**400**	**-**	**-100**	**300**	**232**	**-**	**-**	**383**	**282**

34. Natural disaster or relief expenditure

	Note	2023/24 R'000	2022/23 R'000
Goods and services			621
Total	Annex 11		**621**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2023/24											2022/23	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by depart-ment	Amount spent by depart-ment	Unspent funds	% of available funds spent by depart-ment	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Capricorn district municipality	200		(100)	100	89							202	100
Mopani District Municipality	50			50	40							46	43

Sekhukhune District Municipality	50			50	33						42	51
Vhembe district Municipality	50			50	48						58	58
Waterberg District Municipality	50			50	22						35	30
TOTAL	**400**	**-**	**(100)**	**300**	**232**	**-**	**-**	**-**	**-**	**-**	**383**	**282**

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2023/24						2022/23	
	TRANSFER ALLOCATION				TRANSFER			
Departmental Agency or Account	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Health and Welfare Sita	10,039			10,039	7,734	77.0%	7,300	7,284
TOTAL	**10,039**	**-**	**-**	**10,039**	**7,734**		**7,300**	**7,284**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

ANNEXURE 1F

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	2023/24						2022/23	
	TRANSFER ALLOCATION				EXPENDITURE			
Non-profit institutions	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Services to older person	31,352		(1,500)	29,852	29,372	98.4%	26,145	25,478
Services to persons with disabilities	28,768		1,500	30,268	27,609	91.2%	23,989	22,816
HIV and AIDS	36,279			36,279	35,986	99.2%	38,280	35,011
Care and support services to Families	19,331			19,331	19,141	99.0%	19,072	18,952
Child and Youth Care	34,019		(2,000)	32,019	30,332	94.7%	30,906	30,002
Community Based Care for children	80,055		(6,000)	74,055	73,092	98.7%	71,765	70,525
Crime Prevention and support	3,228			3,228	3,228	100.0%	3,228	3,228
Victim empowernment	20,674		8,000	28,674	20,700	72.2%	13,809	13,541

Substance Abuse Prevention & Rehabilitation	5,400			5,400	4,979	92.2%	4,552	4,415
Institutional capacity	3,057			3,057	3,045	99.6%	3,881	3,951
Poverty Alleviation	19,882			19,882	14,793	74.4%	21,401	19,442
Youth Development	5,911			5,911	5,911	100.0%	3,000	3,100
Women Development	3,858			3,858	3,657	94.8%	4,000	4,000
Social Relief	-			-				
TOTAL	**291,814**	**-**	**-**	**291,814**	**271,845**		**264,028**	**254,461**

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for the year ended 31 March 2024

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2023/24						2022/23	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
H/H Empl S/Ben:Injury on Duty	843			843	389	46.1%	1,150	423
H/H Empl s/benLeave Gratuit	4,319			4,319	5,077	117.6%	3,453	6,150
TOTAL	**5,162**	**-**	**-**	**5,162**	**5,466**		**6,611**	**6,573**

ANNEXURE 1H
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2023/24 R'000	2022/23 R'000
Gifts			
Total gifts			
Donations			
Donation Received			156
Total donations			**156**
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED			**156**

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ANNEXURE 1K

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Other	900	2,486	65,047	4,330	46,616	5,104	26,647	52,949	7,699	9,841	37,223	13,506	272,348
TOTAL	**900**	**2,486**	**65,047**	**4,330**	**46,616**	**5,104**	**26,647**	**52,949**	**7,699**	**9,841**	**37,223**	**13,506**	**272,348**

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Allegation that the Department published defamatory statements about the plaintiff (Mphahlele and Mbambo)	100				100
MVA: Mohoto collided with Lubisi and caused damages to the value of R5 060	50				50
MVA: Employee(Masithulela) collided with the car of Mr Mutsila thereby alleged causing damages to his car. The officer was on duty by the time of accident	39				39
Alleged that minister promise to provide the plaintiff with food and cash payment of R3000	3				3
Alleged that the Department Of Social Development did not pay the Service provider DEVELOPNOMIC PTY LTD as per Oder that was issued	12				12
GJ DE klerk/ MEC: MVA: State vehicle collided with a third party vehicle. Summons issued. State attorney filed notice to defend	48				48

D Mundzhedzi vs MEC MVA: State vehicle collided with third party vehicle.summons issued state attorney filled notice to defend	22				22
Rasemate Johannes Nkoana / MEC for Motor Vehicle Accident	100				100
Ndimande M.M // Phillip Komane	62				62
Nkogatse P // MEC DSD	101				101
Allegation that the Department published defamatory statements about the plaintiff (Mphahlele and Mbambo)	100				100
TOTAL	**537**				**537**

ANNEXURE 4
CLAIMS RECOVERABLE

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23 *	
Government entity	**31/03/2024**	**31/03/2023**	**31/03/2024**	**31/03/2023**	**31/03/2024**	**31/03/2023**	**Receipt date up to six (6) working days after year end**	**Amount**

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for the year ended 31 March 2024

	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
National Daprtment of Justice			43		43	-		
limpopo sport Arts and culture					-	-		
Limpopo Education				283	-	283		
LP Public Works			79	933	79	933		
Mpumalanga Social Development					-	-		
National department of social development					-	-		
LP Premier			114		114	-		
Gauteng Social Development			118	66	118	66		
Gauteng Health					-	-		
LP Agriculture								
TOTAL	**-**	**-**	**354**	**1,328**	**354**	**1,328**		

ANNEXURE 5
INTERGOVERNMENT PAYABLES

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 20YY/ZZ *	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
LP Education			35	-	35	-		
LP Department of justice			279	-	279	-		
Gauteng Social Development			158	132	158	132		
Gauteng Health				62	-	62		
Agriculture Land Reform Rural Development			153		153	-		
TOTAL INTERGOVERNMENT PAYABLES			**625**	**194**	**625**	**194**		

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

ANNEXURE 6
INVENTORIES

Inventories for the year ended 31 March 2024	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Total R'000
Opening balance	4,463	1,367	6,040	-	11,870
Add/(Less: Adjustments to prior year balances	(1,764)	(535)	(5,738)	16	(8,021)
Add: Additions/Purchases - Cash	6,653	4,523	8,949	977	21,102
Add: Additions - Non-cash					-
(Less): Disposals					-
(Less): Issues	(4,593)	(4,602)	(8,763)	(987)	(18,945)
Add/(Less): Received current, not paid; (Paid current year, received prior year)	(229)	(7)	(136)	-	(372)
Add/(Less): Adjustments					-
Closing balance	**4,530**	**746**	**352**	**6**	**5,634**

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for the year ended 31 March 2024

Inventories for the year ended 31 March 2023	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Total R'000
Opening balance	2,515	337	157	-	3,009
Add/(Less: Adjustments to prior year balances	33		90		123
Add: Additions/Purchases - Cash	4,172	1,210	6,572	1,884	13,838
Add: Additions - Non-cash					-
(Less): Disposals					-
(Less): Issues	(2,257)	(180)	(779)	(1,378)	(4,594)
Add/(Less): Received current, not paid; (Paid current year, received prior year)				(506)	(506)
Add/(Less): Adjustments					-
Closing balance	**4,463**	**1,367**	**6,040**	**-**	**11,870**

ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**35,650**			**35,650**
Non-residential buildings	35,650			35,650
TOTAL	**35,650**			**35,650**

Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	35,031		619		35,650
Non-residential buildings	35,031		619		35,650
TOTAL	**35,031**		**619**		**35,650**

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2024

ANNEXURE 11

NATURAL DISASTER OR RELIEF EXPENDITURE
Per quarter and in total

Expenditure per economic classification	2023/24					2022/23
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees						
Goods and services						**621**
Consumable supplies						621
TOTAL NATURAL DISASTER OR RELIEF EXPENDITURE						**621**