



Western Cape  
Government



Provincial Treasury

Annual Report  
2024/25



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Provincial Treasury**

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**2024/25**

Provincial Treasury

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**PR 291/2025**  
**ISBN: 978-1-83491-138-0**

# PROVINCIAL TREASURY

## Annual Report

2024/25

**Ms D Baartman**

**Minister of Finance**

I have the honour of submitting the Annual Report of Provincial Treasury for the period 1 April 2024 to 31 March 2025.



**JULINDA GANTANA**  
**ACCOUNTING OFFICER**

**DATE:** 29 August 2025



# Contents

<b>PART A: GENERAL INFORMATION</b> .....	<b>1</b>
1. DEPARTMENTAL GENERAL INFORMATION.....	3
2. LIST OF ABBREVIATIONS/ACRONYMS .....	4
3. FOREWORD BY THE MINISTER.....	9
4. REPORT OF THE ACCOUNTING OFFICER .....	11
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT.....	21
6. STRATEGIC OVERVIEW .....	22
6.1 Vision.....	22
6.2 Mission.....	22
6.3 Values .....	22
7. LEGISLATIVE AND OTHER MANDATES .....	23
8. ORGANISATIONAL STRUCTURE .....	26
9. ENTITIES REPORTING TO THE MINISTER .....	27
<b>PART B: PERFORMANCE INFORMATION</b> .....	<b>29</b>
1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES .....	31
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE .....	31
2.1 Service delivery environment .....	31
2.2 Service Delivery Improvement Plan (SDIP) .....	33
2.3 Organisational environment.....	40
2.4 Key policy developments and legislative changes.....	44
3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOME .....	45
3.1 Progress towards the achievement of the departmental impact.....	45
3.2 Progress towards the achievement of the departmental outcomes .....	48
4. PERFORMANCE INFORMATION BY PROGRAMME.....	56
4.1 Programme 1: Administration .....	56
4.2 Programme 2: Sustainable Resource Management .....	59
4.3 Programme 3: Asset Management.....	70
4.4 Programme 4: Financial Governance.....	75

5.	TRANSFER PAYMENTS.....	81
5.1	Transfer payments to public entities .....	81
5.2	Transfer payments to all organisations other than public entities.....	82
6.	CONDITIONAL GRANTS.....	83
6.1	Conditional grants and earmarked funds paid .....	83
6.2	Conditional grants and earmarked funds received.....	86
7.	DONOR FUNDS.....	86
7.1	Donor Funds Received .....	86
8.	CAPITAL INVESTMENTS.....	86
8.1	Capital investment, maintenance and asset management plan .....	86
	<b>PART C: GOVERNANCE .....</b>	<b>87</b>
1.	INTRODUCTION .....	89
2.	RISK MANAGEMENT.....	89
3.	FRAUD AND CORRUPTION.....	93
4.	MINIMISING CONFLICT OF INTEREST.....	94
5.	CODE OF CONDUCT.....	95
6.	HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES.....	95
7.	PORTFOLIO COMMITTEES.....	96
8.	STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) RESOLUTIONS.....	100
9.	PRIOR MODIFICATIONS TO AUDIT REPORTS .....	101
10.	INTERNAL CONTROL .....	101
11.	INTERNAL AUDIT AND AUDIT COMMITTEES .....	102
11.1	Internal Audit Function (IAF) .....	102
11.2	Audit Committee .....	104
12.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION .....	109
	<b>PART D: HUMAN RESOURCE MANAGEMENT.....</b>	<b>111</b>
1.	INTRODUCTION .....	113
2.	STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT .....	114
2.1	Departmental Workforce Planning Priorities .....	114
2.2	Employee Performance Management.....	115
2.3	Employee Wellness.....	115
2.4	People Management Monitoring .....	115

3.	PEOPLE MANAGEMENT OVERSIGHT STATISTICS .....	116
3.1	Personnel related expenditure .....	116
3.2	Employment and vacancies .....	118
3.3	Job evaluation .....	119
3.4	Employment changes .....	121
3.5	Employment equity .....	124
3.6	Signing of Performance Agreements by SMS members .....	128
3.7	Filling of SMS posts .....	129
3.8	Employee performance .....	130
3.9	Foreign workers.....	132
3.10	Leave utilisation for the period 1 January 2024 to 31 December 2024 .....	132
3.11	Health Promotion Programmes, including HIV and AIDS .....	134
3.12	Labour relations.....	137
3.13	Skills development.....	139
3.14	Injury on duty .....	140
3.15	Utilisation of consultants .....	140
	<b>PART E: PFMA COMPLIANCE REPORT .....</b>	<b>145</b>
1.	Irregular, Fruitless and Wasteful, Unauthorised Expenditure and Material Losses .....	147
1.1	Irregular Expenditure.....	147
1.2	Fruitless and Wasteful Expenditure .....	149
1.3	Unauthorised Expenditure .....	151
1.4	Additional Disclosure Relating to Material Losses in terms of PFMA Section 40(3)(b)(i) & (iii) .....	151
2.	Late and/or Non-Payment of Suppliers.....	153
3.	Supply Chain Management .....	153
	<b>PART F: FINANCIAL INFORMATION .....</b>	<b>159</b>





**GENERAL  
INFORMATION  
PART A**



# PART A: GENERAL INFORMATION

## 1. DEPARTMENTAL GENERAL INFORMATION

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## 2. LIST OF ABBREVIATIONS/ACRONYMS

4IR	Fourth Industrial Revolution
A	African
ACFS	Annual Consolidated Financial Statements
ACG (CS)	Associate of Chartered Governance Institute (Chartered Secretary)
AEPRE	Adjustments Estimates of Provincial Revenue and Expenditure
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AIDS	Acquired Immunodeficiency Syndrome
AM	Asset Management
ANA	Assessment Needs Analysis
AO	Accounting Officer
AOS	Accounting Officer System
APM	Application Portfolio Management
APP	Annual Performance Plan
ATR	Application Transformation Readiness
BAS	Basic Accounting System
B-BBEE	Broad-Based Black Economic Empowerment
BCom	Bachelor of Commerce
BCompt	Baccalaureus Computationis
BEE	Black Economic Empowerment
BFI	Budget Facility for Infrastructure
BI	Business Intelligence
BIDM	Business Information and Data Management
BMC	Baseboard Management Controller
BProc	Baccalaureus Procurationis
C	Coloured
CA	Chartered Accountant
CA (SA)	Chartered Accountant (South Africa)
CAE	Chief Audit Executive
CBAC (SA)	Chartered Business Accountant – Commerce (South Africa)
CD	Chief Director
CDP	Career Development Plan
Cel	Centre for e-Innovation
CFO	Chief Financial Officer
CGRO	Corporate Governance Review and Outlook
CoE	Compensation of Employees
COSS	Cost of Supply Studies
COVID-19	Coronavirus Disease 2019
CPM	Cost Per Mille
CRISC®	Certified in Risk and Information Systems Control
CRO	Chief Risk Officer
CSD	Central Supplier Database
CTA	Certificate in the Theory of Accounting
CTR	Click-Through Rate

DCAS	Department of Cultural Affairs and Sport
DDG	Deputy Director-General
DEA&DP	Department of Environmental Affairs and Development Planning
DES	Departmental Evaluation System
DLG	Department of Local Government
DOI	Department of Infrastructure
DoRA	Division of Revenue Act (annual)
DotP	Department of the Premier
DPSA	Department of Public Service and Administration
EAMS	Enterprise Asset Management System
EAP	Employee Assistance Programme
EE	Employment Equity
EHW	Employee Health and Wellness
ELS	Evergreen Legacy System
EPRE	Estimates of Provincial Revenue and Expenditure
ePS	Electronic Procurement Solution
eSCM	Electronic Supply Chain Management
ERM	Enterprise Risk Management
ERMCO	Enterprise Risk Management Committee
ERMP	Enterprise Risk Management Policy
ERMS	Enterprise Risk Management Strategy
FASSET	Finance and Accounting Services Sector Education and Training Authority
FFSS	Future Fit Skills Strategy
FMCMM	Financial Management and Capability Maturity Model
FRP	Financial Recovery Plan
FY	Financial Year
G2G	Government to Government
G4J	Growth for Jobs
GG	Government Garage
G, I & C	Governance, Innovation and Culture
GMT	Government Motor Transport
GPSSBC	General Public Service Sector Bargaining Council
GRAP	Generally Recognised Accounting Practice
GRPBMEAF	Gender-Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing
GTAC	Government Technical Advisory Centre
HCT	HIV & AIDS Counselling and Testing
HDI	Historically Disadvantaged Individuals
HIRA	Hazard Identification and Risk Assessment
HIV	Human Immunodeficiency Virus
HoD	Head of Department
HRDC	Human Resource Development Committee
I	Indian
IA	Internal Audit
IAF	Internal Audit Function
ICG	Innovation, Culture and Governance
ICT	Information and Communication Technology

IDMS	Infrastructure Delivery Management System
IESBA	International Ethics Standards Board for Accountants
IFMS	Integrated Financial Management System
IFS	Integrated Financial Systems
ILSF	Individually Linked Savings Facility
IPPF	International Professional Practices Framework
IRM	Infrastructure Reporting Model
ISA	International Standards on Auditing
IT	Information Technology
ITSM	Information Technology Service Management
IWFSA	International Women's Forum of South Africa
IYM	In-year Monitoring
KPI	Key Performance Indicator
LG	Local Government
LG SCM	Local Government Supply Chain Management
LGBO	Local Government Budget Office
LGF	Local Government Finance
LGPF	Local Government Public Finance
LOGIS	Logistical Information System
LRA	Labour Relations Act, 1995 (Act 6 of 1995)
Ltd	Limited
M&E	Monitoring and Evaluation
MAF	Municipal Accounting Forum
MBA	Master of Business Administration
MCS	Modified Cash Standard
MEC	Member of the Executive Council
MERO	Municipal Economic Review and Outlook
MFMA	Municipal Finance Management Act, 2003 (Act 56 of 2003)
MFSI	Municipal Financial Sustainability Index
MMC	Municipal Minimum Competence
MoA	Memorandum of Agreement
MS	Microsoft
MSA	Local Government Municipal Systems Act, 2000 (Act 32 of 2000)
mSCOA	Municipal Standard Chart of Accounts
MTBPC	Medium Term Budget Policy Committee
MTBPS	Medium Term Budget Policy Statement
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTP	Master Tax Practitioner
N/A	Not Applicable
ND	National Diploma
NDP	National Development Plan
NERSA	National Energy Regulator of South Africa
NT	National Treasury
NTI	National Treasury Instruction
NTR	National Treasury Regulation

OAG	Office of the Accountant-General
OAPMII	Overview of the Adjusted Provincial and Municipal Infrastructure Investment
OFA	Occupational Functional Assessment
OHAS	Occupational Health and Safety
OPMII	Overview of Provincial and Municipal Infrastructure Investment
OPRE	Overview of the Provincial Revenue and Expenditure
PAA	Public Audit Act
PAY	Premier's Advancement of Youth
PCC	Procurement Client Centre
PDIA	Problem Driven Iterative Adaptation
PDO	Predetermined Objectives
PDR	Procurement disclosure report
PDS	Professional Development Summary
PERMIS	Performance Management Information System
PERMPS	Provincial Enterprise Risk Management Policy and Strategy
PERO	Provincial Economic Review and Outlook
PERSAL	Personnel and Salary Administration System
PES	Provincial Equitable Share
PFMA	Public Finance Management Act, 1999 (Act 1 of 1999)
PFS	Provincial Forensic Services
PG	Provincial Government
PG SCM	Provincial Government Supply Chain Management
PGBO	Provincial Government Budget Office
PGDA	Post Graduate Diploma in Accounting
PILIR	Policy on Incapacity Leave and Ill-Health Retirement
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
PPR	Procurement Policy and Regulations
PRF	Provincial Revenue Fund
PSC	Public Service Commission
PSCBC	Public Service Commission Bargaining Council
PSP	Provincial Strategic Plan
PSR	Public Service Regulations
PT	Provincial Treasury
PTI	Provincial Treasury Instruction
Pty	Proprietary
PwC	PricewaterhouseCoopers Incorporated
PwD	Persons with Disabilities
QAIP	Quality Assurance and Improvement Program
QAR	Quality Assurance Review
QLC	Quantum Leap Consulting
QPR	Quarterly Performance Report
RA (SA)	Designation of the Independent Regulatory Board of Auditors
RBM&E	Results-based Monitoring and Evaluation
RFQ	Request for Quotation
RMMC	Revenue Management Master Class

RWOPS	Remunerative Work Outside the Public Service
SA	South Africa
SABC	South African Broadcasting Corporation
SAICA	South African Institute of Chartered Accountants
SALGA	South African Local Government Association
SARS	South African Revenue Service
SCA	Supreme Court of Appeal
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDBIP	Service Delivery and Budget Implementation Plan
SDIP	Service Delivery Improvement Plan
SDM	Service Delivery Model
SEB	Supplier Evidence Bank
SEO	Strategic Execution Office
SEP	Socio-economic Profile
SHERQ	Safety, Health, Environment, Risk and Quality
SIFS	Supporting and Interlinked Financial Systems
SIME	Strategic Integrated Municipal Engagement
SIP	Strategic Infrastructure Project
SITA	State Information Technology Agency
SMS	Senior Management Service
SOMS	Strategic Operational Management Support
SOP	Standard Operating Procedure
SP	Strategic Plan
SPLUMA	Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)
SQA	Status Quo Assessment
STEERCOM	Steering Committee
STI	Sexually Transmitted Infection
STS	Standard Transfer Specification
T/A	Trading as
TB	Tuberculosis
TID	Token Identifier
TIME	Technical Integrated Municipal Engagements
ToR	Terms of Reference
TV	Television
U-AMP	User immovable Asset Management Plan
UIF&W	Unauthorised, irregular, fruitless and wasteful
VAT	Value-Added Tax
W	White
WC FMCG	Western Cape Financial Management Capability Grant
WC	Western Cape
WCED	Western Cape Education Department
WCG	Western Cape Government
WCGRB	Western Cape Gambling and Racing Board
WCSEB	Western Cape Supplier Evidence Bank
X	Twitter

### 3. FOREWORD BY THE MINISTER

As we close out the 2024/25 financial year, I am proud to present the Annual Report for the 2024/25 financial year (FY). It has been a year of focused delivery, shaped by my Ministerial values focused on Fairness, Value for Money, Innovation, and Trust, and it encapsulates the dedication and commitment of the Provincial Treasury (PT) team in navigating the complex and challenging economic landscape we have faced.

Together with the Accounting Officer, Julinda Gantana, and a dedicated Treasury team, we have worked to ensure that public funds are managed with integrity, that residents see meaningful impact from government spending, that our systems support long-term financial sustainability, and that we rise to the challenge with resilience and innovation.



**Ms Deidré Baartman**  
**Minister of Finance**

Promoting trust through transparency and accountability, the Provincial Treasury published three (3) major research publications this year:

- (1) the Provincial Economic Review and Outlook (PERO);
- (2) the Municipal Economic Review and Outlook (MERO); and
- (3) for the first time ever, a Local Government Budget Performance Review assessing all 30 municipalities.

These data-driven tools help departments and municipalities budget better and deliver smarter.

We tabled two (2) provincial budgets - the Adjustment Budget, which prioritised disaster relief and frontline services, and the Main Budget, which laid out a bold R270 billion plans over three (3) years to grow the economy and create jobs. When National Treasury requested provinces to retable their budgets later in the year, we maintained stability and certainty by making no changes to our main budget.

The strategic focus of the Department has been to support the Western Cape Government's (WCG) vision for growth and development, while also ensuring that our municipalities have the financial stability and guidance that they need to deliver essential services to their communities. We have worked tirelessly to strengthen our supply chain management (SCM) practices, enhance our infrastructure investment strategies, and improve our revenue collection and management.

Looking ahead, we will continue to prioritise the implementation of the Public Finance Management Act (PFMA) and the Municipal Finance Management Act (MFMA), with a keen focus on reducing unauthorised, irregular, fruitless, and wasteful expenditure. We will also deepen our integration with key partners and enhance our support for municipalities, particularly those that are financially vulnerable.

Our interventions in local government were strategic and impactful:

- In Theewaterskloof, we provided urgent support to restore financial order.

- In Beaufort West, our intervention escalated from Stage 1 to Stage 2 to support governance and service delivery.
- In Kannaland, we helped develop and adopt a Section 154 Support Plan and a Financial Recovery Plan, a significant milestone for fiscal recovery.

We remain proud of our clean audit culture. For the year under review, 26 municipalities received unqualified audits, of which 20 received clean audits, and 13 provincial departments and 11 public entities received unqualified audits.

The Provincial Treasury lobbied National Treasury for updates to the Provincial Equitable Share formula, which currently disadvantages high-growth provinces like the Western Cape. While data updates were implemented, we continue to advocate for a full formula review to ensure a fairer allocation of national resources, in line with provinces' population and economic growth.

The Provincial Treasury supported departments in securing infrastructure funding from National, first for Education, and later provisional funding for Health, ensuring our growing population receives the services it needs.

Every milestone we've achieved reflects not just the work of Treasury, but the aspirations and efforts of communities, businesses, and municipalities across the Province.

I would like to extend my gratitude to the entire Provincial Treasury team, led by the Accounting Officer, Julinda Gantana, for their unwavering commitment to transparency, accountability, and the highest standards of financial management. Your efforts have been instrumental in securing our 12<sup>th</sup> consecutive unqualified audit, a testament to our team's professionalism and the robustness of our financial governance systems.

I am confident that the Provincial Treasury will remain a reliable and enabling partner in driving service delivery and contributing to the prosperity of the WC. As we move forward, let us remain steadfast in our commitment to the Batho Pele principles, serving our people with dignity and respect.

I invite you to join me in celebrating the achievements of the past year and to renew our commitment to the future of our Province.



**Deidré Baartman**  
**Western Cape Minister of Finance**  
**Date:** 29 August 2025

## 4. REPORT OF THE ACCOUNTING OFFICER

### Overview of operations

The Provincial Treasury aimed to be a responsive and inclusive entity that enabled positive change in the lives of Western Cape residents. It promoted resident-centered governance, sustainable service delivery, and innovation to improve public sector capacity and financial stewardship. The 2024/25 financial year was multifaceted due to South Africa's seventh (7<sup>th</sup>) Administration being formed under the Government of National Unity (GNU) and challenging due to global and local factors such as fiscal constraints, increasing demands for services, geopolitical risks, and political instability. Internally, the Department faced talent retention and skills shortages.

Despite these challenges, PT stood steadfast in its vision to be an enabler and reliable partner while maintaining transparency and efficiency. The departmental strategic priorities remained consistent, serving as pivotal drivers for the Provincial Strategic Plan (PSP) and the Western Cape Recovery Plan during the last year of the 2019 - 2024 Strategic Plan.

The Provincial Treasury ensured the efficient management of provincial and municipal financial resources, and promoted accountability and financial governance within departments, entities, and municipalities. It partnered with the Western Cape Government (WCG) Centre for e-Innovation to strengthen financial system applications and established the Provincial Treasury Data Centre (PTDC) for data-driven decision-making.

### Integrated Provincial Governance

Integrated and coordinated planning and budgeting processes remain at the forefront of PT's strategy. This approach is designed to be responsive to potential risks and aligned with budgetary priorities.

During the 2024/25 FY, the WCG implemented a three-phased approach to the 2025 Budget process, spanning from June 2024 to March 2025. This process focused on evidence-based planning, immediate-term budget reforms, and longer-term budget planning. Provincial Top Management and Technical Provincial Budget Engagements were held to agree on budget policy focus areas and identify fiscal and service delivery risks. The budget policy focus areas (themed PPBEs) included Climate Change and Disaster Management, Infrastructure Pipeline and Spatial Planning, Violence Prevention and Community Safety, and Youth Development. These areas focused on transversal aspects where Votes' plans and budgets converge and where inter-departmental coordination and cooperation are needed over the immediate to short term, medium term, and long-term to drive the delivery of the Provincial Strategic Plan (PSP) 2025 - 2030.



**Julinda Gantana**  
**Accounting Officer**  
**Provincial Treasury**

In its efforts to improve Provincial own revenue, the PT conducted various research projects aimed at identifying additional revenue streams for the province such as an analysis for potential taxes/charges under new legislative schemes, research to guide the formulation of the provincial budget, informing recommendations for budget allocations aligned with strategic priorities, and completed the Fiscal Futures project.

### **Effective Local Government**

In line with PT's commitment to ensuring transparency and accountability in the management of public finances, the new Western Cape Local Government Budget Performance Review publication was launched in February 2025. This document provides an overview of the financial health of municipalities in the Western Cape based on the implementation of their 2023/24 budgets.

PT conducted Strategic Integrated Municipal Engagements (SIME) and Technical Integrated Municipal Engagements (TIME) to assess municipal budgets, the implementation thereof and governance within municipalities.

Municipal budgets were assessed for funding status, sustainability, and efficiency. One (1) municipality successfully moved from an unfunded to a funded status; however, the total number of unfunded budgets adopted increased from five (5) in 2023/24 to six (6) in 2024/25. PT assisted these municipalities in adopting credible budget funding plans and has been monitoring their implementation monthly. One (1) municipality's successful implementation of their funding plan enabled them to achieve a funded position in their February 2025 adjusted budget. Four (4) municipalities were also assisted in complying with the Municipal Debt Relief programme conditions, securing the write-off of the first third of their debt. If these municipalities continue to meet the programme conditions, the remaining two-thirds of their debts can be written off.

PT provided robust support to municipalities in enhancing adherence to accounting standards and reporting obligations. The Department leveraged National Treasury (NT) databases, including GoMuni, the Financial Management Capability Maturity Model (FMCMM) web-based portal, and the e-monitoring system, to drive data analytics initiatives. Through the Provincial Budget and Governance Forum, PT successfully involved councilors in discussions regarding consequence management and intensified efforts to assist municipalities in controlling wasteful expenditures, in collaboration with other local government stakeholders. Furthermore, PT successfully implemented the revised Global Internal Audit Standards within municipalities, marking significant progress in strengthening internal controls and governance. While some gaps remain, these efforts have laid a solid foundation for ongoing improvement and compliance across the Province.

### **Strategic Supply Chain Management (SCM)**

Provincial Treasury enhanced service delivery by championing continuous improvement in supply chain management, leveraging data analytics for evidence-based decision-making, and enhancing transparency across provincial procurement processes. The Treasury strengthened departmental procurement capability and drove value for money through the adoption of strategic supply chain management, including the adoption of strategic sourcing methodologies and integrated SCM practices.

In local government, key achievements included deepening municipal participation in national strategic procurement initiatives, piloting the national e-Procurement (CSD RFQ) to improve procurement planning, and supporting targeted interventions to strengthen municipal asset management practices.

Priority areas of focus encompass regulatory reform, modernisation of financial systems, proactive stakeholder engagement to foster agile and effective procurement practices, and comprehensive capacity building initiatives to enhance institutional capability and resilience.

### **Efficient Infrastructure Investment**

Focusing on infrastructure planning, execution, and investment remained a key priority. To ensure compliance with infrastructure delivery systems, annual site visits were conducted. Additionally, expenditures were closely monitored against allocated budgets within relevant departments to maintain alignment with the goal of infrastructure as a catalyst for progress.

### **Western Cape Treasury Sets National Benchmark in Audit Excellence**

During the 2024/25 FY, PT continued its strong track record of supporting municipalities, departments and entities in maintaining good audit outcomes. This sustained effort contributed to the Western Cape once again achieving the best audit outcomes in the country.

### **Talent development**

In its commitment to talent management and professional development, PT maintained its SAICA accreditation, enabling the Department to continue producing high-calibre finance professionals for the public sector.

### **Overview of the Department's financial results**

Table 1 overleaf depicts total departmental receipts amounting to R4.591 million, resulting in an overcollection of R4.503 million. This overcollection was largely for *Financial transactions in assets and liabilities* (R4.480 million). It is mainly as a result of the recovery of previous years' unspent provincial conditional grants paid to municipalities.

The *Sale of capital assets* also amounted to R10 000. It mainly relates to the disposal of information and communications technology (ICT) equipment that has become redundant, obsolete, impaired after reaching the end of its useful life.

**Table 1 Departmental receipts**

Departmental receipts	2024/25			2023/24		
	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
Sale of goods and services other than capital assets	18	27	(9)	18	43	(25)
Transfers received	1	-	1	1	-	1
Interest, dividends and rent on land	1	6	(5)	1	23	(22)
Sale of capital assets	-	10	(10)	-	83	(83)
Financial transactions in assets and liabilities	68	4 548	(4 480)	64	17 708	(17 644)
<b>Total</b>	<b>88</b>	<b>4 591</b>	<b>(4 503)</b>	<b>84</b>	<b>17 857</b>	<b>(17 773)</b>

At the end of the 2024/25 FY, the Department spent R294.412 million of the Final Appropriation of R306.171 million resulting in a net underspending of R11.759 million or 3.8 per cent of the overall appropriation, as depicted in Table 2 below. For the 2023/24 FY, the Department reported a net underspending of R5.636 million or 1.8 per cent of the Final Appropriation of R316.436 million.

**Table 2 Programme expenditure**

Programme Name	2024/25			2023/24		
	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	54 745	53 539	1 206	57 837	57 340	497
Sustainable Resource Management	134 355	131 088	3 267	126 114	123 013	3 101
Asset Management	71 036	65 315	5 721	80 932	79 586	1 346
Financial Governance	46 035	44 470	1 565	51 553	50 861	692
<b>Total</b>	<b>306 171</b>	<b>294 412</b>	<b>11 759</b>	<b>316 436</b>	<b>310 800</b>	<b>5 636</b>

### Reasons for under expenditure

- Programme 1: Administration - The underspending was primarily due to vacancies within the Programme, resulting from attrition and the implementation of the Department of Public Service and Administration (DPSA) Circular 20 of 2024: Amended Directive on the Implementation of Control Measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, requiring governance adaptation prior to the filling of a vacant position.

- Programme 2: Sustainable Resource Management - The underspending was primarily due to the following:
  - Vacancies within the Programme, resulting from attrition and the implementation of the DPSA Circular 20 of 2024: Amended Directive on the Implementation of Control Measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, requiring governance adaptation prior to the filling of a vacant position;
  - Expenditure for the Financial Modelling and Utility Tariff Setting training scheduled from 31 March to 11 April 2025 was initially planned for the 2024/25 financial year. However, due to changes in accounting standards, prepayments cannot be expensed until the services have been delivered;
  - The close-out of the previous three (3) year contract with the service provider to conduct Western Cape Expenditure Reviews, along with planning for the current financial year, took longer than expected. As a result, the capacity-building component was omitted due to limited staff availability during the budget process;
  - Legal fees anticipated for efforts to compel the Kannaland Municipality to cooperate with the process to prepare a Financial Recovery Plan (FRP) were not needed, as the Municipality's cooperation was secured through negotiations; and
  - In-house training was conducted at no cost.
- Programme 3: Asset Management - The underspending was primarily under Goods and Services, due to a combination of cost efficiencies and impediments in the execution of a number of initiatives. These include the following:
  - PT Evergreen Legacy Systems (ELS);
  - Application Transformation Readiness (ATR);
  - Business and Data Analysis;
  - Data Warehouse subscription services;
  - Legal fees;
  - Building lease costs; and
  - Procurement Client Centre (PCC) staffing.

Notable contributions to the underspending included the successful renegotiation of the PCC lease in Century City at a substantially reduced rate compared to the previous agreement; delayed and non-receipt of interdepartmental claims; certain expenses absorbed by the Centre for e-Innovation (CeI); and delays in onboarding contracted resources as well as staff turnover.

- Programme 4: Financial Governance - The underspending was primarily due to vacancies within the Programme, resulting from attrition and the implementation of the DPSA Circular 20 of 2024: Amended Directive on the Implementation of Control Measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, requiring governance adaptation prior to the filling of a vacant position.

## Virement/Roll-overs

The Department does not have any Virement for the 2024/25 financial year.

The Department requested that the Provincial Treasury approve the roll-over of the following 2024/25 unspent funds to the 2025/26 financial year:

- R509 150 for the attendance of the Financial Modelling for Utility Tariff Setting Course, which took place from 31 March 2025 to 11 April 2025. During the 2023/24 FY, there were insufficient spots for all the relevant PT and municipal officials in the Province to attend the course. Consequently, the plan for the 2024/25 FY was to secure spots for those officials who missed out previously. However, due to a change in the prepayment rules, advance payment for the course was no longer permitted in the 2024/25 FY, unlike in the 2023/24 FY.
- R430 604 to innovate and strategically transform SCM through the vision of an electronic SCM (eSCM) system. The intention is to create a single e-SCM platform which integrates the Western Cape Supplier Evidence Bank (WCSEB) and the Procurement Planning Toolkit into the Electronic Procurement Solution (ePS). The ICT services were rendered during March 2025; however, the interdepartmental claims were not received from the Department of the Premier before the end of the 2024/25 FY.
- R741 687 for the development of the Data Warehouse for Provincial Treasury which aims to modernise access to financial management data and enhance data analysis capabilities. The ICT services were rendered during March 2025; however, the interdepartmental claims were not received from the Department of the Premier before the end of the 2024/25 FY.
- R504 867 for the services of a senior business analyst and junior data analyst to assist with analytical and technical support in terms of the SCM strategy for data and information management which aims to provide better insight into procurement performance within the Province. The services were rendered during February and March 2025; however, the interdepartmental claims were not received from the Department of the Premier before the end of the 2024/25 FY.

## Unauthorised, fruitless, and wasteful expenditure

There was no unauthorised expenditure during the reporting period. Fruitless and wasteful expenditure amounted to R24 132.26. The reasons, amounts and steps taken pertaining to fruitless and wasteful expenditure are recorded in Part E – PFMA Compliance Report of the Annual Report.

## Strategic focus over the short- to medium term period

As we enter the 2025 – 2030 planning cycle, PT embraces a critical moment in its evolution. The external environment is increasingly defined by fiscal constraints, socio-economic disparities, governance complexities, climate pressures, and rapid technological change. Within this context, PT's strategic focus over the short to medium term is grounded in a clear and compelling vision: to serve as a responsive, inclusive, and reliable partner that drives integration, fiscal sustainability, innovation, and citizen-centric service delivery across the Province.

At the heart of this strategy is the ambition to transform the governance landscape through the priority of Integrated Provincial Governance. The Department recognises that siloed approaches to planning, budgeting, and implementation are no longer sufficient. Instead, the focus is on fostering horizontal and vertical coherence across government-linking provincial priorities with municipal

realities and ensuring that fiscal and strategic decisions are mutually reinforced. This will be achieved through the strengthening of oversight and assurance mechanisms, the alignment of budget allocations with provincial strategic priorities, and the enhancement of risk-responsive planning. The integration of governance structures is not simply a bureaucratic adjustment; it is a commitment to a smarter, more agile government that delivers better outcomes for residents.

In parallel, PT is intensifying its work to enable Effective Local Government. Over the medium term, this means supporting municipalities to become financially sustainable, resilient, and development oriented. The Department recognises that municipalities are on the frontline of service delivery, and their financial health is critical to the achievement of the PSP. To this end, PT will enhance in-year monitoring, expand its oversight through engagement platforms such as SIME and TIME, and promote data-driven decision-making tools like MERO. These efforts will be geared not only toward stabilising municipal finances but also toward equipping local governments with the tools and insights they need to proactively manage risk, plan better, and deliver more effectively.

A third strategic focus area is the drive toward Efficient Infrastructure Investment. PT is acutely aware of the growing infrastructure backlog and the increasing demands placed on government to improve the quality and reach of services. In response, the Department will continue implementing the Strategic Infrastructure Projects (SIPs) Framework to identify, prepare, and execute high-impact infrastructure projects. A strong emphasis will be placed on spatial budgeting—ensuring that infrastructure investments are not only aligned to strategic priorities but also tailored to the unique socio-economic and geographical contexts of different districts and municipalities. PT will also pursue alternative financing approaches, including blended finance mechanisms and partnerships with development finance institutions such as the World Bank. These efforts aim to catalyse private investment, expand fiscal space, and deliver infrastructure that is climate-resilient, inclusive, and growth-enhancing.

To support this ambitious infrastructure and governance agenda, PT will leverage its capacity in Strategic SCM. This focus area will drive procurement reform that enhances transparency, promotes value-for-money, and enables localisation and enterprise development. Through innovations in transversal contracting, digital procurement platforms, and supplier evidence databases, the Department will promote a more equitable and effective procurement ecosystem. These tools are not only technical enablers but also key levers in ensuring that public resources are spent in ways that support economic inclusion and sustainable development.

Beyond its outward-facing functions, PT is also undertaking an internal transformation anchored in two (2) key enablers: Integrated Talent Management and Digital Transformation. The Department recognises that a high-performing, future-ready workforce is essential to delivering on its mandate. Over the medium term, PT will implement strategies that build leadership at all levels, retain critical skills, and develop a culture of innovation and continuous learning. Investment in youth development, coaching for women in leadership, and succession planning will be central to this vision. Simultaneously, the Strategic Execution Office (SEO) will drive PT's digital transformation agenda, embedding data intelligence, automation, and agile project delivery methodologies to increase responsiveness, reduce administrative burdens, and empower evidence-based decision-making at all levels.

A significant evolution in PT's strategic thinking is the shift from an almost exclusive focus on expenditure control to a more balanced approach that includes revenue generation and fiscal innovation. While the need for expenditure discipline remains paramount, PT is actively exploring

new and creative ways to mobilise additional resources. These include leveraging the Western Cape Gambling and Racing Act amendments to explore regulated online sports betting, advancing blended finance instruments that attract private capital to public infrastructure, and promoting credit-based revenue initiatives. PT is also investing in revenue research, including the development of fiscal tools and analytics that inform more equitable and effective revenue strategies across the Province. In doing so, PT aims to ensure that the Western Cape remains financially sustainable while expanding its capacity to invest in inclusive growth.

To ensure strategic coherence and accountability, PT is embedding a culture of performance throughout the organisation. The continued implementation of performance-based budgeting ensures that resources are aligned with measurable outcomes and that spending decisions are evaluated based on their impact. Monitoring and evaluation frameworks are being strengthened to create learning loops that inform policy refinement and adaptive management. This culture of performance extends beyond compliance - it is about delivering value, building trust, and fostering a shared sense of purpose across the Department.

PT's strategic focus over the short to medium term reflects both continuity and innovation. It builds on the Department's historical strengths in governance, fiscal discipline, and partnership-building, while embracing the opportunities and challenges of a rapidly changing context. With a strong foundation in values, a clear strategic vision, and a team committed to excellence, the Western Cape Provincial Treasury is well-positioned to play a transformative role in shaping a more resilient, inclusive, and future-ready provincial government.

### Public Private Partnerships

Provincial Treasury performs an oversight role throughout the Public Private Partnership (PPP) Project Cycle, assessing factors such as affordability, value for money, and risk transfer during project development. Additionally, PT monitors Closed PPP Deals that are in implementation, of which the Province currently has two (2). PT's oversight role in PPPs is underpinned by the Public Finance Management Act (PFMA) and Treasury Regulation 16. It is important to note that PT itself is not directly engaged in any PPPs.

**Registered Provincial PPP Closed Deals and potential PPP projects are listed in the table below**

Closed PPP Deals				
Project name	Description	Department	Start date	End date
Chapman's Peak Drive Toll Road	Design, construct, finance, operate and maintenance of Chapman's Peak Drive	Department of Infrastructure	21 May 2003	21 May 2033
CapeNature: De Hoop Nature Reserve*	The De Hoop Nature Reserve PPP project entails the upgrading of existing tourism facilities, the creation of new products and the provision of activities for tourism	Department of Environmental Affairs and Development Planning (DEA&DP): implemented by CapeNature	02 December 2009	30-year long-term contracts (with the option of renewal for another 15 years)

Potential PPP Project		
Project name	Department	PPP Project Cycle Phase
Tygerberg Hospital Redevelopment	Department of Health and Wellness	Procurement Phase
Caledon Office Block	Department of Infrastructure (DoI)	Feasibility Phase
Kogelberg Nature Reserve	CapeNature	Inception Phase
Limietberg Nature Reserve	CapeNature	Inception Phase
Walker Bay Nature Reserve	CapeNature	Inception Phase
Eikestad Parking Development Project	Stellenbosch Municipality	Feasibility Phase
Faure New Water Scheme	City of Cape Town	Feasibility Phase
Paarden Eiland Desalination	City of Cape Town	Feasibility Phase

Note: The De Hoop PPP makes provision for additional concessionaires.

### Discontinued activities/activities to be discounted

No activities were discontinued during the 2024/25 financial year.

### New or proposed key activities

The Western Cape Local Government Budget Performance Review is a new publication launched in February 2025 that provides an overview of the financial health of municipalities in the Western Cape, based on the implementation of their 2023/24 budgets. The publication is designed to enable members of the public to better understand the financial pressures municipalities face and how they have managed these. This is a significant expansion of PT's commitment to ensuring transparency and accountability in the management of public finances.

### Supply chain Management

#### Unsolicited bids

No unsolicited bids were received during the period under review.

#### Challenges within Supply Chain Management

During the 2024/25 FY, the Supply Chain Management (SCM) functions have been well-maintained and effective in governance, compliance, systems, processes, and stakeholder engagement. Continuous improvements in control measures have been implemented to prevent irregular, fruitless, and wasteful expenditure, supported by rigorous compliance checks and the use of checklists.

However, operational challenges remained due to internal capacity constraints and recurring issues with suppliers not adhering to terms of reference and specifications, leading to delays in service delivery. To address these challenges, various interventions have been implemented, including employing graduate interns to support critical deliverables. Additionally, the SCM unit has reviewed its organisational structure, resulting in the funding of three positions to ensure adequate staffing. Furthermore, checklist templates have been created for suppliers to enhance compliance and address non-compliance issues.

### **Irregular expenditure**

Notwithstanding the aforementioned challenges, the SCM unit has doubled down on its efforts within its existing framework to uphold and achieve good governance and compliance standards, thus forestalling any potential irregular or fruitless expenditure. The focus of SCM functions remains centered on streamlining procurement processes, fostering improved client relationships, enhancing performance management and monitoring mechanisms, and consolidating governance and compliance measures.

All instances of possible irregular expenditure, whether identified internally or reported to the Internal Control unit, undergo thorough investigation to ascertain accountability and responsibility. Further elaboration on irregular expenditure can be found in Note 21: Unauthorised, Irregular, and Fruitless and Wasteful Expenditure, contained within the AFS, as well as in Part E - PFMA Compliance Report of the Annual Report.

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

The gift register maintained by the Financial Management Directorate indicates that officials received gifts to the value of approximately R4 070.00 in the reporting period.

### **Exemptions and deviations received from National Treasury**

None.

### **Events after the reporting date**

None.

### **Conclusion**

In conclusion, the 2024/25 financial year presented both challenges and opportunities for the Provincial Treasury. Despite a complex fiscal environment and internal capacity constraints, the Department remained steadfast in its commitment to good governance, financial stewardship, and innovation. Through strategic partnerships, data-driven decision-making, and a focus on integrated governance, PT has laid a strong foundation for the 2025 – 2030 planning cycle.

The Department's achievements in enhancing local government performance, modernising supply chain management, and driving efficient infrastructure investment underscore its role as a reliable and responsive partner in public service delivery. Looking ahead, PT is well-positioned to navigate the evolving landscape with agility and purpose, ensuring that public resources are managed transparently and effectively to improve the lives of all residents in the Western Cape.

### **Approval and sign off**



**Julinda Gantana**  
**Accounting Officer**  
**Provincial Treasury**

**Date:** 29 August 2025

## 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 annual reports issued by National Treasury (NT).
- The Annual Financial Statements (AFS) (Part F) has been prepared in accordance with the Modified Cash Standard and the relevant frameworks and guidelines issued by the NT.
- The Accounting Officer (AO) is responsible for the preparation of the AFS 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 AFS.
- The external auditors are engaged to express an independent opinion on the AFS.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information, and the financial affairs of the Provincial Treasury for the financial year ended 31 March 2025.



**Julinda Gantana**  
**Accounting Officer**  
**Provincial Treasury**  
**Date:** 29 August 2025

## 6. STRATEGIC OVERVIEW

### 6.1 Vision

A responsive and inclusive Treasury that enables positive change in the lives of citizens.

### 6.2 Mission

- Promotion of cohesion and citizen centricity.
- Building capacity in the public sector by being adaptive, innovative and supportive.
- Integrated management and partnerships that enable the delivery of quality services in a sustainable manner.

### 6.3 Values

The core values of the Western Cape Government, to which PT subscribes, are as follows:

**These values are our guiding principles for what we stand for and believe in.**

#### CARING

To care for those we serve and work with.



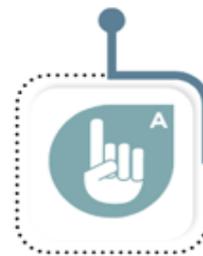
#### COMPETENCE

The ability and capacity to do the job we were employed.



#### ACCOUNTABILITY

We take responsibility.



#### INTEGRITY

To be honest and do the right thing.



#### INNOVATION

To be open to new ideas and develop creative solutions to problems in a resourceful way.



#### RESPONSIVENESS

To serve the needs of our citizens and employees.



## 7. LEGISLATIVE AND OTHER MANDATES

The legislative mandate within which the PT operates consists of the national and provincial legislation described below.

### ● **Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA)**

The Provincial Treasury is established in terms of Section 17 of the PFMA (Act 1 of 1999). Section 18 of the PFMA assigns the functions and powers of the PT which includes, inter alia: preparing and exercising control over the implementation of the provincial budget; promoting and enforcing transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities; ensuring that its fiscal policies do not materially and unreasonably prejudice national economic policies; issuing Provincial Treasury Instructions (PTIs) that are consistent with the PFMA; enforcing the PFMA and any prescribed national and provincial norms and standards; complying with the annual Division of Revenue Act (DoRA); monitoring and assessing the implementation by provincial entities of national and provincial norms and standards; assisting provincial departments and provincial public entities to build their capacity for efficient, effective and transparent financial management; investigating any system of financial management and internal control applied by a provincial department or a provincial public entity; intervening by taking appropriate steps to address serious or persistent material breach of the PFMA by a provincial department or provincial public entity; promptly providing any information required by the NT in terms of the PFMA, and do anything else that is necessary to fulfil its responsibilities effectively.

### ● **Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)**

In terms of Section 5(4) of the MFMA, 2003 (Act 56 of 2003), the PT must, inter alia, monitor compliance with the MFMA by municipalities and municipal entities in the Province, monitor the preparation of municipal budgets, the monthly outcomes of these budgets, and the submission of reports by municipalities as required in terms of the MFMA. The Provincial Treasury may assist municipalities in the preparation of their budgets; exercise any powers, and perform any duties delegated to it by the NT in terms of the MFMA; and take the appropriate steps if a municipality or municipal entity in the Province commits a breach of the MFMA.

Additional duties and responsibilities for Provincial Treasuries are also created through MFMA Circulars issued by National Treasury. For example, MFMA Circular 124 (dated 31 March 2023) creates detailed monthly monitoring responsibilities that Provincial Treasury must perform for the Municipal Debt Relief programme.

### ● **Annual Division of Revenue Act (DoRA)**

This Act provides for the equitable division of revenue raised nationally, including conditional grants, amongst the three spheres of government and for incidental matters.

### ● **Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act 10 of 2009)**

This Act regulates the financial management of Parliament and provincial legislatures in a manner consistent with its status in terms of the Constitution of the Republic of South Africa.

- **Government Immovable Asset Management Act, 2007 (Act 19 of 2007)**

This Act provides a uniform framework for the management of immovable assets that are held or used by, in this case, provincial departments, and aims to ensure the optimal coordination of the use of such immovable assets to achieve departmental service delivery objectives.

- **Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997)**

This Act sets out a process for dividing nationally raised revenue between the national, provincial, and local government sphere in South Africa.

- **Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)**

This Act establishes a framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations; provides for mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and provides for related matters.

- **Public Audit Act, 2004 (Act 25 of 2004) as amended**

This Act provides assistance to the Auditor-General's Office to recover outstanding audit fees and to appropriately respond to or intervene on matters arising from audit reports and provides for related matters.

- **Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)**

This Act provides the Treasury with a regulatory framework for enabling and assisting departments to develop and implement a preferential procurement system to benefit historically disadvantaged individuals (HDI).

- **Provincial Tax Regulation Process Act, 2001 (Act 53 of 2001)**

This Act regulates the intergovernmental process that must be followed by provinces in the exercise of their power in terms of Section 228 of the Constitution to impose taxes, levies and duties, and flat-rate surcharges on the tax bases of any tax, levy or duty imposed by national legislation; and provides for related matters.

- **Public Service Act, 1994 (Act 103 of 1994) as amended**

This Act provides for the organisation and administration of the Provincial Treasury and for human resource management which includes the regulation of conditions of employment, terms of office, discipline, retirement, and discharge of the PT staff members.

- **Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA)**

This Act establishes a framework for coordinated and inclusive spatial planning and land use management across all spheres of government in South Africa.

- **Annual Western Cape Appropriation Act**

This Act provides for the appropriation of money from the Western Cape Provincial Revenue Fund for the requirements of the Province of the Western Cape and provides for related matters.

- **Western Cape Adjustments Appropriation Act(s) (Annual)**

This Act appropriates adjusted amounts of money from the Western Cape Provincial Revenue Fund for the requirements of the Province of the Western Cape and provides for related matters.

- **Western Cape Direct Charges Act, 2000 (Act 6 of 2000) as amended**

This Act provides for the withdrawal of state moneys from the Western Cape Provincial Revenue Fund, as a direct charge, in accordance with the Constitution of the Republic of South Africa, 1996, the Constitution of the Western Cape, 1997; and the PFMA, 1999.

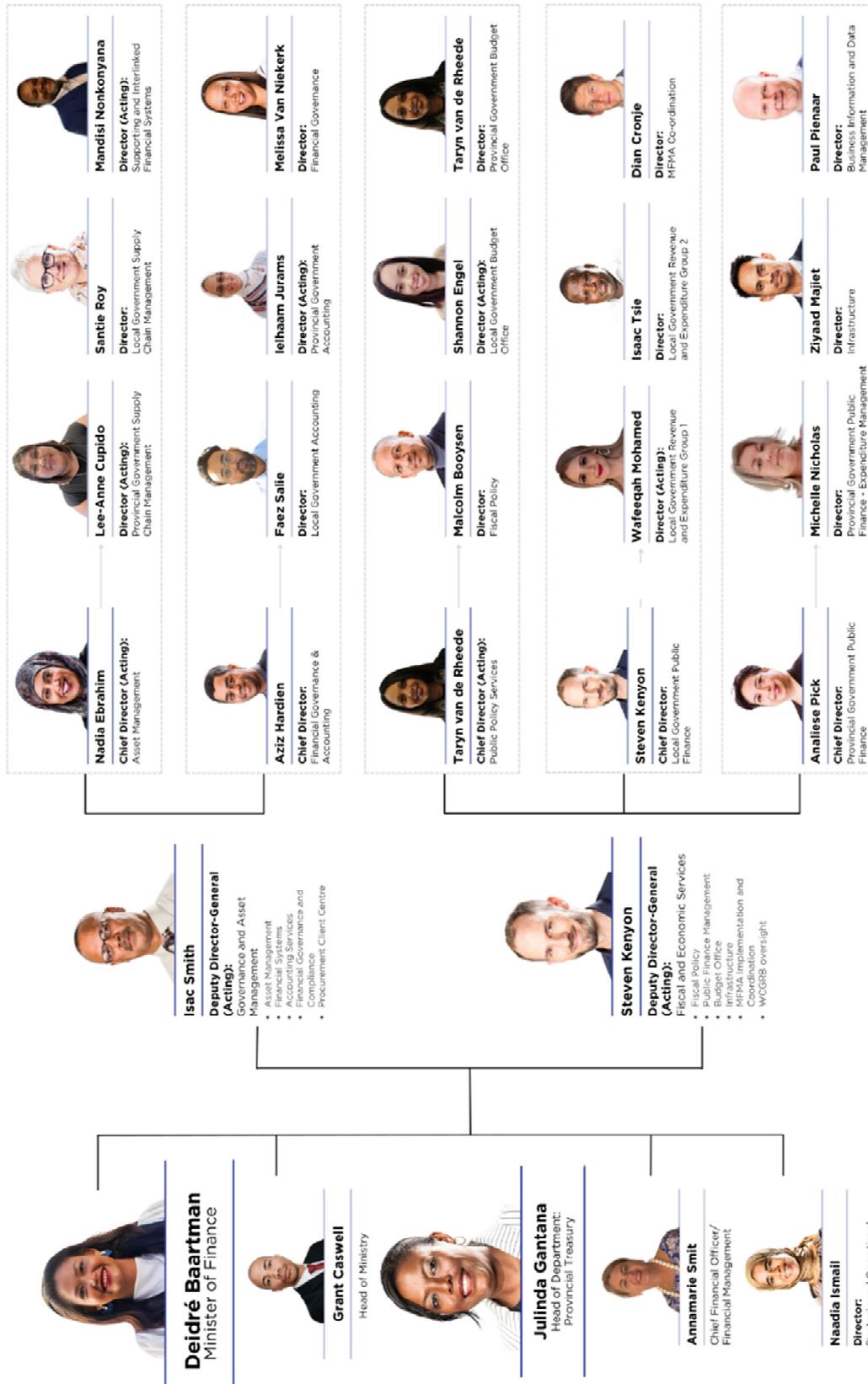
- **Western Cape Gambling and Racing Act, 1996 (Act 4 of 1996) as amended**

This Act provides regulatory prescripts to support the Member of the Executive Council (MEC) responsible for the Act to ensure sound financial administration by the Western Cape Gambling and Racing Board (WCGRB) and regulates gambling activities in the Western Cape.

- **Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA)**

This Act ensures that everyone has the right to lawful, reasonable and procedurally fair administrative action. It does so by instructing how administrative powers allocated to administrators must be exercised.

## 8. ORGANISATIONAL STRUCTURE



## 9. ENTITIES REPORTING TO THE MINISTER

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Western Cape Gambling and Racing Board (WCGRB)	Western Cape Gambling and Racing Act	The entity has been financially self-sustainable in the past, but as from 2012/13 transfers from the Provincial Revenue Fund to the entity were necessary to supplement the financing of the operations of the entity to discharge its regulatory responsibilities.	Regulation of all gambling, racing, betting, and activities incidental thereto in the Western Cape Province.





**PERFORMANCE  
INFORMATION**

**PART B**



# PART B: PERFORMANCE INFORMATION

## 1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives (PDO) is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 162 of the Report of the Auditor-General, published as Part F: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 Service delivery environment

PT has exhibited strong institutional resilience and an unwavering commitment to service delivery, maintaining operational stability, laying the ground for long-term fiscal sustainability and inclusive economic growth. The Department has demonstrated strong commitment to enhancing service delivery through strategic planning, innovation, fiscal oversight, and capacity-building initiatives. PT is not only adapting to current pressures but is also actively shaping the Province's future by embedding good governance, transparent budgeting, and resident-first policy design at the heart of its service delivery strategy.

Noteworthy, the Provincial Treasury continues to address the challenges posed by elevated vacancies, which have increased demands on its workforce. As emphasised during the 2025/26 Budget Engagements, the Accounting Office has reinforced a strategic focus on People and Innovation. Central to this approach is the implementation of a comprehensive Talent Management Strategy, which prioritises the attraction, development, filling and retention of critical skills to ensure a capable and resilient organisation. Further to that the Department will ensure succession planning.

PT has also made notable progress in procurement oversight, transparency, and regulatory reforms. This includes publishing Procurement Disclosure Reports (PDR) and enhancing e-Procurement Solution (e-PS). e-PS represents a significant advancement in the WCG's commitment to transparent, efficient, and inclusive procurement. Enhancing efficiency in procurement processes and the adoption of business intelligence (BI) to improve decision-making. Despite these advancements, challenges remain in interpreting and implementing the legislative framework, infrastructure planning and delivery, and balancing compliance with service delivery needs.

The operating environment for PT necessitates careful consideration and collaboration to address interconnected risks and challenges. Investments in digital tools and technology is a strong focus. To operationalise PT's digital transformation, PT has implemented several key initiatives. The PT Business Intelligence (BI) Hub, a cloud-based platform using Microsoft 365 and Azure, integrates financial and non-financial data to support real-time, evidence-based decisions. Complementing this is the Data Warehouse Project, which consolidates legacy system data (e.g., Personnel and Salary Administration System (PERSAL), Logistical Information System (LOGIS), Basic Accounting System (BAS)) into a central repository for improved reporting and planning.

In tandem with these technological advancements, PT is also focused on upskilling its workforce in data analytics and emerging digital tools. This commitment to capacity building ensures a future-ready, digitally competent public service aligned with PT's broader governance and fiscal management objectives. Oversight of these initiatives is led by the Strategic Execution Office (SEO), which ensures alignment with long-term goals through cross-functional collaboration and agile project management.

A key risk to these developments is the potential reduction in ICT resources, which may lead to delays in both current deliverables and ongoing initiatives. Such constraints are likely to impact the timely development and implementation of financial applications across the Province.

One of PT's significant achievements is embracing spatial budgeting to allocate resources efficiently, maximising the reach and impact of public investments. One of the advancements of spatial budgeting is supporting municipalities with tailored interventions and budget funding plans.

The Department has prioritised strategic infrastructure projects that support economic growth and community needs. This includes exploring alternative financing solutions and promoting sustainable public-private partnerships (PPPs). Additionally, the Department evaluates project proposals to ensure spatially targeted infrastructure delivery and ensure that revenue strategies are linked to infrastructure investment.

During the 2024/25 financial year, the Provincial Treasury provided targeted support to all provincial departments and entities, enabling them to achieve clean audit outcomes. This achievement reflects the Treasury's ongoing commitment to strengthening governance and maintaining high standards of financial accountability throughout the province. The Treasury focused on bolstering internal controls within its own vote and enhancing compliance measures for external client departments, supported by rigorous risk management practices. Key initiatives included the development and implementation of a Compensation of Employment (COE) strategy, alongside the regular publication of Public Disclosure Reports (PDRs) to promote transparency and accountability. These efforts were complemented by the continuation of the Provincial Budget and Governance Forum, which facilitates collaboration and continuous improvement in public finance management.

In the 2024/25 FY, PT embarked on completing the Service Delivery Model (SDM), which serves as a strategic framework designed to enhance efficiency, accountability, and service delivery. PT's SDM serves as a cornerstone for financial stability, governance excellence, and sustainable service delivery in the Western Cape. By implementing strategic reforms, leveraging technology, and strengthening intergovernmental partnerships, PT will enhance efficiency, accountability, and responsiveness to citizens' needs.

PT commenced its Occupational Functional Assessment (OFA) within the 2024/25 FY. It was a systemic evaluation of the Department's functionality, focusing on the institutionalisation of best practices, the effectiveness of governance mechanisms, the efficiency of resource deployment, and the Department's overall capacity to meet its legislative and strategic mandates. This has identified strengths and critical gaps, offering targeted recommendations for improvement, ensuring that the Department remains adaptive, responsive, and capable of delivering high-quality public financial management services.

PT also recognises that stakeholder collaboration is a key component to improving governance, therefore the Department has fostered strong relationships with key stakeholders, including NT, to drive public financial management reforms. This collaborative approach has strengthened governance structures and enhanced service delivery.

PT has a strong commitment to enhancing service delivery and governance, ultimately improving the quality of life for residents of the Western Cape.

## 2.2 Service Delivery Improvement Plan (SDIP)

### Main services and standards

Main Services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
<b>Key Service 1: External Bursary Programme – Improving the administration of the Bursary Programme</b>	The citizen, youth (aged 18 - 35).	1 External bursary campaign facilitated annually.	2 Bursary campaigns facilitated over the <b>2 - year period</b> .	<b>1</b> Bursary campaign facilitated over the 2024/25 financial year.

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

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Professional Standards</b> 100% Professionalism and dignified treatment.	100% Completion of Ethics in the Public Sector Course completed.	<b>100%</b> Completion of Ethics in the Public Sector Course were completed. <b>Note:</b> The desired arrangements were met.
<b>1</b> Bursary Service Charter developed per annum.	<b>2</b> Signed Bursary Service Charters over 2 years.	<b>1</b> Service charter for the service: Bursaries was signed and approved 2024/25 financial year.
<b>Working Environment Standards</b> 0 Centralised bursary system implemented. <b>Note:</b> The desired arrangements were not met as not all system functionality was built.	1 centralised bursary system implemented over two <b>2 - year period</b> .	<b>1</b> centralised bursary system implemented. Development for the 2024/25 financial year focused on the following functionalities: <ul style="list-style-type: none"> <li>● Bursary Administration;</li> <li>● Contract Management; and</li> <li>● Financial Management.</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
<p>The implementation progress to date is as follow:</p> <p>The system functionalities that were built in the 2023/24 reporting period:</p> <ul style="list-style-type: none"> <li>● Bursary Awareness;</li> <li>● Applications Management;</li> <li>● Adjudication Management; and</li> <li>● 40% of Bursary Administration</li> </ul> <p>Further development will be made in the 2024/25 financial year. These will focus on the following functionalities:</p> <ul style="list-style-type: none"> <li>● Bursary Administration;</li> <li>● Contract Management; and</li> <li>● Financial Management.</li> </ul> <p>While the standard focuses on the developing the system over the 2-year project cycle. The following system functionalities that were built in the 2023/24 reporting period.</p>		<p>While the standard focuses on developing the system over the 2-year project cycle.</p>
<p><b>Access Standards</b></p> <p>1 Consultation implemented for year 1. The Bursary Team attended the Business Commerce and Management (BCM) forum on bursary opportunities on 16 September 2023, with the Western Cape Education Department (WCED).</p> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>● Consultation focused on media presence for targeted audience. Update on PT website with new and relevant information on the bursary opportunities.</li> <li>● 3 Consultations to be implemented in year 2.</li> </ul>	<p>4 Consultations for the two (2) year period.</p>	<p>1 Consultation implemented for overall period. The Bursary Team participated in the WCG Youth Career Expo showcasing career opportunities on 19 June 2024.</p> <p><b>Note:</b> Consultation focused on media presence for targeted audience. Update on PT website with new and relevant information on the bursary opportunities.</p> <p>In addition to the in-person event, significant focus was placed on enhancing our media presence. This approach was designed to extend our reach beyond physical consultations, leveraging digital and traditional media platforms to connect with the target audience more broadly and efficiently.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
		<p>This strategic adjustment allowed us to maintain meaningful engagement and information sharing, despite the reduced number of direct consultations, ensuring that our outreach objectives were still substantially met.</p>
<p><b>Information Standards</b></p> <p>The Bursary advert was published on 5 social media platforms, including: PT website, Facebook, Google, LinkedIn, and X (Twitter).</p> <p><b>Note:</b> The following were achieved:</p> <ul style="list-style-type: none"> <li>● Platforms included: Facebook, Google, LinkedIn, X (Twitter) and PT Website;</li> <li>● Campaigned performed extremely well on Facebook/Instagram delivery the most value added;</li> <li>● The total amount of added value impressions delivered was 4 409 031 due to the Cost Per Mile (CPM) coming in at a much more effective rate than the benchmark Key Performance Indicator (KPI); and</li> <li>● The total number of leads/feeds to PT website during the time of application being open were amounted to 8 828 users to the Bursary landing page using the application period 31 July 2023 – 29 September 2023.</li> </ul>	<p>External Bursary advert advocated on 10 social media platforms (including external platforms).</p>	<p>The Bursary advert was published on <b>5 additional</b> social media platforms, including:</p> <ul style="list-style-type: none"> <li>● ZA Bursaries;</li> <li>● Career portal;</li> <li>● Green Agri;</li> <li>● EduCourse; and</li> <li>● GoStudy</li> </ul> <p><b>Note:</b> The desired arrangements were met.</p> <p>The below figures demonstrate that the campaign successfully captured the attention of a large segment of the target audience, driving significant traffic and engagement with the bursary information. Key insights are:</p> <ul style="list-style-type: none"> <li>● Facebook (Meta) Campaign;</li> <li>● Reach: 1 427 570 individuals;</li> <li>● Impressions: 1 806 110;</li> <li>● Clicks: 3 529;</li> <li>● Engagements: 3 752; and</li> <li>● Click-Through Rate (CTR): 0.20%.</li> </ul> <p>Going forward our campaign will:</p> <ul style="list-style-type: none"> <li>● Continue prioritising Facebook and Meta platforms for future campaigns;</li> <li>● Consider allocating more budget towards the high-performing 18 - 34 age group and male demographic for maximised impact; and</li> <li>● Maintain a multi-platform approach to ensure comprehensive coverage and inclusivity.</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
<p><b>Redress Standards</b></p> <p>80% of Complainants will receive an automated response acknowledging receipt of them complain/enquiry.</p> <p>Complaints will be investigated and responded to within 72 hours.</p>	<p>80% of all complaints and enquiries resolved within 72 hours.</p>	<p><b>80%</b> of all complaints and enquiries resolved within 72 hours.</p>
<p><b>Consultation Standards</b></p> <p>5 quarterly consultations with stakeholders over the <b>2-year period</b> for year 1.</p> <p><b>Note:</b> A total of 5 engagements were held with stakeholders, these were:</p> <ul style="list-style-type: none"> <li>● Human Resource Development Committee (HRDC): held on 14 August 2023. HRDC approved the bursary criteria for advertisement;</li> <li>● HRDC met to deliberate and award bursaries on 30 November 2023;</li> <li>● HRDC round-robin request: three (3) sets of requests were circulated to HRDC;</li> <li>● Nedbank Foundation: Meeting held to discuss the competition MoA on 16 August 2023;</li> <li>● MoA engagement with Nedbank Foundation on 8 February 2024; and</li> <li>● Western Cape Education Department: Attended Business Commerce and Management (BCM) forum with WCED on bursary opportunities 16 September 2023.</li> </ul>	<p>8 quarterly consultations with stakeholders over the <b>2-year period</b>.</p>	<p><b>3</b> quarterly consultations with stakeholders.</p> <p><b>Note:</b> The desired arrangements were met.</p> <p>Requests were circulated to the Human Resource Development Council (HRDC) through a round-robin process during Q1.</p> <ul style="list-style-type: none"> <li>● An engagement session was conducted with new bursars to inform them about their bursary opportunities on 06 September 2024.</li> <li>● The HRDC convened on 11 December 2024 to deliberate and award bursaries.</li> <li>● The Bursary Team also met with potential partners, including the Department of Economic Development and Tourism, to explore sponsorship and partnership opportunities for the bursary programme.</li> </ul>

Current/actual arrangements	Desired arrangements	Actual achievements
<p><b>0</b> annual surveys and/or questionnaires conducted for year 1.</p> <p>Note: It has been concluded that sending out another survey without effectively addressing the findings from the previous one would not yield significant impact or actionable insights. Proactive steps were identified to achieve this in the next reporting period.</p>	<p>2 annual surveys and/or questionnaires over the <b>2-year period</b>.</p>	<p><b>0</b> annual surveys and/or questionnaires conducted for overall period.</p> <p><b>Note:</b> It has been concluded that sending out another survey without effectively addressing the findings from the previous one would not yield significant impact or actionable insights.</p>
<p><b>Openness &amp; Transparency Standards</b></p> <p>0 Publications of relevant policy documents related to the External Bursary Programme were developed for year 1.</p> <p>Note: No policies were published onto the PT Website.</p> <ul style="list-style-type: none"> <li>● Policy reviews were conducted by the Department during the 2023/24 financial year, following the implementation of new and amended policy directives such as the WCG Policy of Developmental Programmes signed in 2022/23 and the amendment of the Public Service Regulation, including the Department of Public Service and Administration (DPSA) Directive on the Employment of Persons into Developmental Programmes.</li> <li>● These policy changes have significant implications for our respective programmes, and as such, we had intended to publish them on our website once adopted and signed. However, we recognised that uploading existing policies first and then adding the new ones later could lead to confusion among the public.</li> </ul>	<p>5 Publications of relevant policy documents related to the External Bursary Programme.</p>	<p>The target of publishing relevant policy documents for the External Bursary Programme was not achieved due to several factors:</p> <ul style="list-style-type: none"> <li>● Website Migration and Upgrades: The migration and upgrading of the Provincial Treasury website affected our ability to upload new content, including policy documents, as technical resources were focused on ensuring a smooth transition;</li> <li>● Limited Communications Capacity: The Communications team experienced capacity constraints, which further delayed the publication process; and</li> <li>● Internal Focus of Policies: The relevant policies are primarily for internal use, governing our internal processes for managing bursary-related matters. As such, their immediate publication on the public website was not prioritised.</li> </ul> <p>These factors combined led to the decision to delay publication, ensuring that when the policies are eventually released, they are accurate, up-to-date, and presented in a clear and consolidated manner for all stakeholders. This approach prioritises clarity, compliance, and effective internal management over premature publication.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
<ul style="list-style-type: none"> <li>Therefore, we made the decision to hold back on uploading any publications until all relevant policies could be uploaded together. This approach aims to ensure clarity and coherence for our stakeholders.</li> </ul>		
<p><b>Service Standards</b></p> <p>Service Schedule in place, containing 100% set Service Standards for the Department/programme.</p>	<p>Service Schedule in place, containing 100% set Service Standards for the Department/programme.</p>	<p><b>100%</b> service standards were maintained during the 2024/25 FY project cycle.</p>
<p><b>Value for Money</b></p> <p>100% of bursary budget utilised to effect bursary payments (tuition, registrations costs &amp; textbook costs).</p>	<p>100% of bursary budget utilised to effect bursary payments (tuition, registrations costs &amp; textbook costs).</p>	<p><b>100%</b> bursary utilisation or the 2024/25 financial year. Tuition fees paid within prescribed timeframes set out by universities.</p>

#### Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
<p><b>Service: External bursary campaign facilitated annually</b></p> <p>External Bursary advert advocated on 5 social media platforms:</p> <ul style="list-style-type: none"> <li>PT website;</li> <li>Facebook;</li> <li>Google;</li> <li>LinkedIn; and</li> <li>X (Twitter).</li> </ul> <p><b>Note:</b> The following were achieved:</p> <ul style="list-style-type: none"> <li>The total number of platforms used for advertisement the bursary opportunity was on 5 platforms namely, Facebook, Instagram, Google, LinkedIn and PT Website; and</li> </ul>	<p>External Bursary advert advocated on 10 social media platforms:</p> <ul style="list-style-type: none"> <li>PT website;</li> <li>Facebook;</li> <li>LinkedIn;</li> <li>Google;</li> <li>Twitter;</li> <li>ZA Bursaries;</li> <li>Career Portal;</li> <li>Green Agri;</li> <li>EduCourse; and</li> <li>Go Study.</li> </ul>	<p>External Bursary advert advocated on <b>5</b> social media platforms:</p> <ul style="list-style-type: none"> <li>ZA Bursaries;</li> <li>Career Portal;</li> <li>Green Agri;</li> <li>EduCourse; and</li> <li>Go Study.</li> </ul> <p>The below figures demonstrate that the campaign successfully captured the attention of a large segment of the target audience, driving significant traffic and engagement with the bursary information. Key insights are:</p> <ul style="list-style-type: none"> <li>Facebook (Meta) Campaign;</li> <li>Reach: 1 427 570 individuals;</li> <li>Impressions: 1 806 110;</li> <li>Clicks: 3 529;</li> <li>Engagements: 3 752; and</li> <li>Click-Through Rate (CTR): 0.20%.</li> </ul>

Current/actual information tools	Desired information tools	Actual achievements
<ul style="list-style-type: none"> <li>The total number of leads/feeds to PT website amounted to 8 828 users to the Bursary landing page using the application period 31 July 2023 – 29 September 2023.</li> </ul>		<p>Going forward our campaign will:</p> <ul style="list-style-type: none"> <li>Continue prioritising Facebook and Meta platforms for future campaigns;</li> <li>Consider allocating more budget towards the high-performing 18 - 34 age group and male demographic for maximised impact; and</li> <li>Maintain a multi-platform approach to ensure comprehensive coverage and inclusivity.</li> </ul>
<p>All supporting documentation required from applicants are stored on a centralised file location on PT Bursary system.</p> <p><b>Note:</b> The following were achieved:</p> <ul style="list-style-type: none"> <li>Accessibility to supporting documents streamlines the application process; and</li> <li>Having supporting documents readily available promotes transparency in the selection process.</li> </ul>	<p>All application supporting documentation is centralised on the PT Bursary system.</p>	<p>All supporting documentation required from applicants are stored on a centralised file location on PT Bursary system.</p> <p><b>Note:</b> The following were achieved:</p> <ul style="list-style-type: none"> <li>Accessibility to supporting documents streamlines the application process; and</li> <li>Having supporting documents readily available promotes transparency in the selection process.</li> </ul>
<p>All bursar folder (current and new) is accurately migrated to the PT Bursary system to improve bursary administrative management processing.</p> <p><b>Note:</b> The following were achieved:</p> <ul style="list-style-type: none"> <li>Files are stored at a centralised repository location, MyContent to maintain consistency in record-keeping practices;</li> <li>All bursary files have been updated following registration of the 2024 academic year; and</li> <li>All new bursary files have been created and updated timeously.</li> </ul>	<p>All bursar folder (current and new) is accurately migrated to the PT Bursary system to improve bursary administrative management processing.</p>	<p>All bursar folders (current and new) are accurately migrated to the PT Bursary system to improve bursary administrative management processing.</p> <p><b>Note:</b> The following were achieved:</p> <ul style="list-style-type: none"> <li>Files are stored at a centralised repository location, MyContent to maintain consistency in record-keeping practices;</li> <li>All bursary files have been updated following registration of the 2025 academic year; and</li> <li>All new bursary files have been created and updated timeously.</li> </ul>

## Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<p>80% of Complainants received an automated response acknowledging receipt of their complaints/enquiries.</p> <p><b>Note:</b> the following were achieved.</p> <ul style="list-style-type: none"> <li>● A dedicated email was created to attend to all bursary enquires received from the public namely, <a href="mailto:PT.Bursaries@westerncape.gov.za">PT.Bursaries@westerncape.gov.za</a>;</li> <li>● All enquiry emails received will receive an automated email acknowledging their email; and</li> <li>● PT Bursary team regularly check emails and attends to enquiries.</li> </ul>	<p>80% of Complainants will receive an automated response acknowledging receipt of their complaints/enquiries.</p>	<p><b>80%</b> of Complainants received an automated response acknowledging receipt of their complaints/enquiries.</p> <p><b>Note:</b> the following were achieved:</p> <ul style="list-style-type: none"> <li>● A dedicated email was created to attend to all bursary enquires received from the public namely, <a href="mailto:PT.Bursaries@westerncape.gov.za">PT.Bursaries@westerncape.gov.za</a>;</li> <li>● All enquiry emails received will receive an automated email acknowledging their email; and</li> <li>● PT Bursary team regularly check emails and attends to enquiries.</li> </ul>
<p>80% Complaints were investigated and responded to within 72 hours.</p> <p>Note: A total of 25 emails were received and attended to within the standard 72 hours.</p>	<p>80% of complaints will be investigated and responded to within 72 hours.</p>	<p><b>80%</b> of Complaints were investigated and responded to within 72 hours.</p> <p><b>Note:</b> A total of 19 emails were received and attended to within the standard 72 hours.</p>

## 2.3 Organisational environment

PT operated in a challenging organisational environment during the 2024/25 FY, marked by both internal changes and external pressures.

However, the Department had to face ongoing fiscal constraints, with the Provincial Equitable Share (PES) and conditional grant allocations insufficient to offset the rising service delivery demands, due to population growth and in-migration. Economic pressure and population growth led to increased municipal financial distress. To navigate these challenges, PT focused on enhancing service delivery through the use of technology and innovative models, while prioritising staff well-being and maintaining a motivated workforce. PT has taken measures to advocate for diverse revenue sources, revisiting tax options and enhancing gambling tax administration. PT continues to support municipalities with budget funding plans and financial recovery strategies. The Department also addressed capacity constraints by prioritising the filling of critical posts, investing in skills development, and leveraging graduate and intern programmes.

Despite the obstacles, the Department remained committed to its mandate of promoting economic growth, ensuring sound financial management, and supporting municipalities in the Western Cape.

## Leadership and Management

The Department is undergoing a strategic shift in how leadership is cultivated, structured, and supported within PT. The focus is on fostering a resilient, agile leadership cohort capable of navigating fiscal pressures, driving innovation, and enhancing service delivery. This organisational transformation is integral to strengthening governance and aligning with PT's long-term strategic vision.

During the 2024/25 FY, PT experienced significant leadership transitions, reflecting a strategic shift towards inclusive governance and financial innovation. Deidré Baartman was appointed as the Western Cape Provincial Minister of Finance on 13 June 2024, succeeding Mireille Wenger, who transitioned to the role of Minister of Health and Wellness. Minister Baartman has a robust background in public finance, having served as Chairperson of the Standing Committee on Finance, Economic Opportunities and Tourism, and the Budget Committee. Her appointment marks her as the youngest individual to hold the Finance portfolio in the Province's history.

Although Julinda Gantana was officially appointed as Head of the Provincial Treasury on 1 March 2024, her leadership influence has been evident throughout the 2024/25 FY. Prior to her formal appointment, Ms Gantana served in various acting capacities, including Acting Head Official and Acting Deputy Director-General: Fiscal and Economic Services. These interim leadership roles along with her substantive positions as Chief Director: Provincial Government Public Finance and Deputy Director-General: Governance and Asset Management, provided her with a comprehensive understanding of the Department's strategic and operational landscape. Ms Gantana is the first female Head of the PT in history.

Her deep institutional knowledge and steady leadership ensured a seamless transition at the executive level, maintaining continuity in strategic direction and delivery. Under her stewardship, the Provincial Treasury has continued to position itself as a trusted partner and enabler across government, reinforcing its commitment to sound financial governance, innovation, and service excellence.

During the 2024/25 FY, several changes occurred within the senior management team. These included the resignation of the Chief Director: Public Policy Services, effective 18 June 2024; the lateral transfer of the Director: Local Government Revenue and Expenditure (Group 1) to the Eastern Cape Provincial Treasury, effective 1 October 2024; the resignation of the Director: Local Government Budget Office, effective 30 November 2024; and the resignation of the Director: Provincial Government Accounting and Compliance, effective 31 January 2025. In addition, the Chief Director: Asset Management position became vacant on 31 March 2025, following the incumbent's promotion to Deputy Director-General: Governance and Asset Management, effective 1 April 2025.

These senior management movements during the 2024/25 FY reflect both the mobility and upward progression of leadership talent within the Provincial Treasury. While the resignations and transfer created vacancies, they also point to the Department's ability to develop leaders who are sought after both within and beyond the Western Cape Government. The promotion of the Chief Director: Asset Management to Deputy Director-General further illustrates the strength of internal leadership pipelines and succession planning. These transitions underscore the importance of sustained investment in leadership development to ensure continuity, institutional knowledge retention, and the long-term resilience of the Department's strategic and operational functions.

The Department will continue to invest in its employees and provide them with opportunities for growth and development to mitigate the risk of losing valuable talent.

## **Culture**

PT's culture is not just a backdrop but a strategic asset that underpins its capability to respond to complex challenges and deliver meaningful outcomes to the people of the Western Cape.

PT has made significant strides in transitioning to a new Way of Work, aligned with the WCG's people - centric culture. PT is one of the departments that flagship projects in the Innovation, Culture and Governance (ICG) strategy of the WCG. Therefore, PT is actively cultivating a dynamic, inclusive, and values-driven workplace culture that aligns with its strategic goals and service delivery mandate.

PT's organisational culture is embedded in the core values such as transparency, accountability and ethical leadership. Emphasis is placed on value-based leadership development, including emotional intelligence, self-awareness, and humility. Leaders are expected to model ethical behavior and cultivate an environment where staff are empowered and aligned with the Department's mission.

To gauge employee engagement and refine internal culture, PT participated in the Top Employer Measurement survey. This, together with the Barret Values Survey, is a strategic initiative by PT to enhance its departmental culture by actively seeking employee feedback to understand their needs and concerns. This approach identifies strengths and areas for improvement, promoting inclusivity and diversity by addressing gaps and implementing supportive programmes.

## **Diversity and inclusion**

PT is committed to building an inclusive, equitable, and high-performing organisation through a comprehensive and proactive approach to employment equity and diversity. The Department has implemented a new Employment Equity Plan, achieving a 97 per cent response rate in its workforce profile analysis and surpassing the national disability employment target with 4.7 per cent representation. This is supported by the establishment of a Disability Forum and dedicated initiatives to foster inclusion.

Recruitment and development efforts are guided by a Talent Management Strategy and Employment Equity objectives, with a particular focus on designated groups. The Department invests in youth through bursary programmes and the Chartered Accountants Academy, aiming for 30 per cent youth representation. In addition, it promotes gender equality by maintaining female representation in senior management and offering leadership coaching for women.

Recognising that African males are highly sought after and highly mobile, often targeted by municipalities offering higher remuneration packages, PT has recommended conducting focus groups to understand the underlying reasons for their reluctance to stay. Additionally, PT has identified the importance of language inclusivity and disability awareness, proposing initiatives such as language support programmes and mandatory online training to enhance sensitivity towards disabilities and personal biases. These initiatives underscore PT's commitment to fostering a diverse and inclusive work environment where every employee feels valued and respected.

A strong emphasis is placed on cultural transformation through open dialogue on diversity, anti-racism, and social equity. These efforts reflect the Department's commitment to not only compliance, but to creating a workplace culture where diversity is celebrated, and all employees are supported in reaching their full potential.

### **Talent management**

PT has developed a comprehensive Talent Management Strategy focused on building a capable, agile, and high-performing workforce. This strategy emphasises skill development at all levels, from entry-level to executive management, ensuring that employees are equipped with both technical and behavioral competencies. PT talent Management efforts include Strategic budget reprioritisation which has enabled the recruitment of critical personnel through expedited processes, including the fast-tracking of the Premier's Concurrence via CoE Committee recommendations.

To build a sustainable talent pipeline, structured graduate and internship programmes, alongside values-based leadership development initiatives, have been prioritised. Efficiency has been further enhanced through the integration of technology to automate repetitive administrative tasks.

Demonstrating this commitment, PT has surpassed the DPSA target for appointing interns, achieving 12.9 per cent against the required 5 per cent. Planned measures include aligning its service delivery model with its organisational structure, as approved by the DPSA, to ensure a fit-for-purpose workforce.

### **Wellbeing/Health and Safety**

Employee well-being and health are top priorities for PT, as evidenced by the implementation of various health and wellness interventions.

A flexible hybrid work model supports work-life balance, while comprehensive Employee Assistance Programmes (EAPs) provide vital mental health and stress management support, fostering a resilient and future-ready workforce. Initiatives such as the Women in Treasury advisory group and mentoring programmes aim to remove barriers to career advancement for women. The Gender-Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework (GRPBMEAF) requires commitment from all departments and stakeholders to ensure meaningful improvements in the lives of women and girls across the Province.

These initiatives are critical in creating a safe, supportive, and healthy work environment, reflecting PT's holistic approach to employee welfare.

### **Main and Emerging risks**

PT, in its capacity as both the WCG's Treasury department and as a department (Vote 3) and employer, encountered a range of challenges. These issues varied in nature and severity and were often shaped by contextual demands and external factors beyond PT's control, yet within its sphere of influence.

Throughout the year, the Enterprise Risk Management Committee (ERMCO) diligently assessed these concerns and potential risks within the framework of PT's risk management approach. During the year mitigation strategies such as enhanced oversight, strengthened project management, and improved budgetary support were developed.

There was a strong focus on the completion of the ERM Strategy which emphasised partially effective control measures, and gaps in risk management integration and business continuity planning as ongoing challenges. PT will actively work towards the implementation of the recommendations of the audit committee which include continuous monitoring of risk and mitigation effectiveness, regular training to strengthen risk management capacity, and strategic alignment of risk practices with department and municipalities.

Collaborating closely with the Centre for e-Innovation (CeI), PT made significant strides in enhancing the resilience and security of Information Technology (IT), bolstering defenses against cyber threats and other external vulnerabilities, while acknowledging that further advancements remain an ongoing endeavour.

## 2.4 Key policy developments and legislative changes

### **Public Procurement Act, 2024 (Act 28 of 2024)**

Gazetted on 23 July 2024, this Act represents a comprehensive overhaul of South Africa's procurement landscape. Although not yet in force, it will be implemented in stages through proclamations. Notably, the Act repeals the Preferential Procurement Policy Framework Act (PPPFA), subject to supporting regulations currently under parliamentary review.

The Western Cape Government (WCG) has expressed constitutional concerns regarding:

- **Lack of Public Participation:** Significant changes to the Bill were made without adequate public consultation, potentially violating Section 59 of the Constitution.
- **Centralisation of Procurement Authority:** The creation of a national Public Procurement Office with binding instruction powers challenges provincial and municipal autonomy as guaranteed by Section 217 of the Constitution.
- **Mandated Preferential Procurement Measures:** The Act removes discretionary powers from organs of state to tailor procurement policies, potentially undermining local governance.
- **Economic and Financial Risks:** Without a socio-economic impact assessment, the Act could negatively affect fiscal stability, particularly at sub-national levels.

PT continues to engage stakeholders and reserves the right to initiate legal action if constitutional issues remain unresolved.

### **Western Cape Gambling and Racing Act, 1996 (Act 4 of 1996) as amended**

This Act provides regulatory prescripts to support the Member of the Executive Council (MEC) responsible for the Act in ensuring sound financial administration by the WCGRB and regulates gambling activities in the Western Cape. The Act will be amended through the introduction of the twentieth Amendment Gambling and Racing Bill/Act. Green Paper and White Paper will be developed with the aim of overhauling the principal act.

## Public Finance Management Act (PFMA) and Municipal Finance Management Act (MFMA) Reforms

Substantial amendments to the PFMA and MFMA are anticipated to take effect in the next five (5) years. These reforms aim to:

- Enhance transparency, accountability, and compliance.
- Address existing gaps in financial management practices.
- Expand the oversight and administrative authority of provincial treasuries.
- Strengthen financial governance across all government spheres.
- PT is actively participating in these legislative consultations and preparing for aligned implementation once the amendments are assented to.

### 3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOME

#### 3.1 Progress towards the achievement of the departmental impact

Impact Statement	Sustainable financial governance and service delivery that optimally responds to citizens needs
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PT remains steadfast in its dedication to sustainable financial governance and responsive service delivery. Through strategic innovation, targeted capacity development, and impactful interventions, PT ensures that public resources are managed with integrity and efficiency, placing the needs of the Province’s residents at the centre of all financial decision-making.

In the 2024/25 FY, PT advanced its Monitoring and Evaluation (M&E) capabilities through targeted implementation of improvement initiatives. Following an evaluation of the External Bursary Programme, a structured Improvement Plan was developed and executed to address identified gaps and enhance programme efficiency and impact. This process culminated in the development of a dedicated service delivery plan for the bursary programme, outlining measurable objectives, service standards, and clear accountability mechanisms.

During the 2024/25 FY, the PT successfully implemented five (5) major communication campaigns namely, Budget Day, the Bursary Campaign, PERO, MERO, and Medium Term Budget Policy Statement (MTBPS). These campaigns were strategically executed across various platforms, including radio, print, and social media, to ensure widespread public awareness and engagement. By leveraging existing partnerships, streamlining procurement processes, and working closely with the Corporate Communications Component and service providers, the Department was able to exceed its original target. These communication efforts not only enhanced transparency and citizen access to critical financial information but also contributed to the province’s key priorities of economic growth and job creation by promoting government programmes, bursary opportunities, and key economic publications that inform and empower communities.

The Fiscal and Economic Services Branch played a pivotal role in aligning spending with strategic outcomes, a key component of the PSP and the five-year impact statement. Collaborating with individual votes, the Programme integrated transversal themes such as Recovery Plan priorities, encompassing Jobs, Safety and Well-being, and overarching Growth for Jobs (G4J) Strategy into the budget process.

During the review period, PT's budget approach was to foster fiscal sustainability and discipline, evidence-based service delivery and fiscal expansion. These were achieved through tools such as budget circulars, SIME, TIME and publications that guide budget decisions. Departments employed fiscal and non-fiscal measures to mitigate risks across national, provincial, and departmental levels, guiding decisions on project prioritisation and delivery improvements.

Amidst external challenges and resource constraints, PT continued to promote sound financial governance in provincial and local government. This commitment facilitated effective resource mobilisation, prudent fiscal management, and resource optimisation. By enabling efficient resource use, effective financial oversight, and enhancing officials' capabilities, PT ensured resilience, adaptability, and innovation. Throughout, PT maintained its integrated, outcome-based approach to sound financial management.

As the final year of the strategic cycle and the inauguration of the 7<sup>th</sup> Provincial Administration, the branch placed strong emphasis on providing strategic guidance and contributing meaningfully to the development of the new PSP. The Provincial Government Budget Office (PGBO) played an instrumental role in these efforts, actively participating in high-level engagements to support the Provincial Cabinet and the Executive in aligning budget and policy priorities. This was achieved with a particular focus on fostering synergy between strategy and implementation, underpinned by the development of a Unified Change Strategy. Such an integrated approach is essential for building a capable, ethical, and developmental state, as articulated in the National Development Plan (NDP).

The Governance and Asset Management Branch spearheaded and provided guidance for the improvement of financial governance practices, resulting in enhanced resource mobilisation, efficient allocation of resources, sound fiscal management, and economical resource utilisation. These efforts contributed to optimising overall performance, ultimately leading to improved service delivery and the creation of public value. Additionally, the Branch identified financial governance best - practices that have the potential to be shared throughout the public sector.

The WCG's SCM Strategy, formulated through an extensive diagnostic process, found support in PT Instructions and was reinforced by the pro-forma Accounting Officer's System (AOS) for the Province. This strategy included measures such as strategic sourcing, effective contract management, and the use of data analytics to enhance decision-making and transparency. The SCM Unit's focus on innovation and continuous improvement ensured that resources were utilised effectively, contributing to better service delivery and value creation.

Through SCM compliance assessments and five (5) SCM forum engagements in 2024/25 FY, PT has advanced the implementation of its SCM Strategy by shifting the organisational culture from a predominantly compliance-driven and risk-averse approach to one that is performance-oriented and strategically focused. This cultural transformation has strengthened SCM governance practices and improved alignment with standardised frameworks, directly contributing to the number of municipal districts supported with SCM and Asset Management Governance and procurement planning. Furthermore, Strategic engagements such as the Supplier Event Strategy in collaboration with Department of Economic Development and Tourism, Department of Infrastructure (DOI) and Department of Health and Wellness aims to improve supplier communication and promote supplier development.

PT's technology infrastructure remains central to driving SCM transformation across the Province. Core tools such as the Procurement Planning Toolkit, e-Procurement Solution (ePS), and Western Cape Supplier Evidence Bank (WCSEB) have been implemented across departments, significantly enhancing procurement planning, governance, and decision-making through embedded business intelligence. They also provide crucial data that aligns the non-financial performance of provincial departments with financial performance. This improves the analysis of departmental spending trends and identifies cost-saving opportunities.

These systems enable the generation of critical reports-including SCM Performance Insight, Procurement Disclosure, Client Support, and Strategic Sourcing Intervention Reports-that promote transparency, inform strategy, and support public accountability. Transparency within the procurement ecosystem offers valuable information to clients and the public.

The PCC plays an indispensable role in guiding and supporting businesses, minimising bureaucratic barriers and offering registration support and guidance to potential suppliers. The services include integrated support services aimed at improving procurement efficiency and stakeholder engagement through responsive client advisory, training and digital enablement, e-PS, structured complaints resolution, and service monitoring tools that promote transparency and client satisfaction. The helpdesk also maintains profiles on NT's Central Supplier Database (CSD) and PT's WCSEB. Additionally, the PCC supports the use of the ePS.

These strategic initiatives collectively drive capacity building, collaboration, and continuous improvement, strengthening the procurement ecosystem, efficiency, effectiveness, and contribution to broader socio-economic goals. This enables governance oversight of financial systems, supply chain, and movable asset management governance within the provincial and municipal spheres.

PT continues to modernise legacy financial systems and implement robust system security measures in anticipation of the forthcoming implementation of the Integrated Financial Management System (IFMS) by the NT. Key initiatives include upgrading legacy systems, enhancing security, expanding the Data Warehouse, and migrating reporting to Microsoft Azure and the Power Platform which is all aimed at improving data integration, system stability, and user experience.

In the municipal context, hands-on support was extended, yielding positive outcomes such as improved financial statements and performance reports, along with advancements in the FMCMM process. Coordinating the TIME initiative allowed PT to strengthen municipal governance by emphasising financial maturity criteria across various domains. Commitments arising from TIME were monitored monthly, ensuring ongoing progress and dedicated attention to transversal issues raised by the local government sector. Economic and socio-economic data ensures evidence-based municipal integrated development planning and budgeting ultimately contributing to improved socio-economic and economic outcomes within municipal areas.

Comprehensive socio-economic intelligence in the form of the 2024/25 Municipal Economic Review and Outlook (MERO) and Socio-economic Profiles for Local Government (SEP-LG) was developed and shared with all thirty (30) municipalities within the Province in November 2024. The availability of relevant, up-to-date and economic intelligence is crucial for effective planning and budgeting in the local government sphere.

The process of budget assessments within the SIME framework played a crucial role in guiding strategic decision-making for allocating limited resources effectively. The 2024 SIME process was an advancement of the 2023 integrated municipal and provincial processes to strengthen alignment between municipal and provincial planning and budgeting and drives the theme of "Integrated service delivery", as municipalities continue the 2022 - 2027 Integrated Development Planning Cycle.

Regarding the supervision of financial reporting, the MFMA and PFMA units consistently offered strong support to stakeholders through workshops and ongoing interactions. These commitments significantly contributed to the enhancement of financial governance across the entire Province.

### 3.2 Progress towards the achievement of the departmental outcomes

#### Programme 1 – Administration

<b>Outcome 1</b>	<b>Financial and Corporate governance improved</b>
<b>Progress</b>	<p><b>1.1 Level of results-based monitoring and evaluation (RBM&amp;E) maturity attained</b></p> <p>The strengthened M&amp;E activities have significantly contributed to improved financial and corporate governance within PT. While the targeted maturity rating for the conclusion of the five-year strategic cycle was set at 4, the Department achieved a rating of 3.4. The implementation of an Improvement Plan and accompanying service delivery plan ensured that public funds are managed more effectively and aligned with strategic outcomes. Furthermore, the continued advocacy and communication strategy for M&amp;E has fostered a culture of continuous learning and open dialogue, reinforcing sound governance practices across both financial management and organisational operations. The Department remains committed to ultimately achieving a level 5 rating in future cycles - an aspirational benchmark for embedded, institutionalised M&amp;E excellence.</p> <p><b>1.2 Communication plan for media engagements, stakeholder liaison as well as internal staff implemented annually</b></p> <p>PT's integrated communications efforts contributed meaningfully to improved financial and corporate governance by ensuring that critical fiscal information was widely disseminated, clearly understood, and publicly accessible. Through the successful implementation of five (5) key campaigns, PT enhanced transparency and accountability, enabled informed public engagement, and promoted evidence-based decision-making. These campaigns were strategically delivered across a range of platforms and supported by close collaboration with the Corporate Communications Component and service providers, allowing for the efficient use of resources and the extension of campaign reach. The communication of economic data and budget priorities empowered stakeholders with the knowledge needed to participate in governance processes and strengthened trust in public financial management systems, directly supporting PT's goal of upholding sound financial and corporate governance across the Province.</p>

<b>Outcome 1 - continue</b>	<b>Financial and Corporate governance improved</b>
<b>Progress - continue</b>	<p><b>1.3 Number of phases of the Culture Journey successfully implemented</b></p> <p>PT's commitment to strengthening workplace culture continues to underpin improvements in financial and corporate governance across PT. PT successfully reached phase 3 of the 5 phases in the culture journey. These achievements were realised through a comprehensive Culture Journey in place at the start of the current five year strategic cycle, reflecting a deliberate and sustained focus on embedding a values-driven, people-centred culture. During the 2024/25 FY, this journey was advanced through a range of initiatives aimed at fostering an inclusive, ethical, and high-performance environment. Programmes such as the Value-Based Leadership Programme and Citizen-Centric Culture modules contributed to reinforcing service excellence as organisational norms. Mentoring and coaching interventions were introduced to support middle managers, strengthening leadership capability and succession planning.</p> <p>PT has actively taken ownership of its workplace culture through regular engagement, including staff culture surveys, feedback platforms, and leadership dialogues, demonstrating a commitment to listening, adapting, and co-creating its organisational ethos. This culture of accountability, inclusion, and continuous development supports more effective policy implementation, better resource management, and sustained departmental success.</p> <p><b>1.4 Number of material financial management audit findings</b></p> <p>The continuous review and strengthening of systems, processes, and controls improved financial governance and led to the achievement of the 12<sup>th</sup> consecutive unqualified audit without findings (clean audit) outcome.</p>

**Programme 2 – Sustainable Resource Management**

<b>Outcome 2</b>	<b>Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources.</b>
<b>Progress</b>	<p><b>2.1 Degree of integrated planning, budgeting, and implementation</b></p> <p>The 2024/25 FY was a transition year between the 6<sup>th</sup> and 7<sup>th</sup> administration. The degree of integrated planning, budgeting, and implementation was impacted by the transition. From a planning perspective, the Provincial Strategic Plan was drafted alongside the detailed planning for the Strategic and the Annual Performance Plans (APP) and the Budget process.</p> <p>New initiatives introduced was aligning the five-year PSP to a five-year Budget planning horizon. Furthermore, in the planning phase, transversal themes were introduced aiming to ensure better alignment between the provincial policy and strategy processes and the budgeting process. These themes are:</p> <ul style="list-style-type: none"> <li>● Climate change and Disaster Management;</li> <li>● Violence prevention and community safety;</li> <li>● Infrastructure pipeline and spatial planning; and</li> <li>● Youth development.</li> </ul>

Outcome 2 - continue	<b>Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources</b>
Progress - continue	<p>From a resource perspective, departments were requested to consider their CoE for the next five (5) years by balancing their needs with capacity, capability and the wellness of staff.</p> <p>The three - year Expenditure Review and Capacity Building initiative with the Government Technical Advisory Centre (GTAC) and the Western Cape Provincial Treasury initiated in the 2021/22 FY concluded in the 2023/24 FY. To advance expenditure reviews, a workshop was hosted in October 2024 on the effective institutionalisation, positioning and utilisation of spending reviews in the Province going forward. The aim was to explore departments driving their own reviews due to their unique understanding and in-house knowledge with support from PT.</p> <p>The 2025 Budget is underpinned by the updated Western Cape Fiscal Strategy, which anchors fiscal decision-making around three (3) core principles:</p> <ul style="list-style-type: none"> <li>● Unlocking allocative efficiency;</li> <li>● Enabling long-run fiscal sustainability; and</li> <li>● Enhancing productive efficiency.</li> </ul> <p>These principles guided the entire 2025 Budget process, ensuring a responsive, credible, and sustainable budget outcome. Integration across planning, budgeting, and implementation was enabled through a structured three-phase budget process, with each phase aligned to one or more of the strategic objectives.</p> <p>Phase 1 involved strengthening evidence-based planning with emphasis placed on data and scenario analysis to ensure the credibility of the 2025 Budget.</p> <p>In phase 2, attention turned to mitigating in-year fiscal risks and refining the budget estimates. Preliminary allocations were shaped through inputs from the 2024 MTBPS, PERO, MERO, and departmental planning sessions. This ensured that the budget was responsive to prevailing conditions and aligned to the draft PSP 2025 - 2030. Integration was evident as departments worked collaboratively with PT to navigate constraints while reinforcing service delivery priorities.</p> <p>Phase 3 involved finalising the budget to ensure long-term sustainability. This included incorporating departmental feedback, Cabinet Bosberaad decisions, final allocations from National Treasury, and updates on conditional grants and CoE. Importantly, the final allocations were aligned to the updated PSP 2025 - 2030, including its apex priority of "helping businesses grow and create jobs, equipping you to get those jobs". This phase reflects the culmination of integrated planning, fiscal strategy, and implementation readiness.</p> <p>Together, these three (3) phases illustrate a deliberate and cohesive approach to budgeting i.e., one that integrates strategic planning with fiscal discipline and implementation focus to improve public value.</p> <p>The Programme drives integration with municipalities through the SIME. In 2024, in addition to the SIME meetings that assess municipal budget and planning documents in April and May, a further series of engagement were held in November 2024 to discuss the medium-term strategies and risks facing municipalities. This additional engagement, led by the Department of Local Government (DLG), allowed more information from municipalities to feed into the provincial budget process.</p>

<p><b>Outcome 2 - continue</b></p>	<p><b>Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources</b></p>
<p><b>Progress - continue</b></p>	<p>PT also continued to provide assessments and advice on tabled and adopted municipal budgets as well as monitoring the implementation of those budgets monthly. This close monitoring allows the PT to provide timely advice to manage fiscal risks in municipalities and reduce the probability of financial crisis. However, when necessary, in terms of the Constitution and the MFMA, PT also intervenes to ensure the financial recovery of municipalities in crisis. During 2024/25 FY the PT oversaw the implementation of a Financial Recovery Plan in one (1) municipality and the preparation of recovery plans in two (2) other municipalities.</p> <p>PT provides research, advice and analysis on the regional and local economy to the 30 municipalities in the Province. The research and analysis conclude in the annual publication of the MERO and release of SEPs in November 2024. The MERO supports informed planning and budgeting in the five (5) district specific publications and one (1) metro. Annual budgets of municipalities were assessed, and recommendations provided to municipalities to improve the responsiveness of budgets to address socio-economic and policy objectives. Continuous monitoring of the implementation of municipal budgets through the Service Delivery and Budget Implementation Plans (SDBIP) are conducted quarterly to enhance PTs monitoring and oversight mandate in local government.</p> <p>Allocations through the WC Financial Management Capability Grant (WC FMCG) also supported a range of projects across 10 municipalities to improve their revenue collection and long-term financial sustainability.</p> <p>PT used the data reported by municipalities to publish an inaugural Local Government Budget Performance Review. This new publication provides an accessible source of information on municipal financial performance that residents and investors can use to better understand the pressures municipalities face and how they are responding.</p> <p>In 2024/25 FY, PT continued to make its presence felt in the municipal space by organising dedicated collaboration platforms such as the Chief Financial Officer (CFO) Forum, the Provincial Budget and Governance Forum, the Municipal Accountants Forum (MAF) as well as the Revenue Management Master Class (RMMC).</p> <p>The CFO Forum, which was held four (4) times in the 2024/25 FY, serves as a pivotal platform where PT can collaborate with key stakeholders, including NT, AGSA, the DLG, and the South African Local Government Association (SALGA), to engage senior municipal officials in meaningful dialogues pertaining to pertinent financial management and governance matters within the local government domain. These engagement opportunities enabled comprehensive discussions on the prevailing socio-economic landscape and emerging policy dynamics that influenced municipalities. Attendees benefited from the exchange of best practices, ideas, and insights, fostering the enrichment of both tacit and explicit knowledge and experience.</p> <p>The CFO Forum engaged on a wide range of topics affecting municipal finances and reporting, including the Municipal Financial Sustainability Index (MFSI) and the token identifier (TID) Standard Transfer Specification (STS) prepaid meter reset process.</p>

### Programme 3 - Asset Management

Outcome 3	<p><b>Effective management and oversight of financial systems, supply chain, and movable asset management governance within the provincial and municipal spheres.</b></p>
Progress	<p><b>3.1 Sustainable Governance Systems within the SCM function in municipalities embedded</b></p> <p>During the reporting period, targeted interventions were implemented to improve SCM and asset management maturity across municipal districts, aligned with standardised business practices and informed by system insights:</p> <ul style="list-style-type: none"> <li>● SCM and Asset Management Governance Support: Eight (8) municipalities were supported through SCM Compliance Assessments, and five (5) SCM Forums strengthening SCM governance practices and improving alignment with standardised frameworks. This contributes directly to the number of municipal districts assisted with SCM and Asset Management Governance;</li> <li>● Strategic Procurement Planning: Analysis of 10 municipal' procurement plans have guided commodity strategies and supported integration into broader municipal strategic objectives;</li> <li>● Data-Driven Decision-Making: SCM Performance Insight reports were produced for five (5) municipal districts, providing actionable procurement information to address operational challenges and enhance strategic procurement planning. This supports the number of municipal districts assisted with SCM System Insight Reports;</li> <li>● Helpdesk Support: The Local Government SCM MFMA Helpdesk, responded to 454 queries and resolved five (5) formal complaints providing practical guidance to municipalities and suppliers;</li> <li>● Audit and Financial Recovery Support: Assisted multiple municipalities with audit processes through standardised responses and contributed to the implementation of National Treasury-led Financial Recovery Plans in four (4) municipalities, in partnership with the DLG;</li> <li>● Asset Management Maturity Assessments: Province-wide asset management assessments, aligned with ISO 55001, were conducted to identify capacity gaps, improve governance, and assess readiness for an Enterprise Asset Management System (EAMS) implementation;</li> <li>● Supported supplier open days in five (5) municipalities, promoting local economic development and inclusive procurement practices; and</li> <li>● Quarterly Procurement Disclosure Reporting for the Province to the public to ensure transparency and accountability.</li> </ul> <p><b>3.2 Strategies in place that address gaps/needs of Provincial departments, municipalities and the suppliers base that conducts business with government for continues improvement</b></p> <p>Delivering targeted support programmes, capacity-building initiatives, and supplier development to address evolving needs across departments, municipalities, and suppliers:</p> <ul style="list-style-type: none"> <li>● Three (3) annually customised Programmes of Support that focus on addressing gaps and building capacity within government institutions and the supplier base that does business with government;</li> </ul>

<p><b>Outcome 3 - continue</b></p>	<p><b>Effective management and oversight of financial systems, supply chain, and movable asset management governance within the provincial and municipal spheres.</b></p>
<p><b>Progress - continue</b></p>	<ul style="list-style-type: none"> <li>● Management of a PCC which provides Technology Services: WCSEB and ePS registration and support; Learning: Provide training through video tutorials, podcasts, webinars and open days; Complaints Resolution: Mediation and redress to effect improvements in Western Cape Government procurement processes; and Service and Information Management: Website enablement, brochures, pamphlets, training manuals, perception surveys;</li> <li>● Hosting the Annual Smart Procurement Conference for departments, municipalities and other government institution and suppliers with a key focus on building knowledge and partnerships;</li> <li>● Quarterly Performance Reporting reflecting on the capacity building function and the quality of services provided; and</li> <li>● Quarterly SCM Performance Insight Reports for departments that focus on overall SCM performance of 13 departments together with a consolidated annual view which covers amongst others, procurement planning; spend, supplier and commodity analysis; ePS and; WCSEB and CSD performance analysis meeting of sustainable procurement goals (Broad-Based Black Economic Empowerment (B-BBEE); Reconstruction and Development Programme (RDP) and regional spend and an overview of regulatory reporting requirements.</li> </ul> <p><b>3.3 Advancing Value-for-Money and Socio-Economic Impact through Strategic Procurement</b></p> <p>Driving procurement initiatives that enhance transparency, strategic sourcing, and disclosure to maximise socio-economic benefits and meet citizen priorities:</p> <ul style="list-style-type: none"> <li>● Enhancing Demand Planning: Strengthening demand forecasting and management, through an automated procurement planning toolkit that aligns procurement and budget priorities;</li> <li>● Optimising Procurement Analysis: Improving procurement analysis through management of supplier evidence databases and ePS to ensure accurate actionable insights. Imbedding transversal contract thinking through facilitating the transversal security contract and writing business requirements for incorporation in 2025/26 of transversal contract purchasing into the ePS and procurement planning toolkit. This improves procurement analysis capabilities, resulting in precise insights for informed decision-making; and</li> <li>● Integrating Business Intelligence for Informed Decision-Making: Imbedding business intelligence capabilities to deliver key reports such as SCM Insight Reports, Client Support Reports, Procurement Disclosure Reports and Strategic Sourcing Intervention reports - supporting transparency, accountability, and strategic procurement.</li> </ul> <p>These strategic initiatives collectively drive capacity building, collaboration, and continuous improvement, strengthening the procurement ecosystem, efficiency, effectiveness, and contribution to broader socio-economic goals. This enables, governance oversight of financial systems, supply chain, and movable asset management governance within the provincial and municipal spheres.</p>

Outcome 3 - continue	<b>Effective management and oversight of financial systems, supply chain, and movable asset management governance within the provincial and municipal spheres.</b>
Progress - Continue	<p><b>3.4 Votes supported with embedding Good Governance principles in respect of transversally managed financial systems</b></p> <p>Providing transversal support for the effective operation, governance, and oversight of provincial financial systems, including consolidated reporting to improve accountability:</p> <ul style="list-style-type: none"> <li>● Thirteen (13) votes supported, in respect of user account management; query handling and training for BAS, LOGIS, Persal and ePS; and</li> <li>● Ensured data integrity by strengthening controls and security measures on financial systems, aimed at improving the quality and credibility of information and advancing financial systems reporting.</li> </ul> <p><b>3.5 Votes supported through the modernising and transforming of the transversally managed financial systems in keeping with the evolving needs of the Province</b></p> <p>Advancing the implementation of Evergreen Legacy Systems Strategy, maintaining and upgrading financial systems to align with the evolving needs of the Province.</p> <p>The enablement PT Data Warehouse Project for data consolidation and reporting capabilities, as well as enhancing data literacy and evidence-based decision-making.</p>

**Programme 4 – Financial Governance**

<p><b>Outcome 4</b></p>	<p><b>Governance transformation in departments, entities and municipalities to improve the state of governance</b></p>
<p><b>Progress</b></p>	<p><b>4.1 Performance improvement measured by strengthened governance and accountability in provincial and municipal government</b></p> <p>The Programme has made significant strides to ensure the sustainability and the optimisation of the good governance approach over the long term. The focus goes beyond mere compliance; instead, PT continually challenges itself to achieve exceptional performance by setting higher standards, aiming for governance improvements/enhancements within departments, entities and municipalities that translates into effective, efficient and responsive services for the residents within the Western Cape. This aligns and supports the strategic focus: Innovation, Culture and Governance in the Western Cape Provincial Strategic Plan 2025 - 2030.</p> <p>Institutionalised governance processes and structures are coordinated by the Programme to enable an integrated and continuous review and improvement of governance practices to build capabilities of departments and municipalities to navigate and mitigate risks and challenges and optimise performance.</p> <p>The adoption of a combined assurance approach maximises assurance coverage, control efficiency, and overall optimisation of assurance, rendering governance, risk management, and assurance most effective. Effective municipal audit committees, internal audit functions, and enterprise risk management are crucial for implementing combined assurance in municipalities. Support initiatives for municipalities have been identified for the medium term, establishing the foundational elements necessary for combined assurance implementation within local government.</p> <p>Concerning financial statements, material misstatements have been successfully minimised, primarily attributed to the widespread continuation of consistency workshops across both municipal and provincial spheres. We have also shared our experiences and opened up these workshops to colleagues outside of the WC to drive consistency throughout the Country. Our activities are especially noticed in the national forums that we attend, to slowly, but surely drive consistency, stability and sustainability in the system.</p> <p>Adapting to the ever-evolving environment, PT intensified interactions within the PFMA and MFMA realms. The hybrid approach, incorporating both in-person engagements and Microsoft Teams, facilitated enhanced support to stakeholders.</p> <p>Aligned with the mission, PT actively encouraged reporting institutions to provide readers with accurate and unbiased depictions of the events they address and report on.</p>

## 4. PERFORMANCE INFORMATION BY PROGRAMME

### 4.1 Programme 1: Administration

**Purpose:** To give strategic direction and to provide quality financial and other support services to the Minister and the Head of Department.

The Programme is further divided into the following sub-programmes:

- Sub-programme 1.1: Office of the Minister
- Sub-programme 1.2: Management Services
- Sub-programme 1.3: Financial Management

The following was the outcome for the financial year under review:

- Financial and Corporate governance improved.

#### **Outcomes, outputs, output indicators, targets, and actual achievements**

##### **Strategic Operational Management Support (SOMS)**

Phase 5 of the Departmental Evaluation System (DES), completed in 2024/25 FY, marked an important step for PT after conducting its first in-house evaluation. The evaluation identified areas for improvement, such as developing an electronic management system for better administration and increasing participation from low-income communities. The improvement plan was integrated into the SDIP 2023/24 - 2024/25. The plan addressed service delivery gaps utilising the Batho Pele Framework and the Department's strategic objectives, which formed the basis on the Departmental Service Improvement initiatives. During phase 5 of the DES, a progress review was conducted on implementing the recommendations in the improvement plan.

PT's communication campaigns not only enhanced transparency and public engagement but also played a vital role in supporting the Province's key priorities of economic growth and job creation. By effectively communicating the details of the MTBPS, PERO, and MERO reports, the Department provided businesses, investors, and policymakers with critical economic data and fiscal insights necessary for informed planning and investment decisions. This transparency helped build confidence in the Province's financial management, encouraging private sector participation and the expansion of economic activities that drive job opportunities. The Budget Day campaign further promoted awareness of government spending priorities, including infrastructure development and social programmes that directly stimulate employment and economic development. The bursary campaign contributed by facilitating access to education and skills development for young people, preparing a more capable workforce aligned with market demands. Together, these communications initiatives created an informed environment where economic policies and investments could flourish, supporting sustainable growth and the creation of meaningful employment within the Western Cape.

The SEO and ICT governance work, through effective project administration and coordination of ICT processes, ensured the timely and accurate delivery of key reports and adherence to governance standards. The efforts in change management and stakeholder engagement supported improved operational efficiency and transparency. These outcomes collectively advanced the Department's

financial and corporate governance objectives, reinforcing its commitment to high standards of accountability and performance.

### Financial Management

The Department has a strong internal control environment to ensure good governance. Further, this accomplishment was facilitated by the ongoing monitoring of real expenditures vis-à-vis the budget, adherence to financial and supply chain management norms, and timely recognition of potential risks and critical areas warranting attention. These measures played a pivotal role in ensuring the accuracy of financial and non-financial reports and adherence to relevant legislation, ultimately leading to the attainment of this commendable outcome.

The consistent achievement of clean audits and a proactive approach to diversity, inclusion, and talent management reflects Programme 1 - Administration's commitment to improving financial governance and service delivery.

### Outcomes, outputs, output indicators, targets and actual achievements tables

PROGRAMME 1: ADMINISTRATION									
Sub-programme 1.2: Management Services									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
1.2.1.1	Financial and Corporate Governance Improved	Monitoring and evaluation system	Number of phases of a monitoring and evaluation system implemented	Phase 3	Phase 4	Phase 5	Phase 5	None	None
1.2.1.2		Strategy Execution Office Services Rendered	Number of strategy execution office engagements held	Revised Output Indicator	12	4	5	1	Increased demand and stakeholder opportunities enabled us to proactively schedule and complete an additional engagement within the planned timeframe.
1.2.1.3				Number of ICT Status Reports	New Output Indicator	4	4	4	None
1.2.1.4		Communication (plan) implementation report	Number of communication campaigns implemented	Revised Output Indicator	Revised Output Indicator	4	5	1	By leveraging existing resources and partnerships, we successfully exceeded the target.
1.2.1.5		Implementation of the Talent Management Strategy	Number of progress reports on the implementation of the talent management strategy	Revised Output Indicator	Revised Output Indicator	2	2	None	None

### Strategy to overcome areas of under performance

There were no areas of underperformance.

### Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

### Outcomes, outputs, output indicators, targets, and actual achievements table

PROGRAMME 1: ADMINISTRATION									
Sub-programme 1.3: Financial Management									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
1.3.1.1	Financial and Corporate Governance Improved	Monitoring of expenditure against the budget	Number of In-Year Monitoring (IYM) Reports	12	12	12	12	None	None
1.3.1.2		Complete and proper records of financial affairs in accordance with prescribed norms and standards	Number of reports on compliance with minimum financial management performance indicators	12	12	12	12	None	None
1.3.1.3		Compliance with SCM norms and standards	Number of SCM reports on compliance with norms and standards	12	12	12	12	None	None
1.3.1.4		Maintained an accurate asset register	Number of asset verification reports	2	2	2	2	None	None
1.3.1.5		Identification of risks and key areas of concern regarding preparation of financial and non-financial reports and compliance with applicable legislation	Number of Status of Records Review reports	4	4	4	4	None	None
1.3.1.6		Departmental financial norms and standards reviewed	Number of internal norms and standards reviewed	New Output Indicator	4	4	4	4	None

### Strategy to overcome areas of underperformance

There were no areas of underperformance.

### Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

## Sub-programme expenditure

Sub-programme name	2024/25			2023/24		
	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
1.1 Office of the Minister	7 624	7 236	388	7 582	7 526	56
1.2 Management Services	21 099	20 662	437	22 834	22 530	304
1.3 Financial Management	26 022	25 641	381	27 421	27 284	137
<b>Total</b>	<b>54 745</b>	<b>53 539</b>	<b>1 206</b>	<b>57 837</b>	<b>57 340</b>	<b>497</b>

## 4.2 Programme 2: Sustainable Resource Management

**Purpose:** To ensure the efficient and effective management of provincial and municipal financial resources.

The programme is further divided into the following sub-programmes:

- Sub-programme 2.1: Programme Support
- Sub-programme 2.2: Fiscal Policy
- Sub-programme 2.3: Budget Management
- Sub-programme 2.4: Public Finance

The following was the outcome for the financial year under review:

- Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources.

### Outcomes, outputs, output indicators, targets, and actual achievements

#### Fiscal Policy

The Directorate successfully achieved all its performance targets in terms of the number of research reports, revenue and cash management reports, reports on the performance of the WCGRB, assessment of revenue retention requests by departments and compilation of a regulatory impact assessment for the gambling industry.

The Provincial Government Cash Management unit, under PT, played a pivotal role in securing a clean audit status for the Provincial Revenue Fund (PRF) account, as recognised by the AGSA. Similarly, the Local Government Cash Management unit extended support to municipalities to enhance their cash management capabilities and sustain effective service delivery.

In terms of Fiscal Policy, PT conducted various research into enhancing existing and alternative revenue sources for the Province and municipalities. Enhancing existing revenue sources and researching alternative revenue sources has become critical in view of the depressed economic situation and dire fiscal position which put the Province and municipalities fiscal positions at risk.

The Fiscal Policy Directorate successfully developed the Fiscal Futures Model, which was officially handed over to PT in the 2024/25 financial year. This informed the provincial fiscal strategy to anticipate and respond dynamically to a continuous changing fiscal context over the next five-year strategic cycle.

The Model was in the piloting phase, laying the groundwork. Going forward the idea is to inform the provincial scenario planning and to fully incorporate the model into the budgeting and planning cycle.

### **Provincial Government Budget Office (PGBO)**

PGBO continued to play a critical role in shaping provincial budget policies through rigorous research on economic, fiscal, and policy issues. These insights informed budget allocation recommendations that are aligned with the strategic priorities of the WCG. On 26 September 2024, the 2024 PERO was published, providing an in-depth analysis of global, national, and provincial economic trends. The PERO also assessed the socio-economic impact of government policy interventions and served as a key evidence-based resource to support provincial policy, planning, and budgeting processes. On 26 November 2024, the MTBPS was tabled, setting out the provincial fiscal strategy within a challenging and uncertain macroeconomic and fiscal environment. The 2024 MTBPS outlined the economic and policy context for the 2025 Medium Term Expenditure Framework (MTEF) and provided high-level guidance on expenditure planning in support of government priorities.

On 27 March 2025, the OPRE was presented in the Provincial Legislature. The OPRE offered a consolidated view of the 2025 WCG Budget, including the Province's fiscal strategy, revenue and expenditure outlook, and a breakdown of spending priorities. The 2025 Budget was designed to promote economic resilience, strengthen safety and wellbeing, and improve service delivery despite fiscal constraints and persistent risks such as energy insecurity, water supply vulnerabilities, and deteriorating national public finances.

Instead of responding to fiscal pressures faced by the province with austerity, PT adopted a reformist and forward-looking stance, anchored by a multi-phased budget planning model introduced in the 2024/25 financial year. This model comprised three (3) interlinked stages: evidence-based planning, structured budget reform engagements, and long-term fiscal sustainability planning. Each phase is aligned with provincial strategic priorities such as infrastructure-led growth, youth development, spatial transformation, and climate resilience.

### **Local Government Budget Office (LGBO)**

Municipalities were engaged through structured intergovernmental platforms, including the 2024 SIME process, focused on tabled budget assessments, and the Mid-Year Budget and Governance Engagements, which focuses on implementation and governance. These engagements were conducted in collaboration with key partners, notably the DLG and the Department of Environmental Affairs and Development Planning (DEA&DP), enabling PT to provide tailored advice aimed at improving the credibility, sustainability, and responsiveness of municipal budgets.

In response to challenges identified through oversight processes and structured engagements, PT implemented a range of targeted initiatives to strengthen the financial and institutional capacity of municipalities. This included the provision of technical advice and diagnostic support to identify areas for improvement, the facilitation of peer learning sessions to promote the sharing of good practices, and the rollout of tailored training programmes focused on key areas such as budgeting, financial reporting, and internal control. In addition, direct financial assistance was provided through the Western Cape Financial Management Capability Grant and the Western Cape Municipal Financial Recovery Service Grant.

**Chief Directorate: Local Government Public Finance (CD: LGPF) (Local Government Finance (LGF) and Municipal Finance Management Act (MFMA) Co-ordination)**

Municipal financial performance was closely monitored through the regular analysis of monthly, quarterly, and annual financial data. Using a broad set of early warning indicators, including cash flow analysis, revenue collection rates, expenditure patterns, and debt management performance. PT assessed trends to identify recurring deviations, cash flow concerns, or budget implementation challenges. Where such risks were identified, municipalities were flagged for closer monitoring and targeted support.

The CD played a key role in managing and supporting formal interventions where municipalities faced financial distress and/or governance challenges. Notable progress with regards to interventions undertaken through Section 139(5) of the Constitution, includes the following:

- Beaufort West Municipality: PT supported the implementation of a FRP, guiding the Municipality from the Rescue Phase into Stabilisation Phase.
- Kannaland Municipality: While the Municipality has been under formal intervention since December 2023, initial progress towards the development of a FRP was stalled due to the Municipality's reluctance to cooperate with the intervention. After continued engagements between the Municipality, PT and NT, a turning point was reached towards the end of 2024 when the Municipality agreed to cooperate with the intervention. The Municipality submitted the required information to enable a status quo assessment (SQA) which will inform the development of the FRP by outlining the root causes of the financial crisis and evaluating the Municipality's current financial position, marking the beginning of a more constructive and collaborative path forward.
- Theewaterskloof Municipality: The Provincial Executive formally agreed to intervene in the Municipality in November 2024 due to a financial crisis. The Municipality is cooperating with National and Provincial Treasury to prepare a SQA and FRP.

A total of seven (7) municipalities tabled unfunded budgets for 2024/25 FY namely Matzikama, Laingsburg, Beaufort West, Kannaland, Theewaterskloof, Knysna and Swellendam. With the necessary support and guidance from PT, Swellendam was able to move from an unfunded position to a funded position with the adopted budget. All these municipalities were successfully supported to develop and approve budget funding plans.

In the 2024/25 FY, the CD provided significant support to municipalities participating in the Municipal Debt Relief Programme. This programme offers municipalities with arrears owed to Eskom the opportunity to have their debts written off over a three-year period, provided they comply with the conditions set out in MFMA Circular 124.

PT worked closely with four (4) municipalities – Matzikama, Cederberg, Kannaland, and Beaufort West – to ensure adherence to the relief conditions, culminating in the approval of one-third of their debt following successful completion of the first 12-month period cycle. This resulted in the approval for Eskom to write-off of over R93 million in debts owed by these municipalities – making a substantial contribution to the financial turnaround of these municipalities. Full compliance over the next two (2) years will result in the remaining amount being written off.

Another milestone was the development and release of the first-ever Western Cape Local Government Budget Performance Review in November 2024. This publication analysed the pre-audited financial results of all 30 municipalities in the Province for the 2023/24 FY, offering insights into trends and performance over a three-year period. The report is a key step toward more transparent, data-driven fiscal oversight and supports ongoing improvements in municipal budgeting and accountability.

Throughout the 2024/25 FY, the CD: LGPF continued to lead the facilitation and coordination of Municipal Finance Management Act (MFMA) implementation across municipalities in the Western Cape. This work directly supported PT's strategic goal of enabling effective and sustainable local government. Through this approach, PT continues to promote fiscal discipline, transparency, and accountability in municipalities, ensuring alignment with the broader provincial development objectives.

The CD: LGPF recorded several other key achievements during the year that reinforced its commitment to strengthening municipal financial performance and governance.

In response to the July 2024 Gauteng High Court ruling that declared National Energy Regulator of South Africa's (NERSA) methodology for determining municipal electricity tariffs unlawful, the CD played a critical supporting role. The Court required all municipalities to submit updated Cost of Supply Studies (COSS) alongside their 2024/25 FY electricity tariff applications. PT mobilised resources to assist all Western Cape municipalities that lacked valid COSS, ensuring they developed compliant models and met the submission deadline.

There were five (5) problematic municipalities, however, through support from an NGO, we managed to assist all of them. Although applications were submitted to NERSA, there were challenges with the process. As a result, we resolved to focus on what was achieved, ensuring that all municipalities obtained valid COSS.

In addition, the CD's continued advocacy and technical support enabled the successful completion of the STS TID (Standard Transfer Specification Token Identifier) roll-over process across all municipalities in the Western Cape before the national deadline of 24 November 2024. This achievement ensured that pre-paid electricity meters remained functional and compliant with updated national standards, protecting municipal revenue streams and service continuity.

### **Provincial Government Finance**

Provincial Government Finance coordinated, completed and tabled the Estimates of Provincial Revenue and Expenditure 2025 (EPRE) as well as the Adjustments Estimates of Provincial Revenue and Expenditure 2024 (AEPRE) for the Province.

These budgets were prepared within a context where the Provincial Equitable Share is insufficient to offset inflation and service delivery demands, whilst at the same time there is rising pressure from population growth, fluctuating PES, stagnant national funding, and donor uncertainties.

Therefore, the strategy was to prepare a budget that ensures allocative and productive efficiency while promoting long-term fiscal sustainability. This includes reserving funding and moving towards financing mechanisms such as alternative and blended financing to create fiscal stability.

The AEPRE 2024 largely dealt with addressing staff costs and service delivery pressures because of fiscal consolidation on the 2024 budget, to partially address the growing service delivery need within the social sector as well as to allocate funding for flood damage in the previous year.

A workshop was hosted in October 2024 on effective institutionalisation, positioning and utilisation of spending reviews going forward. The aim was to explore departments driving their own reviews due to their unique understanding and in-house knowledge with support from PT to provide an independent view.

Two (2) expenditure reviews were undertaken with the assistance of GTAC, one on GMT and an initial report on the analysis of selected properties to understand the cost-effectiveness of the government portfolio. Based on the initial work done on the government portfolio it was decided to expand the scope of work to support the Master Office Accommodation Plan to substantiate the key proposition of WCG departments to move out of leased-in buildings into WCG owned accommodation.

## Infrastructure

Infrastructure remained a vital enabler of service delivery and a cornerstone for economic growth and sustainability in the Western Cape. As such, the planning, implementation, and investment in infrastructure continued to be a key area of focus throughout the FY. Expenditure was closely tracked against departmental allocations to ensure alignment with infrastructure priorities as a catalyst for development.

The 2024/25 Adjustment Budget process culminated in the release of the Overview of Adjusted Provincial and Municipal Infrastructure Investment (OAPMII) 2024. This publication strengthened transparency and reaffirmed the Province's commitment to sound infrastructure planning.

In addition, the 2025/26 Main Budget process led to the publication of the Overview of Provincial and Municipal Infrastructure Investment (OPMII) 2025 on 27 March 2025. This strategic document provided a comprehensive overview of infrastructure investments by both the Provincial Government and municipalities in the Western Cape. It outlined the planned projects for implementation in the 2025/26 FY in line with budget allocations and showcased the Province's continued focus on integrated, forward-thinking infrastructure development to support growth and sustainability.

The Budget Facility for Infrastructure (BFI) programme continues to strengthen the Province's infrastructure pipeline, with projects at various stages of development. To date, seven (7) projects have been approved, with R4.881 billion allocated between 2021 and 2024, supporting priority investments in health, education, transport, and municipal infrastructure. A further six (6) projects have been formally submitted to National Treasury, representing a combined funding ask of R15.6 billion, including investments in water security and major road upgrades. Collectively, the BFI portfolio now comprises 13 projects with a total funding ask of R35 billion.

## Business Information and Data Management (BIDM)

BIDM continued to play a vital role in overseeing information, particularly provincial and municipal budgetary data and information, by collecting and distributing information to PT officials. The centralised repository was maintained, housing verified data that significantly contributed to informed decision-making and facilitated the presentation of credible publications in the Provincial Legislature. The BIDM team effectively fulfilled their duties related to client engagement, data compilation, data and information management, as well as records management and registry services for PT, ensuring smooth operations and accuracy in information handling.

The Directorate also facilitated the preparatory planning and preliminary implementation of the DPSA determination and directive on the implementation of Knowledge and Data Management in the public service during the 2024/25 FY. It continues to render support in a collaborative manner, whilst the Department aligns its business processes, people, technology, culture and strategy towards full Knowledge Management implementation over the medium to longer term period, once sufficiently capacitated and adequately resourced.

### Outcomes, outputs, output indicators, targets, and actual achievements tables

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.2: Fiscal Policy									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.2.1.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Research reports on the Provincial and Local Government Fiscal System	Number of research reports on the Provincial and Local Government Fiscal System	4	4	4	4	None	None
2.2.1.2		Revenue reports	Number of Provincial Revenue Management reports	4	4	4	4	None	None
2.2.1.3		Local Government Cash Management reports	Number of Local Government Cash Management reports	4	4	4	4	None	None
2.2.1.4		Provincial Government Cash Management reports	Number of Provincial Government Cash Management reports	4	4	4	4	None	None
2.2.1.5		Reports on the performance of the WCGRB	Number of reports on the performance of the WCGRB	4	4	4	4	None	None
2.2.1.6		Assessment report on the retention of own revenue as submitted by departments	Revenue retention requests by departments assessed	New Output Indicator		1	1	1	None

**Strategy to overcome areas of under performance**

There were no areas of underperformance.

**Changes to planned targets**

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.3: Budget Management									
Element: Provincial Government Budget Office									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.3.1.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Provincial budget policy assessment reports	Number of provincial budget policy assessment reports	28	28	28	28	None	None
2.3.1.2		Provincial budget and economic publications	Number of Provincial Budget and Economic Publications	3	3	3	3	None	None

**Strategy to overcome areas of under performance**

There were no areas of underperformance.

**Changes to planned targets**

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.3: Budget Management									
Element: Local Government Budget Office									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.3.2.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Integrated municipal budget policy assessment reports	Number of integrated municipal budget policy assessment reports	30	30	30	30	None	None

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.3: Budget Management									
Element: Local Government Budget Office									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.3.2.2	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Municipal performance reports received, assessed	Percentage of quarterly performance reports received, assessed	100%*	100%**	100%	100%***	None	None
2.3.2.3		Socio-economic intelligence publications	Development of the Municipal Economic Review and Outlook and Socio-Economic Profiles (SEP-LGs)	November 2022	November 2023	November 2024	November 2024	None	None

#### 2.3.2.2 Percentage of quarterly performance reports received, assessed

\* Method of calculation 2022/23

Numerator: Number of quarterly performance reports assessed (120)

Denominator: Number of quarterly performance reports received (120)

\*\* Method of calculation 2023/24

Numerator: Number of quarterly performance reports assessed (120)

Denominator: Number of quarterly performance reports received (120)

\*\*\* Method of calculation 2024/25

Numerator: Number of quarterly performance reports assessed (120)

Denominator: Number of quarterly performance reports received (120)

### Strategy to overcome areas of under performance

There were no areas of underperformance.

### Changes to planned targets

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.3: Budget Management									
Element: Local Government Budget Office									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	* Actual Achievement until Qtr. 2 of 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.3.2.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Integrated municipal budget policy assessment reports	Number of integrated municipal budget policy assessment reports	30	30	28	30	2	In year changes performed due to administrative error during the development of the APP.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.4: Public Finance									
Element: Provincial Government Finance									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.4.1.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Provincial budget assessment reports	Number of provincial budget assessment reports	28	28	28	28	None	None
2.4.1.2		Expenditure reviews	Number of expenditure reviews	4	3	2	2	None	None
2.4.1.3		Quarterly reports on the implementation of the budget	Number of quarterly reports on the implementation of the budget	4	4	4	4	None	None
2.4.1.4		Provincial budget publications	Number of provincial budget publications	3	2	2	2	None	None

### Strategy to overcome areas of under performance

There were no areas of underperformance.

### Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.4: Public Finance									
Element: Local Government Finance (Group 1,2 and MFMA Coordination)									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.4.2.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	IYM assessment on the sustainable implementation of the municipal budget	Percentage of monthly IYM reports, submitted as per S71 of the MFMA, on the implementation of the municipal budget received, assessed	100%*	100%**	100%	100%***	None	None
2.4.2.2			Number of monthly consolidated IYM assessment reports	12	12	12	12	None	None
2.4.2.3			Number of quarterly publications on the state of municipal budgets	4	4	4	4	None	None
2.4.2.4		Assessment of municipal budgets and mid-year reports for sustainability and credibility	Number of reports on budget sustainability and credibility inputted to municipal budget assessment reports	60	60	58	58	None	None

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.4: Public Finance									
Element: Local Government Finance (Group 1,2 and MFMA Coordination)									
No.	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Output
2.4.2.5	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Reporting on MFMA implementation to NT	Number of reports on MFMA implementation submitted to NT	5	4	2	2	None	None
2.4.2.6		Forums to strengthen intergovernmental cooperation and information sharing	Number of CFO forums	4	4	4	4	None	None
2.4.2.7		Supporting the development of Budget Funding Plans for municipalities adopting unfunded budgets	Percentage of municipalities with unfunded budgets supported to develop Budget Funding Plans	Revised Output Indicator	80%*	80%	100%**	20%	Indicator allows for an 80% threshold to account for potential non-cooperation by municipalities. All municipalities with unfunded budgets fully cooperated with PT and were successfully supported to develop Budget Funding Plans or, in the case of Beaufort West, to implement its existing Financial Recovery Plan - resulting in 100% achievement.

**2.4.2.1.** Percentage of monthly IYM reports, submitted as per S71 of the MFMA, on the implementation of the municipal budget received, assessed

- \* Method of calculation 2022/23  
Numerator: Number of IYM submissions assessed (359)  
Denominator: Number of IYM submissions received from municipalities (359)
- \*\* Method of calculation 2023/24  
Numerator: Number of IYM submissions assessed (360)  
Denominator: Number of IYM submissions received from municipalities (360)
- \*\*\* Method of calculation 2024/25  
Numerator: Number of IYM submissions assessed (360)  
Denominator: Number of IYM submissions received from municipalities (360)

**2.4.2.7.** Percentage of municipalities with unfunded budgets supported to develop Budget Funding Plans

- \* Method of calculation 2023/24  
Numerator: Number of municipalities assisted to adopt Budget Funding Plans and/or implement a Financial Recovery Plan (5)  
Denominator: Number of municipalities with unfunded budgets (5)
- \*\* Method of calculation 2024/25  
Numerator: Number of municipalities assisted to adopt Budget Funding Plans and/or implement a Financial Recovery Plan (6)  
Denominator: Number of municipalities with unfunded budgets (6)

### Strategy to overcome areas of under performance

There were no areas of underperformance.

### Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.4: Public Finance									
Element: Infrastructure									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.4.3.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Immovable asset management plans assessed	Number of Immovable asset management plans assessed	32	32	32	32	None	None
2.4.3.2		Quarterly reports on the implementation of infrastructure budgets to Cabinet	Number of quarterly reports on the implementation of infrastructure budgets to Cabinet	4	4	4	4	None	None
2.4.3.3		Provincial budget publications	Number of provincial budget publications	2	2	2	2	None	None
2.4.3.4		Infrastructure Reporting Model (IRM) Monthly Progress Reports	Number of IRM monthly progress reports assessed	New Output Indicator	New Output Indicator	84	84	None	None
2.4.3.5		Infrastructure Project Site Visits	Number of Infrastructure Project Site Visits Conducted	New Output Indicator	New Output Indicator	1	1	None	None

**Strategy to overcome areas of under performance**

There were no areas of underperformance.

**Changes to planned targets**

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme 2.4: Public Finance									
Element: Business Information and Data Management									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
2.4.4.1	Integrated planning, budgeting, and implementation for sustainable management of provincial and municipal fiscal resources	Datasets managed	Number of datasets managed	4	4	4	4	None	None
2.4.4.2		Budget process plans managed	Number of budget process plans managed	3	3	3	3	None	None

**Strategy to overcome areas of under performance**

There were no areas of underperformance.

## Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

## Sub-programme expenditure

Sub-programme name	2024/25			2023/24		
	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
2.1 Programme Support	6 252	5 563	689	6 683	6 610	73
2.2 Fiscal Policy	44 304	44 273	31	41 166	40 932	234
2.3 Budget Management	19 135	18 413	722	18 498	18 402	96
2.4 Public Finance	64 664	62 839	1 825	59 767	57 069	2 698
<b>Total</b>	<b>134 355</b>	<b>131 088</b>	<b>3 267</b>	<b>126 114</b>	<b>123 013</b>	<b>3 101</b>

## 4.3 Programme 3: Asset Management

**Purpose:** To provide policy direction and to facilitate and enforce the management of provincial financial systems, supply chain and movable asset management within the provincial and municipal spheres.

The programme is further divided into the following sub-programmes:

- Sub-programme 3.1: Programme Support
- Sub-programme 3.2: Supply Chain Management
- Sub-programme 3.3: Supporting and Interlinked Financial Systems

The following was the outcome for the financial year under review:

- Effective management and oversight of financial systems, supply chain and movable asset management governance within the provincial and municipal spheres.

### Outcomes, outputs, output indicators, targets, and actual achievements

#### Provincial Government: Supply Chain Management

The Element made the following key achievements:

- Despite the challenges from evolving national policies and regulations, including the recently Gazetted Procurement Act, 2024[1] and the Preferential Procurement Regulations, 2022[2], the PT maintained good governance, and strong SCM audit outcomes in the Province.
- PT issued circulars, to reinforce service delivery integrity and ensure stability amid shifting regulatory environment.
- High impact interventions were delivered to support procurement capabilities in the Province (departments, suppliers and entities) driving modernisation and strategic repositioning of SCM.

- Quarterly Client Support Performance reports were produced which proactively assessed the unit's performance and drives continuous improvement in this regard.
- 53 SCM Insight reports were produced on departmental SCM performance, and four (4) Quarterly Procurement Disclosure Reports were published to enhance transparency and accountability in public procurement.
- The Procurement Planning Toolkit was maintained and automated across all 13 provincial departments, enabling the production of quarterly Strategic Sourcing Intervention Reports. These reports are strategically designed to progressively address commodity-specific procurement challenges and embed value-for-money principles into strategic procurement initiatives, as the PT's internal capacity continues to develop and mature.
- The PCC was effectively managed at the provincial level, collaboratively resolving a total of 28 322 supplier-related matters. This included 2 906 in-person walk-ins, 13 917 general queries, 2 582 new supplier registrations, and 8 971 profile maintenance requests. Additionally, the SCM Helpdesk coordinated responses to 169 departmental and entity-specific queries and addressed 137 technical supplier issues. The unit also facilitated four (4) provincial SCM forums and delivered five (5) training interventions for departments and 14 for suppliers. Furthermore, a Problem Driven Interactive Adaption (PDIA) approach to procurement was institutionalised, supported by dedicated sub-work groups led by SCM Heads across the Province.

### Local Government: Supply Chain Management

The Element made the following key achievements:

- **SCM Forums:** Convened regular forums to address key issues including policy development and transformation, service delivery standards and best practices.
- **Query Resolution and Supplier Support:** Addressed 454 SCM and Central Supplier Database (CSD) queries, alongside five (5) supplier complaints, providing ongoing advisory support.
- **Compliance Assessments and Governance Oversight:** In-depth review of the policy frameworks and procurement transactions of ten (10) of the most vulnerable municipalities in the Province, to deliver customised support to these municipalities based on their needs and local challenges. Conducted ten (10) municipal procurement planning assessments and addressed governance challenges across five (5) municipal districts using SCM District Performance Insight Reports. Provided hands-on assistance to municipalities during the audit cycle, in consultation with key stakeholders.
- **Capacity Building:** Delivered SCM training in partnership with the NT, South Africa Revenue Service (SARS) and B-BBEE Commission, enhancing municipal and entity capabilities. Rolled out targeted SCM support initiatives aimed at improving the capacity of municipalities, municipal entities, and suppliers to effectively implement SCM practices.
- **Supplier Engagements:** Facilitated six (6) Supplier Open Days across five (5) municipal districts, facilitating WCSEB and CSD registrations and enhancing supplier participation in public procurement, partnering with provincial departments to increase the reach and scope of such engagements.
- **Strategic Events and Conferences:** Hosted the 11<sup>th</sup> Annual Smart Procurement Conference in collaboration with the Garden Route District under the theme "Sustainable Infrastructure – Sustainable Communities: Procurement's Impact on Local Growth."

- **Strategic Sourcing:** Promoted the uptake of transversal contracts available to municipalities through active showcasing of NT and State Information Technology Agency (SITA) contracts, to improve value for money and procurement efficiencies.
- **Asset Management Support:** Conducted province-wide asset management maturity and capacity assessments (alignment with ISO 55001 standards) identifying needs for improvement, and/or evaluating readiness for an Enterprise Asset Management System (EAMS).
- **Financial Recovery:** Supported Kannaland and Beaufort West municipalities through the FRP assessments, as well as Knysna through a Budget Funding Plan assessment.
- **Energy resilience procurement:** Supported two (2) procurement projects aimed at developing energy resilience, specifically in Hessequa Solar Photovoltaic (PV) and Stellenbosch municipalities, aligned to provincial energy priorities.

### **Supporting and Interlinked Financial Systems (SIFS)**

SIFS maintains its core objective of managing the transversal financial systems of the WCG, ensuring the highest quality financial data and providing credible information to all client departments. SIFS is committed to enhancing financial system management in the Province.

The Sub-programme made the following key achievements:

- **Enhanced Financial System Oversight and Data Integrity:** Strengthened user account management across transversal financial systems, ensuring secure, controlled, and auditable access for all WCG departments. Implemented data validation measures to improve the accuracy, reliability, and credibility of financial information for decision-making.
- **Modernised System Support and Helpdesk Services:** Rolled out the IT Service Management Toolkit (BMC Remedy) to centralise, streamline, and track financial system queries across departments, improving response times, user satisfaction, and insight into system challenges for proactive interventions. Unified helpdesk communication and branding, enhancing the visibility, professionalism, and consistency of SIFS support services.
- **Expanded and Targeted Training for System Users:** Delivered comprehensive training across multiple platforms (classroom, virtual, and eLearning via Moodle) to ensure widespread system literacy on BAS, LOGIS, and PERSAL. A semi-automated Training gaps tool was developed and implemented to identify and address departmental training needs, improving skills alignment and enhancing compliance with system requirements.
- **Innovative Reporting and Data Solutions:** Launched KITSO and Persal-Share platforms to provide departments with automated access to key BAS, LOGIS, and PERSAL reports - reducing manual reporting burdens and enhancing monitoring capability. Spearheaded the development of the PT Data Warehouse, including ingestion of PERSAL reports, laying the foundation for modernised, integrated financial data analytics.
- **Driving Digital Transformation for Financial Systems:** Initiated migration of legacy reports onto Microsoft Azure and the Power Platform, building a scalable architecture for future integrated financial management solutions. Secured critical technical resources, including Azure licenses and engineering support, enabling sustainable digital transformation.

- Sustained Management and Optimisation of the eProcurement Solution (ePS): Managed and continuously optimised the in-house developed ePS to ensure a transparent, efficient, and compliant procurement platform for the Province. Delivered ongoing system enhancements, technical support, and user-driven updates to maintain stability, increase adoption, and align with evolving procurement needs.

**Outcomes, outputs, output indicators, targets, and actual achievements tables**

PROGRAMME 3: ASSET MANAGEMENT									
Sub-programme 3.2: Supply Chain Management - Provincial and Local Government									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
3.2.1.1	Effective management and oversight of financial systems, supply chain and movable asset management governance within the provincial and municipal spheres	Municipal Districts assisted with standardised SCM and Asset Management Business practices to continuously improve SCM and AM maturity	Number of municipal districts assisted with SCM and AM Governance	Revised Output Indicator	5	8	14	6	Municipalities requested additional assessments to ensure compliance with legislative requirements, rectify processes, identify and mitigate risks and improve on overall performance resulting in an increased demand for more direct engagements.
3.2.1.2		Municipal districts assisted with SCM System Insight reports by providing procurement information to municipalities	Number of Municipal Districts Insight Reports	Revised Output Indicator	5	5	5	None	None
3.2.1.3		Annually defined support programmes for departments, municipal districts and suppliers to provide support and build capacity	Number of support programmes implemented	Revised Output Indicator	3	3	3	None	None
3.2.1.4		Assessment of operational client support function	Number of reports reflecting client support Performance	4	4	4	4	None	None
3.2.1.5		Procurement Disclosure Reports reflecting provincial procurement performance	Number of Procurement Disclosure Reports	4	4	4	4	None	None
3.2.1.6		Focused strategic sourcing initiatives for value for money purchasing in the province	Number of strategic sourcing interventions	2	4	4	4	None	None
3.2.1.7		Provincial SCM system insight reports providing procurement performance information to departments	Number of SCM system insight reports produced	53	53	53	53	None	None

### Strategy to overcome areas of under performance

There were no areas of underperformance.

### Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 3: ASSET MANAGEMENT									
Sub-programme 3.3: Supporting and Interlinked Financial Systems									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
3.3.1.1	Effective management and oversight of financial systems, supply chain and movable asset management governance within the provincial and municipal spheres	Provincial financial systems supported and maintained	Number of votes assisted with system support	13	13	13	13	None	None
3.3.1.2		Capacitated and trained system users	Number of votes assisted with end user training	13	13	13	13	None	None
3.3.1.3		Evergreen Legacy Systems implemented	Number of system modules implemented	5	5	5	5	None	None
3.3.1.4		Consolidated reporting provided from financial systems	Number of votes assisted with financial reporting	13	13	13	13	None	None

### Strategy to overcome areas of under performance

There were no areas of underperformance.

### Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

### Linking performance with budgets

Strategic objectives are linked to the budget programme and sub-programme.

## Sub-programme expenditure

Sub-programme Name	2024/25			2023/24		
	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
3.1 Programme Support	3 621	3 028	593	5 568	5 369	199
3.2 Supply Chain Management	26 359	24 133	2 226	37 357	36 945	412
3.3 Supporting and Interlinked Financial Systems	41 056	38 154	2 902	38 007	37 272	735
<b>Total</b>	<b>71 036</b>	<b>65 315</b>	<b>5 721</b>	<b>80 932</b>	<b>79 586</b>	<b>1 346</b>

### 4.4 Programme 4: Financial Governance

**Purpose:** To promote accountability and financial governance in departments, entities and municipalities.

The programme is further divided into the following sub-programmes:

- Sub-programme 4.1: Programme Support
- Sub-programme 4.2: Accounting Services
- Sub-programme 4.3: Corporate Governance

The following was the outcome for the financial year under review:

- Governance transformation in departments, entities, and municipalities improved.

#### Outcomes, outputs, output indicators, targets, and actual achievements

##### Accounting Services

Accurate financial statements in the public sector serve several crucial purposes including ensuring accountability and transparency: Entities are entrusted with taxpayer money and are accountable to the public. Financial statements must be transparent about how funds were allocated and spent, allowing citizens to have a full view of the performance of the departments, municipalities and entities thus building stakeholder confidence. When stakeholders have access to reliable annual financial statements and annual reports, they can assess the financial health and performance of departments, municipalities and entities, which is essential for maintaining trust and credibility. PT continued to uphold a high standard of the accountability cycle, a practice that was consistently maintained throughout the FY ending on 31 March 2025. The AGSA's recognition of the Province as the top performer in audit outcomes across both local and provincial government spheres, firmly established PT's pivotal role in the Province, demonstrated by its consistent achievement and maintenance of the best audit results in the Country.

The municipal audits for the 2023/24 period were concluded by January 2025. Building upon the positive audit outcomes of the previous year, the outcomes remain positive. Twenty (20) municipalities achieved clean audits, six (6) municipalities attained "unqualified audit

with other matters", two (2) municipalities received qualified audit opinions, one (1) municipality received an adverse opinion, and one (1) municipality received disclaimer audit outcome. Furthermore, 26 municipalities attained the globally recognised benchmark of an unqualified audit opinion.

The provincial audits for the 2023/24 period also reflected positive outcomes. In relation to the departments, there were twelve (12) financially unqualified with no other matters' audit opinions and two (2) unqualified with other matters' audit opinions. In relation to entities, there were eleven (11) financially unqualified with no other matters audit opinions.

The consistent achievement of success in the WC, as highlighted in the AGSA's PFMA and MFMA general report inter alia, can be attributed to various factors, including:

- PT support initiatives, such as the PFMA and MFMA annual financial statement consistency workshops, which contributed to the submission of good-quality financial statements that needed no material adjustments;
- Accounting officers and authorities holding senior management responsible for improving vital performance reporting practices; and
- Leadership vigilance and responsibility for commitments, in collaboration with oversight committees, to elevate and sustain audit outcomes.

Annually, the PT executes an analysis of all the final management reports that have been issued to departments and entities, and municipalities. The objective of the analysis is to identify significant underlying factors contributing to recurring and transversal findings, as well as findings that could potentially influence future audit outcomes. The afore-mentioned outcomes are shared with departments and entities and municipalities during the various forums and workshops, and through the Financial Governance Insight Report. PT facilitated the positive audit outcomes on the PFMA and MFMA spheres of government through initiatives such as the PFMA and MFMA AFS consistency workshops, the rollout of the amendments to the accounting framework as well as driving the internal control forums.

### **Corporate Governance**

The WCG's governance approach remains its foundation and key asset to deliver services to residents within the Western Cape and to enable growth within the Province. The ICG strategic priority in the Western Cape PSP 2025 - 2030 captures the WCGs' continued commitment to translate governance improvement into tangible enhancements in residents' lives. The WCG's governance system builds capabilities in departments and municipalities that enable agility and resilience in navigating risks, challenges and delivering proactive, responsive and cost-effective services to residents.

To continually strengthen leadership oversight and accountability, the Minister hosted and led the Provincial Budget and Governance Forum on 9 December 2024. This was performed together with the Mayoral Committee Members responsible for Finance from Western Cape municipalities, facilitating coordinated action by "Team Finance" within the Province with the collective goal of, "Doing More with Less for More People."

During the 2023/24 FY, the programme issued its first edition of the Financial Governance Insight Report. The report remains a tool to set the benchmark across the WCG, with the aim of empowering all of those working in and influencing governance. It shows where more attention is needed and equally draws attention to pockets of progress which can potentially be scaled across the Province - demonstrating the art of working together as a powerful tool in governance.

Governance engagements with departments were consolidated into the NT mid-year process, aligning budget preparation with good governance principles.

During the 2024/25 TIME process a risk-based approach was followed as informed by the transversal high impact risks identified by the Chief Risk Officer (CRO)/Chief Audit Executive (CAE) Forum from each of the five (5) districts within the WC and the TIME assessment reports. Municipalities and the WCG jointly examined performance and governance challenges and risks in the current FY. The engagements centered on the alignment and implementation of municipal strategic and operational plans with good governance practices, proactively addressing governance and performance challenges and risks to enhance municipal performance.

PT's legal and policy unit conducted reviews of draft legislation and policies, coordinating commentary processes to ensure PT, and team finance, remained informed about relevant legislation and positioned itself to exert influence before the enactment or mandatory implementation of laws and regulations.

Hosting the municipal CRO and CAE forums and collaborating with relevant professional bodies to enhance governance. These forums served as a venue for discussing and guiding key cross-cutting challenges and risks in the municipal assurance landscape, facilitating the exchange of best practices. Attendees greatly appreciated the support provided through dedication and cooperation.

The adoption of a combined assurance approach maximises assurance coverage, control efficiency, and overall optimisation of assurance, rendering governance, risk management, and assurance most effective. Effective municipal audit committees, internal audit functions, and enterprise risk management are crucial for implementing combined assurance in municipalities. Support initiatives for municipalities have been identified for the medium term, establishing the foundational elements necessary for combined assurance implementation within local government.

The Chartered Accountant (CA) programme dispatched 13 accredited trainees under the approved South African Institute of Chartered Accountants (SAICA) programme to departments and entities, allowing exposure to pertinent work and application of technical skills. Moreover, the CA trainee programme has produced a cohort of professional chartered accountants, many of whom secured roles in both public and private sectors, with the academy consistently producing professionals who now occupy influential positions.

Furthermore, over one hundred interns and bursars were supported by the WC FMCG and the Municipal Financial Management Internship programme, managed by NT in collaboration with PT. These programmes aimed to cultivate relevant skill sets among diverse local youth who will contribute as future municipal administrators.

## Outcomes, outputs, output indicators, targets, and actual achievements tables

PROGRAMME 4: FINANCIAL GOVERNANCE									
Sub-programme 4.2: Accounting Services									
Element: Local Government Accounting									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
4.2.1.1	Governance transformation in departments, entities and municipalities improved	Oversight and monitoring of municipal financial governance	Number of municipal accounting assessment reports	30	29	30	30	None	None
4.2.1.2		Support initiatives to strengthen the understanding and application of accounting standards	Number of interventions to inform the application of accounting standards	10	9	9	9	None	None
4.2.1.3		Reconciliation of AFS and data strings on National Treasury LG Database to ensure credibility of audited financial data	Percentage of submitted data strings reconciled to audited AFS	100%*	100%**	100%	100%***	None	None

### 4.2.1.3 Percentage of submitted data strings reconciled to audited AFS

\* Method of calculation 2022/23

Numerator: Number of reconciled returns closed off on the NT LG Database (26)

Denominator: Number of returns submitted by municipalities to the NT LG Database (26)

\*\* Method of calculation 2023/24

Numerator: Number of reconciled returns closed off on the NT LG Database (26)

Denominator: Number of returns submitted by municipalities to the NT LG Database (26)

\*\*\* Method of calculation 2024/25

Numerator: Number of reconciled returns closed off on the NT LG Database (26)

Denominator: Number of returns submitted by municipalities to the NT LG Database (26)

## Strategy to overcome areas of under performance

There were no areas of underperformance.

## Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 4: FINANCIAL GOVERNANCE									
Sub-programme 4.2: Accounting Services									
Element: Provincial Government Accounting									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
4.2.2.1	Governance transformation in departments, entities and municipalities improved	Interventions held to ensure oversight and monitoring of departmental financial governance	Number of reports based on governance performance engagements held with departments	1	1	1	1	None	None

PROGRAMME 4: FINANCIAL GOVERNANCE									
Sub-programme 4.2: Accounting Services									
Element: Provincial Government Accounting									
No.	Outcome	Output	Output Indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
4.2.2.2	Governance transformation in departments, entities and municipalities improved	Departments supported on internal control initiatives	Number of internal control interventions rolled out in departments	5	8	2	2	None	None
4.2.2.3		Votes supported in the application of accounting frameworks	Number of votes assessed against the applicable accounting frameworks	14	14	14	14	None	None
4.2.2.4		Entities supported in the application of accounting frameworks	Number of entities assessed against the applicable accounting frameworks	New Output Indicator	New Output Indicator	11	11	None	None
4.2.2.5		Publication and tabling of the ACFS	Publication and tabling of the ACFS is done in the required timeframe	1 month after receipt of audit report on the ACFS	27 March 2024	1 month after receipt of audit report on the ACFS	Not submitted	Not submitted	The departmental Annual Consolidated Financial Statements (AFS) were still in progress. The Speaker of Parliament was formally notified in March 2025 that the department would not meet the prescribed submission deadline.
4.2.2.6		Support initiatives to strengthen the understanding and application of accounting standards	Number of interventions to inform the application of accounting standards for departments and entities	New Output Indicator	New Output Indicator	6	6	None	None
4.2.2.7		Oversight and monitoring of departmental financial governance to examine the Financial Management Capability of departments	Number of CGRO self-assessment scorecard reports	New Output Indicator	New Output Indicator	13	13	None	None

## Strategy to overcome areas of under performance

To address the timeous tabling of the annual consolidated financial statements, consultation will be held with all stakeholders involved in the process to work towards submitting the consolidated information earlier to the AGSA for audit purposes. A submission will be made notifying the Speaker of any delay.

## Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

PROGRAMME 4: FINANCIAL GOVERNANCE									
Sub-programme 4.3: Corporate Governance									
No.	Outcome	Output	Output indicators	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
4.3.1.1	Governance transformation in departments, entities and municipalities improved	Oversight and monitoring of municipal financial governance provided to municipalities	Number of municipal governance assessment reports	30	30	30	30	None	None
4.3.1.2		Municipalities supported through initiatives on municipal financial capacity building and training	Number of municipal support initiatives on municipal finance capacity building and training	10	10	10	10	None	None
4.3.1.3		Municipalities supported through initiatives on internal audit and risk management	Number of support initiatives on internal audit and risk management	12	12	12	12	None	None
4.3.1.4		Municipalities and departments supported on financial legal frameworks and policies	Number of support initiatives to departments on financial legal frameworks and policies	1	1	1	1	None	None
4.3.1.5				Number of support initiatives to municipalities on financial legal frameworks and policies	3	3	3	3	None
4.3.1.6		Accredited SAICA training programme	Percentage of Compliance with the SAICA requirements to remain an accredited training office	100%*	100%**	100%	100%***	None	None

**4.3.1.6** Percentage of Compliance with the SAICA requirements to remain an accredited training office

\* Method of calculation 2022/23

Numerator: Number of Assessment Needs Analysis (ANA's) submissions assessed (15)  
Denominator: Number of ANA's submissions (15)

\*\* Method of calculation 2023/24

Numerator: Number of ANA's submissions assessed (5)  
Denominator: Number of ANA's submissions (5)

\*\*\* Method of calculation 2024/25

Numerator: Number of Professional Development Summary (PDS's) submissions assessed (6)  
Denominator: Number of PDS's submissions (6)

## Strategy to overcome areas of under performance

There were no areas of underperformance.

## Changes to planned targets

There were no changes to performance indicators or targets during the reporting period.

## Linking performance with budgets

Strategic objectives are linked to the budget programme and sub-programme.

## Sub-programme expenditure

Sub-programme Name	2024/25			2023/24		
	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
4.1 Programme Support	5 879	5 414	465	7 923	7 843	80
4.2 Accounting Services	22 915	22 115	800	25 718	25 440	278
4.3 Corporate Governance	17 241	16 941	300	17 912	17 578	334
<b>Total</b>	<b>46 035</b>	<b>44 470</b>	<b>1 565</b>	<b>51 553</b>	<b>50 861</b>	<b>692</b>

## Reporting on the Institutional Response to the COVID-19 Pandemic

The Department did not undertake any COVID-19 interventions during the year under review.

## 5. TRANSFER PAYMENTS

### 5.1 Transfer payments to public entities

PT has one (1) public entity, namely, the WCGRB. The WCGRB received R24.586 million from PT as a transfer payment.

Name of Public Entity	Key outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Western Cape Gambling and Racing Board	To control and regulate gambling, racing and betting within the Province of the Western Cape	24 586	24 586	Regulate and oversight of the gambling industry in the Western Cape.

The institutionalisation of quarterly financial and non-financial monitoring processes has been established between the Ministry, PT, and the WCGRB. The WCGRB successfully adhered to all PFMA reporting obligations.

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

The table below reflects the transfer payments made for the period 1 April 2024 to 31 March 2025.

Name of transferee	Purpose for which the funds were used	Compliance with 38(1)(j) of the PFMA	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Various municipalities across the Western Cape Province	Western Cape Financial Management Capability and Municipal Financial Recovery Service grants	Yes	20 633	0	Transfer of funds to municipalities are mainly done during the last quarter of the FY. Municipalities are in the preparation phase to spend the money.
Departmental agencies and accounts	South African Broadcasting Corporation (SABC) TV licences	Yes	10	10	None
Households	Bursaries, leave gratuity, and early retirement Section 16(6)	Yes	4 242	4 242	None
Gifts and donations	Donation to deceased official's family	Yes	5	5	None

Support was provided to municipalities to enhance their financial management capabilities. Furthermore, financial assistance was extended to municipalities to improve overall financial governance through the intervention process by the provincial executive and government, as guided by constitutional sections 139, 154, or 155, along with Chapter 13 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) and related regulations.

The table below reflects the transfer payment that was budgeted for in the period from 1 April 2024 to 31 March 2025; however, no transfer payment was 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
Swartland Municipality	Western Cape Financial Management Capability Grant	100	0	The Municipality did not accept the Western Cape Financial Management Capability Grant allocation in terms of the External Bursary Programme.

## 6. CONDITIONAL GRANTS

### 6.1 Conditional grants and earmarked funds paid

#### Western Cape Financial Management Capability Grant

<p>Department/Municipality to whom the grant has been transferred</p>	<p><b>Various municipalities across the Western Cape Province</b></p>
<p>Purpose of the grant</p>	<p>To support municipalities to improve their financial management capabilities.</p>
<p>Expected outputs of the grant</p>	<p><b>Effective local governance:</b></p> <ul style="list-style-type: none"> <li>● Improved quality of data management and financial and performance reporting (financial and non-financial) to inform planning, budgeting, and tariff calculation.</li> <li>● Strengthened financial systems to deliver reports required for financial management improvement.</li> <li>● Improvement in optimising revenue streams and transparency in tariff setting.</li> <li>● Compliance with regulatory requirements related to performance management and improvement in the usefulness and reliability of reported information against pre-determined objectives.</li> <li>● Improved internal audit and risk functioning.</li> <li>● Implementation of audit action plans.</li> <li>● Improvement in financial skills pipeline in municipalities through External Municipal Bursary Programmes for undergraduate or postgraduate study in fields including finance, economics, accounting, supply chain management, internal audit, risk management and infrastructure.</li> </ul> <p><b>Efficient infrastructure investment:</b></p> <ul style="list-style-type: none"> <li>● Analysis and planning that supports strategic infrastructure investment and economic growth.</li> </ul> <p><b>Strategic supply chain management:</b></p> <ul style="list-style-type: none"> <li>● Improvement in Supply Chain Management compliance and regulatory conformance.</li> </ul> <p><b>Integrated provincial governance:</b></p> <ul style="list-style-type: none"> <li>● Strengthened capabilities of district municipalities to assist and enable local municipalities to improve their financial management capabilities.</li> </ul>

Department/Municipality to whom the grant has been transferred	<b>Various municipalities across the Western Cape Province</b>
Actual outputs achieved	<p>The following initiatives were performed over a total of 26 projects:</p> <ul style="list-style-type: none"> <li>● Support long-term financial sustainability through the implementation of <b>revenue enhancement initiatives</b>. Associated actions include consideration of billing systems to ensure correctness and completeness of billing data; reconciling valuation roll, deeds data with billing input files; data cleansing; review of debt collection processes and policies; assess compliance with Municipal Property Rates Act; review meter reading operating procedures; accuracy of meter reading exception reports; and review efficiency of water and electricity leak/loss detection systems.</li> <li>● <b>Enhanced tariff modelling</b> to more accurately forecast impact on consumers and to support cost reflective tariff setting.</li> <li>● <b>Cost Reflective Tariffs</b>: Several municipalities were supported with Cost Reflective Tariff Analysis to improve the accuracy, fairness, and sustainability of tariff setting.</li> <li>● <b>Utility Metering Improvements</b>: Projects focused on utility meter accuracy and data reliability were rolled out across multiple municipalities to improve billing completeness and detect inefficiencies in water and electricity usage. These initiatives supported broader revenue protection strategies.</li> <li>● <b>Data Integrity Improvements</b>: A Data Cleansing Project and an Indigent Validation Project contributed to improved accuracy of indigent registers and better targeting of free basic services. The implementation of a Rates Clearance Integration system further supported data alignment and improved revenue collection processes.</li> <li>● <b>Financial Systems Modernisation</b>: Municipalities progressed with financial system migration to web-based platforms, implemented an Overtime Workflow System, and enhanced tools for budgeting and tariff calculation.</li> <li>● <b>Internal Audit and Governance Support</b>: Municipalities received Internal Audit Support, including the development of an automated internal audit system to improve oversight and controls.</li> <li>● <b>Long-Term Financial Planning</b>: Development of a Long-Term Financial Planning Tool to help municipalities model financial sustainability scenarios and improve alignment between budgeting and long-term service delivery goals.</li> <li>● Assist municipalities to build financial management skills pipeline through the implementation of External Bursary Programmes.</li> </ul>
Amount per Provincial Gazette Extraordinary (R'000)	20 423
Amount transferred (R'000)	20 323
Reasons if amount as per Provincial Gazette Extraordinary not transferred	Swartland Municipality did not accept allocation in terms of the External Bursary Programme.
Amount spent by the department/municipality (R'000)	Municipal FY runs to 30 June, so final spending can only be confirmed after that.

<b>Department/Municipality to whom the grant has been transferred</b>	<b>Various municipalities across the Western Cape Province</b>
<b>Reasons for the funds unspent by the entity</b>	None
<b>Monitoring mechanism by the transferring department</b>	<ul style="list-style-type: none"> <li>● Ensure projects compliment and do not duplicate capacity building support provided by other national and provincial departments and that support initiatives are aligned with and included in single support plans per municipality.</li> <li>● Identify gaps in municipal financial management capabilities through SIME, TIME and other engagements and suggest projects to address these that might be eligible for grant funding.</li> <li>● Inform municipalities of grant funding criteria and allocation process.</li> <li>● Determine allocations and sign Memorandum of Agreements (MoAs) with recipient municipalities.</li> <li>● Transfer funds to municipalities.</li> <li>● Monitor the use of funds and provide advice and assistance on request.</li> <li>● Periodic visits to monitor the impact of the assistance and general compliance to conditions as set out in the grant framework and MoAs.</li> <li>● Consider roll-over requests and make recommendations based whether municipalities meet the requirements.</li> <li>● Manage the phase-out of the bursary component of the grant.</li> </ul>

**Western Cape Municipal Financial Recovery Services Grant**

<b>Department/Municipality to whom the grant has been transferred</b>	<b>Various municipalities across the Western Cape Province</b>
<b>Purpose of the grant</b>	To provide financial assistance to municipalities to improve overall financial governance through the process of intervention by a provincial executive and provincial government, as informed by sections 139, 154 or 155 of the Constitution and Chapter 13 of the Municipal Finance Management Act (Act 56 of 2003) and related regulations.
<b>Expected outputs of the grant</b>	<p>Conduct mandatory and discretionary provincial interventions and support in terms of sections 139, 154 or 155 of the Constitution and Chapter 13 of the Municipal Finance Management Act (Act 56 of 2003), relating to:</p> <ul style="list-style-type: none"> <li>● Progressive realisation of financial management capacity building objectives that will result in the improvement in the competency and skill of municipal financial officials within the Municipality towards sustainable municipal Budget and Treasury Office capabilities;</li> <li>● Support municipalities during the implementation process relating to the Municipal Standard Chart of Accounts (mSCOA);</li> <li>● Improvement in internal and external reporting on financial (budget) and non-financial performance (in-year reporting) information;</li> <li>● Compliance with regulatory requirements related to performance management and improvement in the usefulness and reliability of reported information against pre-determined objectives (PDOs);</li> </ul>

Department/Municipality to whom the grant has been transferred	<b>Various municipalities across the Western Cape Province</b>
Expected outputs of the grant (continue)	<ul style="list-style-type: none"> <li>Improvement in Supply Chain Management compliance and regulatory conformance; and</li> <li>Improvement in audit outcomes (financial and non-financial).</li> </ul>
Department/Municipality to whom the grant has been transferred	Beaufort West Municipality
Actual outputs achieved	<ul style="list-style-type: none"> <li>Revenue enhancement through improved billing accuracy and data integrity.</li> </ul>
Amount per Provincial Gazette Extraordinary (R'000)	310
Amount transferred (R'000)	310
Reasons if amount as per Provincial Gazette Extraordinary not transferred	None
Amount spent by the department/municipality	Municipal FY runs to 30 June, so final spending can only be confirmed after that.
Reasons for the funds unspent by the entity	None
Monitoring mechanism by the transferring department	<ul style="list-style-type: none"> <li>Monitoring and management of the programme (outputs and intended outcomes) as stipulated in the Financial Recovery Plan/Budget Funding Plan.</li> <li>Report progress in terms of Implementation of the Financial Recovery Plan (where applicable) and spending of funds at least every three months/quarterly as informed by section 147(1)(b) of the Municipal Finance Management Act (Act 56 of 2003).</li> <li>Finalise and agree on business/implementation plans with affected municipalities and transfer funds.</li> <li>Monitor the impact and the appropriateness of the assistance in terms of the spending performance of the funds allocated and general compliance to conditions as set out in the grant framework and Memorandum of Agreements.</li> </ul>

## 6.2 Conditional grants and earmarked funds received

None.

## 7. DONOR FUNDS

### 7.1 Donor Funds Received

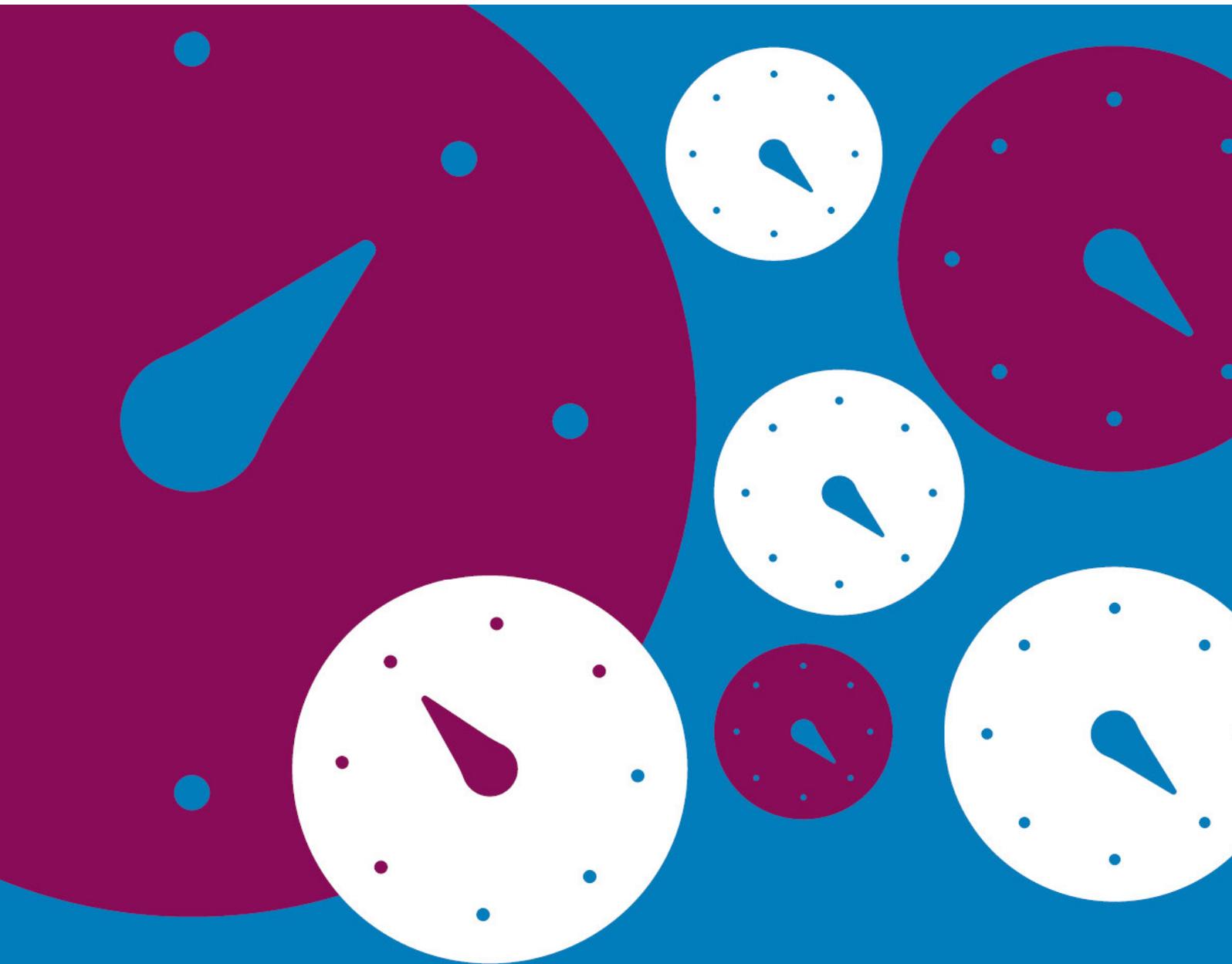
PT did not receive any donor funding during the reporting period.

## 8. CAPITAL INVESTMENTS

### 8.1 Capital investment, maintenance and asset management plan

PT does not possess any immovable capital assets, as the management of these assets falls under the responsibility of the DoI, acting as the custodian. As part of the annual procedure, PT was required to submit a User Immovable Asset Management Plan (U-AMP). In the reporting period, PT submitted two (2) versions of the U-AMP (draft and final) to the DoI.

The maintenance of the PT's office accommodation is also the responsibility of the DoI.



# GOVERNANCE

# PART C



# PART C: GOVERNANCE

## 1. INTRODUCTION

The Department adheres to the requirements as set out in the PFMA and the principles of the King Report on Corporate Governance. The PT has good governance structures in place to ensure that public resources are used effectively, efficiently, and economically.

The Department has an approved Strategic Plan (SP) (setting out the PT's vision, mission, impact, and outcomes to be achieved over a five-year period) and an APP (setting out what the Department intends doing in the coming financial year and during the MTEF to implement its strategic plan). Outputs, output indicators, and targets are set to assist the PT in realising its outcomes as set out in the SP and APP.

Quarterly performance reports provide progress updates on the implementation of the APP and monitors delivery against performance targets. This takes place in accordance with Chapter 5 - Strategic Planning of the National Treasury Regulations (NTR) and ensures that financial and non-financial performance information underpins planning, budgeting, implementation management, and accountability arrangements, alongside reporting to promote transparency and expenditure control towards the economic, efficient, and effective use of public resources.

A system of internal audit under the control and direction of the Audit Committee is in place. The Audit Committee is established as an oversight body that provides independent oversight over governance, risk management, and control processes in the PT.

Several other departmental structures are also in place and contribute to the improvement of governance. These include, amongst others, the (i) Enterprise Risk Management Committee (ERMCO); (ii) Ethics Committee (iii) Occupational Health and Safety Committee; (iv) various Bid Committees (Specification, Evaluation, Adjudication); (v) Information Technology Steering Committee (STEERCOM) which provides oversight relating to information technology governance and (vi) Internal Control Unit.

## 2. RISK MANAGEMENT

PT established an ERMCO to assist the AO in executing her responsibilities relating to risk management.

### **Enterprise Risk Management Policy and Strategy**

PT adopted an Enterprise Risk Management Policy (ERMP) on 9 April 2020 for the 2020/21 - 2024/25 financial years. This policy articulates the risk management philosophy and captures, on a high-level, the roles and responsibilities of the different role players. It provides the basis for the risk management process which is supplemented with the detail in the strategy.

The Enterprise Risk Management strategy (ERMS) and implementation plan outlines how the Department will go about implementing the ERMP adopted by the AO. This ERMS is informed by the Provincial Enterprise Risk Management Policy and Strategy (PERMPS), specifically as it relates to appetite levels, as well as its own ERMP and risk profiles.

## ERMCO Responsibility

ERMCO reports that it has complied with its responsibilities arising from Section 38 (1)(a)(i) of the PFMA, NTR 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMCO also reports that it has adopted the appropriate formal Terms of Reference (TOR) (approved by the ERMCO chairperson on 30 March 2021) and regulated its affairs in compliance with this TOR and has discharged all its responsibilities as contained therein.

## ERMCO Members

The ERMCO comprises of the AO, two (2) Deputy Director Generals, five (5) Chief Directors, Director: Strategic and Operational Management Support, CFO and Head: Ministry. As per its TOR the ERMCO met four (4) times during the year under review. All meetings were attended by members or his/her representative.

The table below discloses relevant information on ERMCO members:

Member	Position	Attended
Ms Julinda Gantana	Head of Department	4
Ms Annamarie Smit	Chief Financial Officer	4
Ms Naadia Ismail	Director: Strategic and Operational Management Support	2
Ms Megan Robertson Ms Valencia Petersen	Director: Strategic and Operational Management Support (Acting)	2
Mr Isac Smith	DDG: Governance and Asset Management (Acting)	3
Mr Steven Kenyon	Chief Director: Local Government Public Finance	4
Ms Analiese Pick	Chief Director: Provincial Government Public Finance	3
Mr Aziz Hardien	Chief Director: Financial Governance	1
Ms Melissa Van Niekerk	Acting Chief Director: Financial Governance	1
Mr Malcolm Booysen Ms Taryn Van de Rheeede	Chief Director: Public Policy Services (Acting)	3
Ms Nadia Ebrahim	Chief Director: Asset Management (Acting)	2

The following is an indication of other officials who attended the ERMCO meetings for the year under review:

Other attendees	Position	Attended
Ms Aaqelah Haq	Director: Enterprise Risk Management (DotP)	2
Mr Saleh Martin Ms Liana Adonis (Acting)	Director: Internal Audit (DotP)	3
Ms Granilda Solomons	Chief Risk Advisor: Enterprise Risk Management (DotP)	4
Ms Bridget Cebekhulu	Deputy Director: Provincial Forensic Services (DotP)	4
Mr Clayton Pieterse	Deputy Director: Forensic Investigations (DotP)	1
Mr Abdul H Ahmed	Deputy Director Internal Audit (DotP)	3
Mr Yazeed Samodien	Risk Advisor: Enterprise Risk Management (DotP)	2
Ms Rushaan Cassiem	Deputy Director: Internal Control (PT)	3
Mr Ismail Achmat	Assistant Director: Internal Control (PT)	3

### Enterprise Risk Management Committee key activities

The AO is the chairperson of the ERMCO, and the CFO is the Risk Champion of the Department. In executing its function, the ERMCO performed the following key activities during the year:

- Reviewed the Department's ERM Strategy and Implementation Plan before recommendation by the Audit Committee and approval by the AO;
- Monitored and reviewed risks in set grouped categories of appetite ranges, reviewed and applied appropriate risk appetite and tolerances guided by the PERMPS adopted by Provincial Top Management;
- Reported to the AO any material changes to the risk profile of the Department;
- Confirmed the Department's citizen centric strategic risks. This illustrates the Department's efforts in addressing the contributing factors and impacts that relate directly to the residents;
- Received and considered risk intelligence and trend reports;
- Identified emerging risks;
- Reviewed risks that are outside the tolerance levels for further action/attention;
- Monitored the implementation of the Fraud and Corruption Prevention Implementation Plan;
- Monitored the implementation of the departmental ERM Policy, Strategy and Implementation Plan;
- Evaluated the effectiveness and mitigating strategies to address the material, ethics and economic crime risks;
- Evaluated the effectiveness and mitigating strategies to address the material, ethics and economic crime risks; and
- Provided oversight on ethics management in the Department.

### Key risks considered and addressed during the year

- Inability to deliver strategic enabled projects (Linked to Department's business and/or ICT strategy).
- The ability of PT to improve conformance by municipalities to laws and regulations in the SCM environment.
- Misalignment of the implementation of Infrastructure Delivery Management System (IDMS) versus IDMS oversight responsibilities.
- Non-credible, unresponsive and unsustainable budgets adopted and implemented by municipalities results in sub-standard/poor quality of service delivery.
- Reductions in the fiscal allocations.

## Key emerging risks for the following financial year

The Provincial Treasury in the Western Cape faces several risks in 2025, including:

- **Fiscal Constraint:** South Africa's challenging fiscal environment, with limited resources and increasing demands, poses a significant risk.
- **Population growth:** The Province's population growth rate of 19.6 per cent outpaces economic and job growth, creating pressure on resources and services.
- **Economic challenges:** While the Western Cape economy shows resilience, projected growth rates of 0.9 per cent in 2025 and 1.4 per cent in 2026 are modest, requiring careful financial planning.
- **Disaster Mitigation:** Allocations for disaster and unexpected external shocks highlight the need for preparedness against unforeseen events.
- **Infrastructure and Energy Needs:** Investments in infrastructure and renewable energy projects are critical to address growing demands.

These risks require strategic planning and innovative solutions to ensure sustainable growth and development.

## Management of risks

Regular strategic and programme risk assessments are conducted to determine the effectiveness of the Department's risk management strategy and to identify new and emerging risks because of changes in the internal and/or external environment. Each Programme's risks were deliberated and debated during the year and presented at the quarterly ERMCO meetings. Senior managers were required to provide feedback on the progress with the implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. ERMCO also referred risks back to the respective programmes that should be analysed more extensively and recommended additional mitigations or actions to manage risks. Management takes ownership of risks and often discusses risk matters at various platforms as part of its culture in an effort to constrain risks in a collaborative and innovative way. The Department's ERM Policy and Strategy are circulated to all officials on an annual basis for all levels of staff to stay abreast of enhancements that have been affected and as a means of embedding risk management throughout the Department. Bespoke and generic risk awareness sessions were also conducted to share benchmarking elements so that risk management can mature in the Department. Activities detailed in the implementation plan are perpetually monitored and periodically reported on, in the same way that APP deliverables are monitored, to detect potential risks and deviations from indicators and the achievement of outcomes and non-adherence to legislative and policy mandates.

The Governance and Administration Cluster Audit Committee provided independent oversight of the Department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and risk registers to execute their independent oversight role.

## Conclusion

During the 2024/25 financial year, significant strides were made in managing risks across the Department. Notable progress was achieved in embedding risk management practices and enhancing the Department's overall risk maturity. This advancement has positively influenced departmental performance, enabling more effective risk response strategies across various programmes.

### 3. FRAUD AND CORRUPTION

Fraud and corruption represent significant potential risks to the Department's assets and can negatively impact on service delivery efficiency and the Department's reputation.

The WCG adopted an Anti-Fraud and Corruption Strategy which confirms the Province's zero tolerance stance towards fraud, theft and corruption. In line with this strategy the Department is committed to zero tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external, and vigorously pursues and prosecutes by all legal means available, any parties who engage in such practices or attempt to do so.

The Department has an approved Fraud and Corruption Prevention Plan and a Concomitant Implementation Plan which gives effect to the Prevention Plan. Various channels for reporting allegations of fraud, theft and corruption exist and these are described in detail in the Provincial Anti-Fraud and Corruption Strategy, the WCG Whistle-blowing Policy and the Departmental Fraud and Corruption Prevention Plan. Each allegation received by the PFS Unit is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the Department and to generate statistics for the WCG and the Department.

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements of the Protected Disclosures Act, No. 26 of 2000 e.g. if the disclosure was made in good faith). The WCG Whistle-blowing Policy provides guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated in the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and, should they do so in person, their identities are kept confidential by the person to whom they are reporting.

If, after investigation, fraud, theft or corruption is confirmed, the employee who participated in such acts is subjected to a disciplinary hearing. The WCG representative initiating the disciplinary proceedings is required to recommend the dismissal of the employee concerned. Where evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

For the year under review, PFS issued a Case Movement Certificate for the Department noting the following:

Cases	Number of cases
Open cases as at 1 April 2024	0
New cases (2024/25)	0
Closed cases (2024/25)	0
Open cases as at 31 March 2025	0

## Western Cape Gambling and Racing Board

The Provincial Treasury referred to PFS an allegation involving its provincial entity, the WCGRB. The Case Movement Certificate for the WCGRB is as follows:

Cases	Number of cases
Open cases as at 1 April 2024	0
New cases (2024/25)	1
Closed cases (2024/25)	1
Open cases as at 31 March 2025	0

The following table further analyses the closed cases indicated above:

Nature and investigation outcome of the closed cases
The investigation was concluded with no adverse findings.

## 4. MINIMISING CONFLICT OF INTEREST

In accordance with Chapter 2 of the Public Service Regulations (PSR), 2016, specifically the sections on the Code of Conduct, Financial Disclosure, Anti-Corruption, and Ethics Management and in terms of Regulation 18, read together with the Determination on Other Categories of Designated Employees Required to Disclose Financial Interests and the Directive on the Form, date, and Financial Interests to be Disclosed issued by the Minister for the Public Service and Administration, it is mandatory for members of the Senior Management Service (SMS) to disclose their financial interests on an annual basis.

The financial disclosures for all SMS members have been completed and submitted to the Public Service Commission (PSC) and the Department of Public Service and Administration (DPSA).

Additionally, officials on salary levels 9 and 10, as well as those working in SCM, Management Accounting, Financial Accounting units, and designated officers responsible for implementing the PSR in the Province, have completed their disclosures for the 2023/24 financial year. Officials on salary levels 11 and 12 are scheduled to submit their disclosures for the 2024/25 financial year.

It is important to note that all ethics-related processes are now managed electronically in line with national directives to modernise public service compliance and strengthen governance. This includes the use of the eDisclosure system for financial interest declarations, as well as the electronic maintenance of Gift Registers and the management of Remunerative Work Outside the Public Service (RWOPS) applications. These electronic platforms enhance accountability, improve efficiency, and enable real-time oversight of ethics compliance across all designated categories of employees.

## 5. CODE OF CONDUCT

Every employee appointed in terms of the Public Service Act must adhere to the Code of Conduct of the Public Sector. The Code of Conduct for the Public Service, as included in Chapter 2, Part 1 of the PSR, 2016:

- Sets norms and standards in promoting integrity, whilst delivering services to the public efficiently and effectively; provides a set of standards describing the behaviour expected from our employees;
- Guides employees in terms of what is expected of them ethically, both in their individual conduct and in their relationships with others and forms an integral part of the way we work every day;
- The chapter emphasises the importance of maintaining high ethical standards, respecting the law, and acting in the best interest of the public. It addresses issues such as conflict of interest, confidentiality, impartiality, and accountability; and
- Overall, this section aims to ensure that public service employees adhere to principles of honesty, fairness, and integrity in their roles, thus promoting trust and confidence in the public service system.

All employees are expected to abide by the Code of Conduct. The code requires loyalty of public servants in the existing democratic order, accepting and honouring the supremacy of the Constitution, and understanding the contents and purpose of the Constitution as a mechanism to maintain and regulate the existing order. The code is furthermore strengthened by the Code of Conduct for the SCM Practitioners. All Bid Committee members and SCM practitioners are required to declare that they will abide by the Code of Conduct for SCM practitioners.

The explanatory manual on the Code of Conduct for Public Service is a chapter provided in the compulsory induction programme, that is compulsory for all new employees as this forms the main basis on which pro-active, corrective, and even disciplinary action rests.

The Department also maintains regular communication of the Code of Conduct to its staff on a quarterly basis, ensuring that they are reminded to uphold ethical standards. Any contravention of the Code of Conduct is dealt with in terms of the Disciplinary Code and Procedures for the Public Service.

## 6. HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES

PT (the employer) has a responsibility to provide and maintain, as far as reasonably practical, a healthy working environment that is safe and without risk to the health of its employees as imposed by the Occupational Health and Safety (OHAS) Act, 1993 (ACT 85 of 1993) as amended.

PT occupies parts of buildings of which it is not the custodian, but provides and maintains, as far as possible, a working environment that is safe and without risks to the health and safety of the employees. PT has ensured that it remains as far as possible, compliant to the OHAS Act and thus ensured statutory Section 16.1 and Section 16.2 appointments, maintained functional transversal (joint) and Departmental OHAS Committees with the necessary equipment and capacity.

During the period under review, the approved Departmental OHAS Policy Statement was on display and was also accessible to all employees. Furthermore, training was identified for OHAS representatives and emergency teams.

The Departmental OHAS function was coordinated effectively with awareness sessions that were held for all employees. The Hazard Identification and Risk Assessment (HIRA) inspection findings are addressed on an ongoing basis to ensure that the identified challenges/gaps are resolved. PT has enhanced its strategic partnership with the Department of Infrastructure to ensure full compliance and to expedite the resolution of building and maintenance issues that affect the day-to-day operations of office-based staff.

PT continues to monitor all the health and safety related matters to ensure that the workplace remains a conducive work environment. The drive for good housekeeping has intensified to ensure that the office space is a healthy environment and promotes the prevention of hazards and likely events of fire. Evacuation drills have been conducted successfully to prepare for an emergency that may occur.

## 7. PORTFOLIO COMMITTEES

During the reporting period the Department provided input at the following meetings of the Budget Committee and Standing Committee on Finance:

Date of meeting	Committee	Subject	Response from Department
26 September 2024	Budget Committee	<p><b>Briefing by Provincial Treasury on the following:</b></p> <ol style="list-style-type: none"> <li><b>Provincial Economic Review and Outlook (PERO).</b></li> <li><b>4<sup>th</sup> Quarter Performance (Financial and Non-financial) of the Western Cape Government for the 2023/24 financial year.</b></li> <li><b>1<sup>st</sup> Quarter Performance (Financial and Non-financial) performance of the Western Cape Government for the 2024/25 financial year.</b></li> </ol> <p>The Committee resolved the following:</p> <ol style="list-style-type: none"> <li>It will be provided with the breakdown of employment category per district level within the Western Cape, as it pertains to the PERO presentation;</li> <li>It notes with concern the R513 million to the Department of Infrastructure on slide 6 of the PERO presentation;</li> <li>It be provided with the underspending cost as it relates to the Cost of Employment in the Department of Health and Wellness; and</li> <li>The PT and Department of Health and Wellness briefs it on the underspending of the Cost of Employment which relates to medical personnel, such as doctors and nurses, and how it impacts on the service delivery in the Western Cape.</li> </ol>	<p>PT submitted the requested information for no.'s 1 - 3 to the Committee on 28 February 2025.</p> <p>The meeting to discuss no. 4 was scheduled for 15 August 2025.</p>

Date of meeting	Committee	Subject	Response from Department
26 November 2024	Budget Committee	<p><b>Briefing by Provincial Treasury on the following:</b></p> <ol style="list-style-type: none"> <li><b>1. Municipal Economic Review and Outlook (MERO).</b></li> <li><b>2. Western Cape Adjustments Appropriation Bill [B2-2024]</b></li> <li><b>3. Medium-Term Budget Policy Statement</b></li> <li><b>4. 2024/25 2<sup>nd</sup> Quarter Performance (Financial and Non-financial)</b></li> </ol> <p>The Committee resolved the following:</p> <ol style="list-style-type: none"> <li>1. PT provides it with a breakdown of the contributions of the Agriculture, Forestry and Fishing industries to the Gross Domestic Provincial Product of the Western Cape Province as referenced from Slide 9 of the MERO presentation;</li> <li>2. PT provides it with a breakdown of the jobs related to the Extended Public Works Programme, Government and Private sectors as referenced from Slide 11 of the MERO presentation.</li> <li>3. PT provide it with a Report on the correlation of serious crimes and drug use and the impact on the socio-economic performance of the Western Cape Province as referenced from Slide 21 of the MERO presentation;</li> <li>4. PT provide it with a Report which provide data on the homeless persons, including the informal dwellings within the Western Cape Province as referenced from Slide 19 of the MERO presentation;</li> <li>5. PT provides it with a breakdown of incidences of crime in the farming sector in the Western Cape Province and the socio-economic impact these incidences have on the Gross Domestic Provincial Product of the Western Cape Province;</li> <li>6. National and Provincial Treasury engages the Committee on the perceived concept of top-slicing of the national budget and how the formula of the Provincial Equitable Share can be amended to accommodate for a bigger allocation of the national revenue;</li> <li>7. PT brief the Committee on the Jobs for Growth initiative and analysis, including the impact on the socio-economic conditions on the Western Cape Province.</li> </ol>	<p>PT submitted the requested information for no.'s 1 – 5 to the Committee on 28 February 2025.</p> <p>The meeting to discuss no. 6 was scheduled for 15 August 2025.</p> <p>PT awaits the invite from the Committee.</p>

Date of meeting	Committee	Subject	Response from Department
27 November 2024	Budget Committee	<p><b>Briefing by the National Treasury on the Division of Revenue Amendment Bill</b></p> <p>The Committee resolved the following:</p> <ol style="list-style-type: none"> <li>1. Provincial Treasury provide the Committee with a detailed Report on the allocation for the Western Cape Province in terms of the Cape Town Container Terminal Expansion (Phase 2B), as referenced from Slide 18 of the National Treasury presentation;</li> <li>2. Provincial Treasury provide it with a Report on how the Education Infrastructure Grant of R70 million will be spent, as referenced from Slide 6 of the National Treasury presentation;</li> <li>3. National- and Provincial Treasury engage the Committee on the Provincial Equitable Share, including any reforms that have been made to make the equitable share revenue disbursement to all provinces and municipalities in South Africa fair; and</li> <li>4. National- and Provincial Treasury brief the Committee on how the unspent funds which were allocated through the Bill can be rolled-over over a 2-year period, including an explanation of the application process for such roll-overs.</li> </ol>	<p>PT submitted the requested information for no.'s 1 - 2 to the Committee on 28 February 2025.</p> <p>The meeting to discuss no.'s 3 – 4 was scheduled for 15 August 2025.</p>
27 March 2025	Budget Committee	<p><b>Briefing by Provincial Treasury on the Western Cape Appropriations Bill, 2025.</b></p> <p>The Committee resolved that PT briefs it on the following matters:</p> <ol style="list-style-type: none"> <li>1. The Fiscal Futures and the Blended Financing Finance Strategy;</li> <li>2. The impact of crime on economic growth in the Western Cape; and</li> <li>3. Tourism challenges within the Western Cape and how it impacts on the economic growth of the Western Cape.</li> </ol>	PT awaits the invite from the Committee.
13 August 2024	Standing Committee on Finance	<p><b>Briefings on the 2024/25 Annual Performance Plans for the Provincial Treasury.</b></p> <p>The Committee resolved and recommended the following:</p> <ol style="list-style-type: none"> <li>1. A detailed report on the Preferential Procurement Policy for the Western Cape;</li> <li>2. A report on the relationship between the Provincial Treasury and the Department of Local Government in respect of interventions in municipalities, specifically on financial matters and financial recovery plans; and</li> <li>3. A report on the Provincial Treasury's role in Public Private Partnerships, especially for municipalities that are struggling to establish big projects.</li> </ol>	PT submitted the requested information to the Committee on 05 September 2024.

Date of meeting	Committee	Subject	Response from Department
21 October 2024	Standing Committee on Finance	<p><b>Deliberations on the 2023/24 Annual Reports of Provincial Treasury and the draft minutes of 27 September and 21 October 2024.</b></p> <p>The Committee requested the following:</p> <ol style="list-style-type: none"> <li>4. A detailed report from the Provincial Treasury on the Small, Medium and Micro Enterprises and the Broad-Based Black Economic Empowerment businesses that procured services from the Western Cape Government; and</li> <li>5. A list of areas from the Provincial Treasury indicating where the 45 bursary holders resided in, in respect of the External Bursary Programme and the Nedbank Essay Writing Initiative.</li> </ol> <p>Resolutions:</p> <ol style="list-style-type: none"> <li>1. To visit the Provincial Treasury's Procurement Client Centre (PCC); and</li> <li>2. Provincial Treasury brief the Committee on their alternative financing model for maintenance in terms of infrastructure.</li> </ol>	<p>PT submitted the requested information to the Committee on 18 November 2024.</p> <p>PT awaits the date from the Committee.</p> <p>PT awaits the invite from the Committee.</p>
28 November 2024	Standing Committee on Finance	<p><b>Deliberation on Vote 3: Provincial Treasury in the Schedule to the Western Cape Adjustments Appropriation Bill, 2024.</b></p> <p>The Committee requested the following:</p> <ol style="list-style-type: none"> <li>1. The recent Circular received from the Department of Public Service and Administration on the filling of vacant posts within departments;</li> <li>2. The step-by-step process followed/given by the Department of the Premier on the filling of vacant posts within the provincial departments; and</li> <li>3. A briefing by Provincial Treasury on alternative and blended financing, and fiscal futures, on a date to be determined by the Committee.</li> </ol>	<p>PT submitted the requested information to the Committee on 10 December 2024.</p> <p>The meeting to discuss no. 3 took place on 12 June 2025 and a follow-up meeting was scheduled for 12 August 2025.</p>

Date of meeting	Committee	Subject	Response from Department
24 February 2025	Standing Committee on Finance	<p><b>Briefing by the Minister of Finance, the Provincial Treasury and the Beaufort West Municipality on the progress made in respect of the Financial Recovery Plan and Eskom's Municipal Debt relief Programme.</b></p> <p>The Committee requested the following: Provincial Treasury:</p> <ol style="list-style-type: none"> <li>1. A comprehensive report from the PT indicating more current data on the Municipality's progress in terms of the Financial Recovery Plan.</li> <li>2. A brief report from the PT on the Municipality's state of readiness for the final stage of the Financial Recovery Plan, and the Municipality's state of readiness in respect of service delivery following completion of the Financial Recovery Plan.</li> </ol>	PT submitted the requested information to the Committee on 15 May 2025.

## 8. STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) RESOLUTIONS

On 21 October 2024, the SCOPA considered, as part of its oversight role, the 2023/24 Annual Report of the PT and noted the audit opinion of the Auditor-General regarding the Annual Financial Statements of the Department for the 2023/24 financial year, having obtained a clean audit report with no findings. This audit opinion remains the same as the audit outcome for the 2022/23 financial year, where the Department also obtained a clean outcome with no findings.

The Committee made the following resolutions:

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
1	The Committee takes note with concern the key emerging risk of the "Increased strain on employee well-being due to high department vacancy rates" will become prominent, given the current vacancy rates. This might exacerbate strain on employee well-being, given additional responsibilities to be performed on an already strained workforce.	That Provincial Treasury, Department of the Premier and the Department of Public Service and Administration briefs the Committee on measures that it has implemented to mitigate and prevent a future recurrence of this matter.	The Provincial Treasury and the Department of the Premier briefed the Committee on 26 March 2025.	Yes

### List of information requested

The Committee requested that the Department submit information or a Report on the consequence management procedure that was followed to deal with the two (2) cases that were opened during the 2023/24 financial year by 31 March 2025.

(The information was provided to the Committee Coordinator on 7 March 2025).

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

No modifications were made to prior audit reports.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
None		

## 10. INTERNAL CONTROL

The Internal Control unit within the PT performed the following tasks during the year under review:

- The Unit reviewed its Standard Operating Procedures (SOPs) and aligned it to the updated prescripts.
- Monthly checks were performed on the Government Garage (GG) Vehicles, where the trip authorities were reconciled with the log sheets and tracker reports.
- Facilitated the monthly report on all payments which were not paid within 30 days and submitted the reports to the PFMA Compliance Unit.
- Provided the support function to the PFS Unit, including facilitating the attendance of awareness sessions by officials and assisting the PFS to update the fraud risk register.
- Investigated losses, irregular expenditure, and fruitless and wasteful expenditure cases. The irregular and fruitless and wasteful expenditure submissions were updated and brought in line with the guidelines as issued by National Treasury.
- Revised and amended the following norms and standards in conjunction with the relevant role players:
  - The Departmental Accounting Officer's System;
  - SCM Delegations;
  - Financial Manual; and
  - PFMA Delegations.
- Commenced the execution of pre-auditing functions as of 1 April 2024 on the LOGIS batches to ascertain adherence to applicable regulatory prescripts.
- Performed post-auditing functions on the BAS and the LOGIS payments, and travel and subsistence claims, which ensured that payments were in accordance with prescripts that improved standards of financial administration for audit purposes. Deviations were reported to the respective units.
- Followed up on the outstanding Internal Audit findings that were handed over to Internal Control and further pursued them in liaison with the relevant managers. Feedback was provided to the CFO, the AO and Audit Committee.

- Facilitated the 2024 CGRO process by ensuring that the responsible officials completed their sections and submitted it to the PT: Provincial Government Accounting. Updated the CGRO database on a quarterly basis that was presented at management meetings and Audit Committee meetings.
- Compiled the Quarterly Status of Records Review focusing on the following areas: General Procedures, Financial Management, Performance Management, Performance and Contract Management, Compliance and Resource Management. The reports were submitted to the CFO and the AO. Furthermore, the reports were presented at the Quarterly Audit Committee meetings.
- Provided the following secretariat functions to the ERMCO:
  - The ERMCO terms of reference for the period 2025/26 – 2029/30 was approved by the AO on 10 April 2025;
  - The PT ERM policy for the period 2025/26 – 2029/30 was approved by the AO on 29 April 2025;
  - Compiled the minutes of the ERMCO meeting for each quarter;
  - Ensured that the members of the ERMCO were appointed;
  - Ensured that the 2025/26 Enterprise Risk Management Strategy and Implementation Plan was updated and approved by the HOD on 29 April 2025; and
  - Ensured that the Operational Risk Register and Strategic Risk Register were updated and signed off bi-annually by the relevant SMS member and the AO.
- Quarterly submission of the IYM report, Status of Records Review, Internal Control Template, Quarterly Performance Report and the Ethics report to the Audit Committee for discussion at quarterly meetings.

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

### 11.1 Internal Audit Function (IAF)

- **Purpose and Mandate:** The IAF strengthens the WCG's ability to create, protect and sustain value by providing management and ultimately the Audit Committee with independent, risk-based, and objective assurance, advice, insight and foresight.

Its mandate is derived from the PFMA, section 38, read in conjunction with NTR 3.2.

- **Vision and Strategy:** The Strategy for the IAF is aligned to the Strategic Framework of the Department of the Premier, which can be summarised as "Guide, Enable, Direct". The IAF's strategy, aligned to the Strategy of the Branch: Corporate Assurance, for the new five (5) year term is "*Transformed governance through proactive, agile and innovative assurance and advisory services anticipating needs of client departments and value to residents*".
- **Charter, methodology and internal audit plans:** The IAF operates in line with a charter, aligned to the legislative prescripts and the International Professional Practices Framework (IPPF). The charter is reviewed every second (2<sup>nd</sup>) year and the most recent review was approved by the Governance, Innovation and Culture (G, I&C) Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, in December 2024. The IAF has an approved

methodology that aligns to the charter and sets out the detail relating to the responsibilities of the IAF as per the IAF Charter and other relevant guidance.

The rolling three (3) year strategic internal audit plan and annual plan for the first (1<sup>st</sup>) year of the rolling three (3) year strategic plan for PT were reviewed and approved by the G, I&C Cluster Audit Committee on 11 April 2024.

- **Independence and objectivity:** To provide for the independence of the IAF, its personnel reports to the CAE, who reports functionally to the three (3) Cluster Audit Committees of WCG, directly to the Accounting Officer on internal audit activities for the Department and administratively to the DDG: Corporate Assurance in the Department of the Premier. The CAE has confirmed the independence of the IAF for the reporting period to the G, I&C Cluster Audit Committee (when dealing with transversal responsibilities) on 29 November 2024. All staff members of the IAF annually confirmed their objectivity through a declaration of compliance to the Institute of Internal Auditors' Code of Ethics as well as on an assignment level.
- **Modality:** The WCG IAF is a fully in-sourced function.
- **Staffing:** The approved establishment of the total IAF is 81 staff members and 43 of these posts are currently funded. Each department has a dedicated team, and there is one (1) funded vacancy on a Director level in the team responsible for the Department. Appropriate acting arrangements were in place during the recruitment process. The current skills and competencies of the IAF staff are appropriate and a well-informed training and development programme is in place.
- **Quality Assurance and Improvement Program (QAIP):** A QAIP is in place and reporting on the implementation of this takes place at the G, I&C Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, on a biannual basis. The last external assessment was concluded in November 2024 and a "Generally Conform" rating was obtained. The issues arising from this are tracked and forms part of the QAIP reporting to the G, I&C Cluster Audit Committee.
- **Stakeholder Relationships:** Good relationships are maintained with the senior and executive management team of the Department, and if there are any challenges, they are discussed, and interventions devised with the responsible departmental representative. In driving Combined Assurance within the WCG, ongoing relationships are maintained with the Internal Control Unit in the Department and the relevant AGSA Audit team.
- **Summary of work done by the IAF during the reporting period:**
  - The approved Internal Audit plan for the Department had a total of three (3) assurance engagements (refer to the Audit Committee report for the detail). All the engagements planned were completed.
  - There were no roll-overs, no ad-hoc projects and no limitations that impeded the work of the IAF.
  - 25 actions were due for implementation within this reporting period and all the actions were implemented. The implementation rate of the previous year's follow ups was 75 per cent.

- Two (2) common themes relating to the effective utilisation of resources, were identified across the engagements conducted in the Department:
  - Key activities were not executed as roles and responsibilities, were not clearly assigned, which could impact on the effective tracking and monitoring of the completion of these key activities. Internal Audit recommended, and management agreed, that roles and duties should be explicitly defined and assigned to ensure accountability and improved oversight.
  - Capacity and resource limitations prevented the completion of annual SCM policy assessments across several municipalities. This poses a risk of non-compliance with the regulatory framework and could potentially result in negative audit outcomes for municipalities. Management agreed to assess the current SCM function, with a focus on strengthening capacity and resourcing. This includes exploring opportunities to utilise staff across various units within the Provincial Treasury to enhance staff exposure and address existing capacity challenges.

## 11.2 Audit Committee

### Part 1: Audit Committee Reflections

- **Purpose and Mandate:** The G, I&C Cluster Audit Committee is constituted as a statutory committee of the PT to fulfil its statutory duties in terms of section 77 of the PFMA, Regulation 3.1 of the NTR and the duties assigned to it in terms of its Terms of Reference. The latest Terms of Reference for WCG Audit Committees was consulted with the Provincial Top Management and approved by Cabinet on 19 February 2025.
- **Independence:** The G, I&C Cluster Audit Committee is totally independent from the Department. Any conflict or perceived conflict of interest is declared and dealt with accordingly in every meeting. An overall annual declaration process is also administered where all conflicts or perceived conflicts are followed up with the relevant member.
- **Protecting the independence of the IAF:** The G, I&C Cluster Audit Committee, whilst discharging its transversal responsibilities during the meeting of 29 November 2024, reviewed the organisational positioning of the IAF and the independence declaration of the CAE. It was not necessary for the Audit Committee to intervene in any situation impacting the independence of the IAF during this reporting period.
- **Performance against statutory duties:** The G, I&C Cluster Audit Committee is satisfied that it fulfilled its responsibilities as set out in the PFMA, Treasury Regulations, IPPF and the approved Audit Committee Terms of Reference.
- **Composition of the Audit Committee:** For this reporting period the G, I&C Cluster Audit Committee consisted of five (5) members and had an appropriate mix of skill required to execute its responsibilities. All members were external members. Refer to table for the detail on membership.
- **Meeting Attendance:** The G, I&C Cluster Audit Committee convened seven (7) times during the period under review. All meetings were ordinary meetings, and no special meetings were required. Refer to table for the detail on meeting attendance.

- Resolution of Audit Committee recommendations:** The G, I&C Cluster Audit Committee is satisfied that its recommendations to the PT received the necessary attention.
- Audit Committee performance evaluation:** Annual 360-degree assessments on audit committee performance are conducted. The G, I&C Cluster Audit Committee received a report containing the results of the annual assessment process and during a meeting of all the Cluster Audit Committee chairpersons, an approach was agreed on how to deal with the issues identified.
- Audit Committee remuneration:** The WCG Audit Committees are remunerated at an approved hourly rate based on the SAICA rate, and only for attendance of meetings. Chairpersons received R2 835.00 per hour and members R2 126.00 per hour. The total expenditure relating to all three (3) WCG Audit Committees was R3.118 million for the reporting period, accounted for in the Department of the Premier. Audit Committee members working at an organ of state did not receive any remuneration when serving on a WCG Audit Committee.

## Part 2: Audit Committee Composition and Meeting Attendance

The table below discloses relevant information on the Audit Committee members:

Name and Surname	Qualifications	Professional Affiliation	Term of Office		No. of meetings attended	Declared private and business interests in every meeting	Employed by an organ of state	No. of other ACs the member served on during reporting period	No. of other governance structures the member served on during the reporting period
			Start date	End Date					
Mr Francois Barnard (Chairperson)	BProc; BCompt (Hons); CTA; Postgrad Diploma Auditing; MCom; CA (SA); MTP (SA)	South African Institute of Chartered Accountants	01 January 2022	31 March 2025	7	Yes	No	0	0
Mr Andrew Davids	B Com; Professional Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CS/CGP); CBAC(SA); Certified in Risk & Information Systems Control (CRISC®)	Chartered Governance Institute of Southern Africa Chartered Institute for Business Accountants  ISACA	01 September 2023	31 March 2026	7	Yes	No	1	2
Mr Ebrahim Abrahams	BCom (Accounting)	Institute of Accounting and Commerce	01 January 2022	31 March 2025	7	Yes	No	2	0

Name and Surname	Qualifications	Professional Affiliation	Term of Office		No. of meetings attended	Declared private and business interests in every meeting	Employed by an organ of state	No. of other ACs the member served on during reporting period	No. of other governance structures the member served on during the reporting period
			Start date	End Date					
Mr Comfort Bunting	ND: Internal Auditing MBA	Chartered Institute of Procurement & Supply	01 January 2022	31 March 2025	7	Yes	Yes	1	4
Mr Tsepo Lesihla	ND IT and Master of Technology in IT	Institute of Directors Information Systems Audit and Control Association	01 January 2022	31 March 2025	7	Yes	No	0	0

### Part 3: Audit Committee Focus Areas

#### ● Effectiveness of internal control system and Combined Assurance

The Department is required to develop and maintain systems of internal control that would improve the likelihood of achieving its objectives, to adapt to changes in the environment it operates in and to promote efficiency and effectiveness of operations, supports reliable reporting and compliance with laws and regulations. The WCG adopted a Combined Assurance Framework which identifies and integrates assurance providers. The first level of assurance is management assurance, requiring line management to maintain effective internal controls and execute those procedures on a day-to-day basis by means of supervisory controls and taking remedial action where required. The second level of assurance is internal assurance provided by functions separate from direct line management, entrusted with assessing adherence to policies, procedures, norms, standards and frameworks. The third level of assurance is independent assurance providers that are guided by professional standards requiring the highest levels of independence.

A risk-based Combined Assurance Plan was developed for the Department, facilitated by Internal Audit, who is also an independent assurance provider. Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

The Audit Committee has reviewed the effectiveness of the internal control system and combined assurance and is satisfied that it has fulfilled its responsibilities in terms of its mandate.

#### ● Effectiveness of the internal audit function

The Audit Committee monitored and reviewed the effectiveness of the internal audit function, including its compliance with the IPPF. Such monitoring and review were conducted through the Quality Assurance and Improvement Programme results presented to the Audit Committee on a bi-annual basis.

## ● **Activities of the internal audit function**

The following internal audit engagements were approved by the Audit Committee and completed by the IAF during the year under review:

### *Assurance engagements*

- Transfer Payments – Municipalities
- Local Government Supply Chain Management
- Municipal Financial Reporting and Compliance with the MFMA WCG Corporate Governance Framework Baseline Maturity Assessment.

The areas for improvement, as noted by Internal Audit during performance of their work, were agreed to by management. The Audit Committee monitors the implementation of the agreed actions on a quarterly basis.

## ● **Effectiveness of risk management**

The Audit Committee has reviewed the risk management of the Department and is satisfied that the Committee has fulfilled its duties in accordance with its mandate.

## ● **Adequacy, reliability and accuracy of the financial and performance information**

The Audit Committee has reviewed the financial and performance information of the Department and is satisfied that the Committee has fulfilled its duties in accordance with its mandate.

## ● **Accounting and auditing concerns identified as a result of internal and external audits**

The Audit Committee has not identified any accounting and auditing concerns other than that reported in the AGSA report and the annual financial statements.

## ● **Evaluation of annual financial statements**

The Audit Committee has:

- reviewed the Audited Annual Financial Statements to be included in the Annual Report;
- reviewed the AGSA's Management Report and Management's response thereto; and
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements.

## ● **External audit and Auditor-General's report**

The Audit Committee has on a quarterly basis reviewed the Department's implementation plan for audit issues raised in the prior year. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

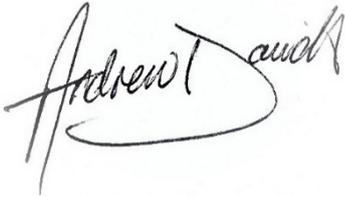
The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

- **Any other issues**

None.

- **Conclusion**

The Audit Committee commends the Department for maintaining an unqualified audit opinion, with no findings.



**Mr Andrew Davids**

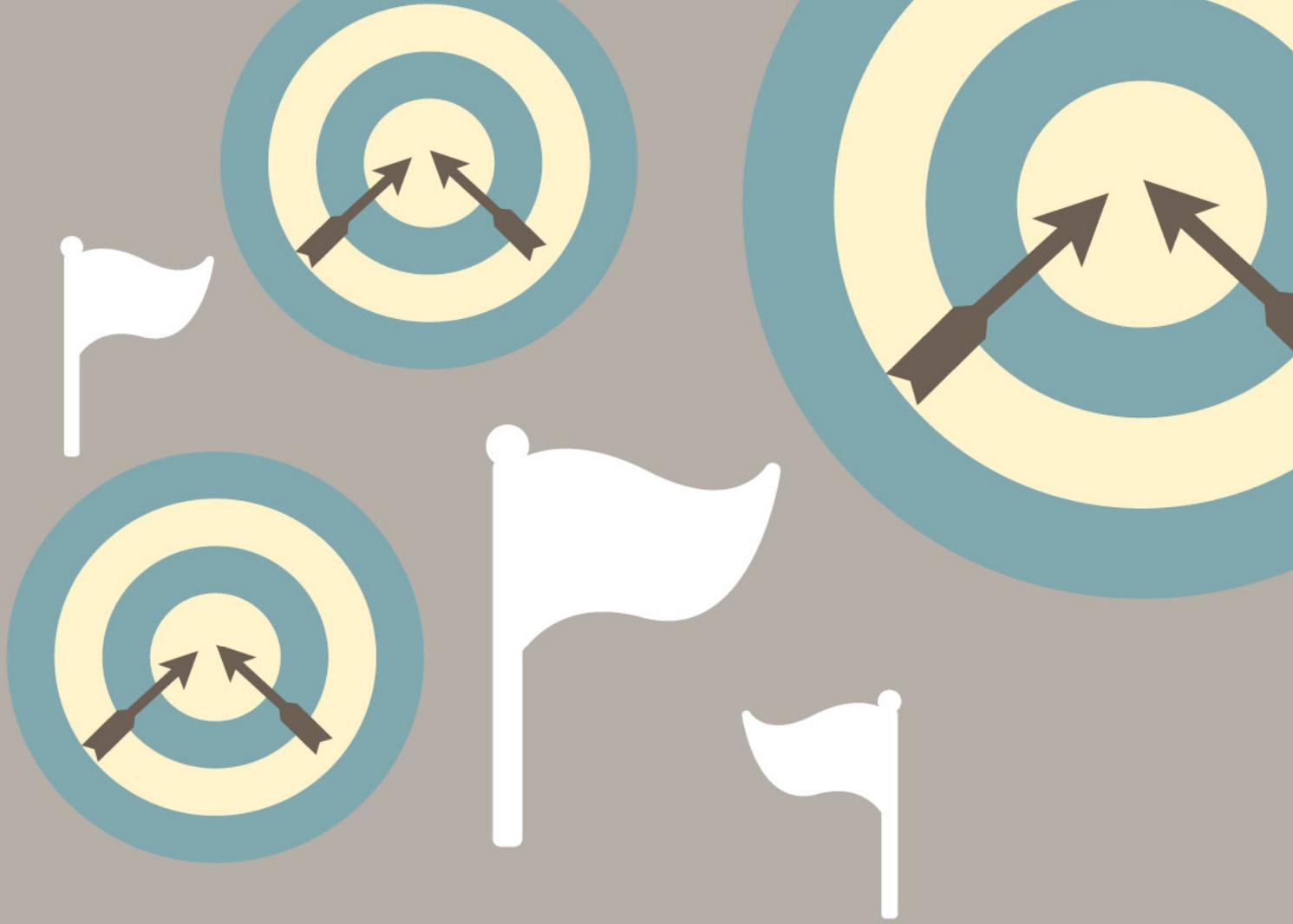
**Chairperson of the Governance, Innovation and Culture Cluster Audit Committee**

**Date: 12 August 2025**

## 12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Has the Department/Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 to 8) with regards to the following:		
Criteria	Response Yes/No	Discussion
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	
Developing and implementing a preferential procurement policy?	Yes	<ol style="list-style-type: none"> <li>1. The Preferential Procurement Regulations, 2022 (PPR 2022) was promulgated on 4 November 2022 with an effective date of 16 January 2023.</li> <li>2. Cabinet approved an interim strategy for WCG via Cabinet Minute 544 of 2022, in noting that organs of state may develop their own preferential procurement policies in terms of section 5 of the Preferential Procurement Policy Framework Act (PPPFA), and in providing executive guidance on the WCG's way forward in response to the PPR 2022: <ol style="list-style-type: none"> <li>i. In order to ensure stability in the current procurement system post 16 January 2023, the WCG will in the interim continue to utilise the preferential procurement goals contemplated in section 2 (1)(d) of the PPPFA and that the relevant Broad- Based Black Economic Empowerment (B BBEE) scorecards be accepted as supporting evidence to claim preference points, until the appropriate executive policy directives and technical reviews have been concluded;</li> <li>ii. A technical review be undertaken, on the current procurement system in defining a legal way forward in the province that focuses on value for money, appropriate redress and reforming the current procurement system over time, informed by policy directives from executive;</li> <li>iii. Cabinet be regularly kept abreast on any developments and progress on position papers and the review. This should include developments in municipal procurement policies as well as approaches to local content and localisation.</li> </ol> </li> <li>3. On 18 September 2024, cabinet minute 225 of 2024 was endorsed which confirmed the continuation of WCG's current procurement system until the technical review is completed and a clear, practical path forward is developed and presented to Cabinet for concurrence. In addition, should any new regulations or instructions necessitate a change in strategy, the Provincial Treasury will seek further guidance from the Executive.</li> <li>4. The departmental AOS was updated in terms of the interim strategy for WCG to give effect to preferential procurement regulations.</li> </ol>
Determining qualification criteria for the sale of state-owned enterprises?	N/A	
Developing criteria for entering into partnerships with the private sector?	N/A	
Determining criteria for the awarding of incentives, grants, and investment schemes of Broad-Based Black Economic Empowerment?	N/A	





**HUMAN  
RESOURCE  
MANAGEMENT  
PART D**



# PART D: HUMAN RESOURCE MANAGEMENT

## 1. INTRODUCTION

People remain at the heart of an effective government. This section outlines how the PT has approached the management, development, and support of its workforce over the past financial year, with a focus on key indicators that reflect both progress and areas requiring continued attention.

The reporting period was shaped by ongoing fiscal pressure, operational complexity, and a rapidly evolving world of work. Challenges such as talent retention, succession planning, and equitable workforce representation continued to shape the People Management agenda.

In parallel, there was growing emphasis on leveraging digital tools, workforce data, and strategic planning to drive more integrated, future-fit solutions. The Department's approach remained grounded in a commitment to building organisational capability while adapting to resource constraints.

This section presents a high-level view of people-related trends and developments, including workforce movement, recruitment activity, performance outcomes, and transformation indicators. It is intended to provide transparency on the state of the Department's human capital, while informing future planning and policy discussions across the provincial administration.

Consequently, PT has taken a number of strides in improving talent management practices, resulting in a positive and inclusive work environment. Through various initiatives, PT prioritised employee well-being, demonstrating its commitment to physical and mental health. Initiatives focusing on work-life balance, mental health support, and stress management have fostered a healthy and productive atmosphere for employees.

The various talent management initiatives focused on nurturing professional growth and development. Comprehensive training, mentorship, and leadership programs equipped the workforce to address complex challenges effectively, contributing meaningfully to achieving strategic priorities.

The Department's emphasis on diversity and inclusion was also evident through unbiased recruitment practices and the promotion of an inclusive workplace. Valuing diverse perspectives has enhanced creativity, innovation, and the ability to cater to the diverse needs of the public.

Assessing the value of PT's efforts, PT recognises the wins achieved. PT witnessed improved leadership alignment, empowered staff who are heard, decisive, and resilient, healthy debates in a safe learning environment, and increased responsiveness to clients' needs. It is acknowledged that culture change is a gradual process, but the commitment to sustaining and deepening the investment in cultural evolution remains.

As PT continues its journey to cultivate a positive and purpose-led culture, it recognises that the work on culture is ongoing. Moving forward, the leadership team will lead by example, playing a pivotal role in taking the culture of PT to even greater heights. With a commitment to the values of Caring, Competence, Accountability, Integrity and Responsiveness, the Department aims to give life to the principles set forth in the WCG's Culture Journey. By consistently demonstrating these values in

actions and decisions, the leadership team will set a strong foundation for the entire Department to follow suit. Through this collective effort, PT will continue to foster a culture of inclusivity, innovation, and excellence, ultimately benefiting both its workforce and the public it serves

## 2. STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT

### 2.1 Departmental Workforce Planning Priorities

The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge, and attitudes to perform the work. Through this process the Department annually assesses its workforce profile against current and future organisational needs.

The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.

The Workforce Plan 2021 - 2026, is therefore aligned to the vision and mission of the Department's Strategic Plan.

The assumptions on which this Workforce Plan was developed are still valid and the Action Plan was reviewed to ensure that strategies (as per the listed priorities) would achieve its outcomes:

- Identifying and developing the required organisational capability;
- Values and Competency based recruitment practices (which includes the possibility of an online Application and Screening system to enhance the recruitment practices and attract the right candidates that are future and culture-fit);
- Diversify the talent pool;
- Talent and skills development for employees on new emerging skills (e.g., fourth industrial revolution (4IR) Meta competencies/functional and technical skills as well as behavioural skills that are critically needed to support the future-fit organisation);
- Prioritise training interventions to address Departmental Critical Competencies and Career Development Plan (CDP) requirements;
- Development and implementation of the Future Fit Skills Strategy (FFSS);
- Youth development programmes for assisting with creating talent pipelines (internships);
- Reconfiguration of the Provincial Training Institute into a provincial learning and innovation centre;
- Employment Equity (EE) priorities as indicated in the departmental EE Plan to guide the Recruitment and Selection decisions of the Department;
- Provide Health and Wellness interventions/services in support of employee wellbeing;
- Develop and implement the transition to a New Way of Work/WCG citizen-centric culture project; and
- The Workforce Plan has been reviewed to ensure that the Workforce Strategies and key activities remain valid and appropriate to ensure that the Department will meet its strategic mandate for the duration of the period (2021/22 - 2026/27).

## 2.2 Employee Performance Management

The purpose of Performance Management is to increase performance by encouraging individual commitment, accountability, and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is, in essence, a contract between the employer and the employee containing the projects, programmes, activities, expectations, and standards for the required delivery. In order to facilitate a standardised administrative process, the WCG has devised an electronic system, namely PERMIS (Performance Management Information System), that allows for the entire performance management process to be captured, monitored, and managed.

The performance management process requires that a mid-year review and an annual assessment be conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within DotP (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental, however, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

## 2.3 Employee Wellness

The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services.

The EHW is monitored through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service, and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, and advocacy).

A quarterly report is prepared by the Directorate: Transversal People Capacity Enablement within the DotP that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the DPSA is a requirement and such reporting focuses on four (4) areas namely, HIV/AIDS, Health and Productivity, Wellness Management and SHERQ (Safety, Health, Environment, Risk and Quality).

## 2.4 People Management Monitoring

PT, in collaboration with DotP monitors the implementation of a range of people management compliance indicators. The monthly Barometer Fact File, which is developed by the Chief-Directorate: People Management Practices within the DotP, provides PT with regular updates on the workforce profile and other relevant people management data to enable decision-making. The indicators include, inter alia, staff establishment information, headcount, people expenditure projections, sick leave patterns, the monetary value of annual leave credits, discipline cases, vacancy rates, staff movement, and employment equity etcetera.

### 3. PEOPLE MANAGEMENT OVERSIGHT STATISTICS

#### 3.1 Personnel related expenditure

The following tables summarise the final audited expenditure per programme (Table 3.1.1) and by salary bands (Table 3.1.2).

The figures in Table 3.1.1 are drawn from the Basic Accounting System (BAS) and the figures in Table 3.1.2 are drawn from the Personnel and Salary Administration (PERSAL) system. The two (2) systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the total expenditure reflected on these systems.

**The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from this point forward.**

Programme	Programme Designation
Programme 1	Administration
Programme 2	Sustainable Resource Management
Programme 3	Asset Management
Programme 4	Financial Governance

**Table 3.1.1 Personnel expenditure by programme, 2024/25**

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Programme 1	53 539	36 559	4 971	10 924	68.3	366	100
Programme 2	131 088	78 364	62	11 324	59.8	726	108
Programme 3	65 315	42 853	36	22 306	65.6	670	64
Programme 4	44 470	35 814	2 848	4 165	80.5	628	57
<b>Total</b>	<b>294 412</b>	<b>193 590</b>	<b>7 917</b>	<b>48 719</b>	<b>65.8</b>	<b>588</b>	<b>329</b>

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e., graduate and student), but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.

**Table 3.1.2 Personnel expenditure by salary band, 2024/25**

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Interns	1 989	1.0	51	39
Lower skilled (Levels 1 - 2)	418	0.2	209	2
Skilled (Levels 3 - 5)	5 105	2.6	284	18
Highly skilled production (Levels 6 - 8)	20 458	10.6	401	51
Highly skilled supervision (Levels 9 - 12)	134 868	69.9	692	195
Senior management (Levels 13 - 16)	30 090	15.6	1 254	24
<b>Total</b>	<b>192 927</b>	<b>100.0</b>	<b>586</b>	<b>329</b>

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e., Premier's Advancement of Youth [PAY], matric, graduate and student), but excluding the Provincial Minister. The number is cumulative and not a snapshot as at a specific date.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. These tables do not make provision for other expenditure such as Pensions, Performance Bonus, and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

**Table 3.1.3 Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2024/25**

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	24 518	12.7	32	0.0	631	0.3	1 661	0.9
Programme 2	56 382	29.2	321	0.2	883	0.5	2 570	1.3
Programme 3	31 534	16.3	-	-	965	0.5	2 345	1.2
Programme 4	26 370	13.7	-	-	736	0.4	1 446	0.7
<b>Total</b>	<b>138 805</b>	<b>71.9</b>	<b>354</b>	<b>0.2</b>	<b>3 214</b>	<b>1.7</b>	<b>8 023</b>	<b>4.2</b>

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. The two (2) systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

**Table 3.1.4 Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2024/25**

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Interns	1 961	1.0	-	-	-	-	-	-
Lower skilled (Levels 1 - 2)	278	0.1	-	-	-	-	81	0.0
Skilled (Levels 3 - 5)	3 399	1.8	1	0.0	185	0.1	568	0.3
Highly skilled production (Levels 6 - 8)	14 421	7.5	97	0.1	676	0.4	1 505	0.8
Highly skilled supervision (Levels 9 - 12)	98 393	51.0	255	0.1	2 294	1.2	5 722	3.0
Senior management (Levels 13 - 16)	20 354	10.6	-	-	59	0.0	147	0.1
<b>Total</b>	<b>138 805</b>	<b>71.9</b>	<b>354</b>	<b>0.2</b>	<b>3 214</b>	<b>1.7</b>	<b>8 023</b>	<b>4.2</b>

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. The two (2) systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

### 3.2 Employment and vacancies

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Provincial Minister) and the percentage active vacant posts as at the end of the financial year. This information is presented in terms of three (3) key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

**Table 3.2.1 Employment and vacancies by programme, as at 31 March 2025**

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	51	46	9.8
Programme 2	106	94	11.3
Programme 3	69	59	14.5
Programme 4	51	46	9.8
<b>Total</b>	<b>277</b>	<b>245</b>	<b>11.6</b>

Note: The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

**Table 3.2.2 Employment and vacancies by salary band, as at 31 March 2025**

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1 - 2)	2	2	-
Skilled (Levels 3 - 5)	19	18	5.3
Highly skilled production (Levels 6 - 8)	41	36	12.2
Highly skilled supervision (Levels 9 - 12)	192	170	11.5
Senior management (Levels 13 - 16)	23	19	17.4
<b>Total</b>	<b>277</b>	<b>245</b>	<b>11.6</b>

Note: The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

**Table 3.2.3 Employment and vacancies by critical occupation, as at 31 March 2025**

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Cash Management Analyst (LG)	5	5	-
Economist	18	18	-
Expenditure Analyst (PG)	10	7	30.0
Financial Analyst	16	13	18.8
Infrastructure Analyst	6	6	-
Procurement Specialist/Analyst	23	20	13.0
Revenue and Expenditure Analyst (LG)	7	7	-
Systems Controller	25	24	4.0
<b>Total</b>	<b>110</b>	<b>100</b>	<b>9.1</b>

Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the Department, the function/services will collapse. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

### 3.3 Job evaluation

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that Job Evaluation and Staff Performance Management differ in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.

Table 3.3.1 summarises the number of posts that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**Table 3.3.1 Job evaluation, 1 April 2024 to 31 March 2025**

Salary Band	Total number of posts as at 31 March 2025	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1 - 2)	2	-	-	-	-	-	-
Skilled (Levels 3 - 5)	19	-	-	-	-	-	-
Highly skilled production (Levels 6 - 8)	41	-	-	-	-	-	-
Highly skilled supervision (Levels 9 - 12)	192	4	1.4	-	-	-	-
Senior Management Service Band A (Level 13)	16	1	0.4	-	-	-	-
Senior Management Service Band B (Level 14)	5	1	0.4	-	-	-	-
Senior Management Service Band C (Level 15)	1	-	-	-	-	-	-
Senior Management Service Band D (Level 16)	1	-	-	-	-	-	-
<b>Total</b>	<b>277</b>	<b>6</b>	<b>2.2</b>	-	-	-	-

Note: The "Number of posts evaluated" per Salary Band reflects the Final Approved Post Level after Job Evaluation. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

**Table 3.3.2 Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2024 to 31 March 2025**

Beneficiaries	African	Indian	Coloured	White	Total
None					

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches awarded to employees within a particular salary level. Each salary level consists of 12 notches. Reasons for the deviation are provided in each case.

**Table 3.3.3 Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2024 to 31 March 2025**

Major Occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
None					

**Table 3.3.4 Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2024 to 31 March 2025**

Beneficiaries	African	Coloured	Indian	White	Total
None					

### 3.4 Employment changes

Turnover rates provide an indication of trends in the employment profile of PT during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include information related to interns.

**Table 3.4.1 Annual turnover rates by salary band, 1 April 2024 to 31 March 2025**

Salary Band	Number of employees as at 31 March 2024	Turnover rate % 2023/24	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2024/25
Lower skilled (Levels 1 - 2)	2	-	-	-	-	-	-
Skilled (Levels 3 - 5)	21	22.2	1	-	3	-	14.3
Highly skilled production (Levels 6 - 8)	48	13.7	-	1	12	-	25.0
Highly skilled supervision (Levels 9 - 12)	182	14.4	12	-	24	2	14.3
Senior Management Service Band A (Level 13)	16	12.5	2	-	3	1	25.0
Senior Management Service Band B (Level 14)	5	-	-	-	1	-	20.0
Senior Management Service Band C (Level 15)	-	-	-	-	-	-	-
Senior Management Service Band D (Level 16)	1	100.0	-	-	-	-	-
<b>Total</b>	<b>275</b>	<b>14.8</b>	<b>15</b>	<b>1</b>	<b>43</b>	<b>3</b>	<b>16.7</b>
			<b>16</b>		<b>46</b>		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2024).

**Table 3.4.2 Annual turnover rates by critical occupation, 1 April 2024 to 31 March 2025**

Critical Occupation	Number of employees as at 31 March 2024	Turnover rate % 2023/24	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2024/25
Cash Management Analyst (LG)	5	-	-	-	-	-	-
Economist	18	11.1	2	-	2	-	11.1
Expenditure Analyst (PG)	9	0.0	2	-	3	1	44.4
Financial Analyst	15	11.8	-	-	3	-	20.0

Critical Occupation	Number of employees as at 31 March 2024	Turnover rate % 2023/24	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2024/25
Infrastructure Analyst	7	-	-	-	1	-	14.3
Procurement Specialist/ Analyst	23	23.1	-	-	2	1	13.0
Revenue and Expenditure Analyst (LG)	11	31.3	1	-	-	-	-
Systems Controller	23	11.5	-	-	1	-	4.3
<b>Total</b>	<b>111</b>	<b>14.6</b>	<b>5</b>	<b>-</b>	<b>12</b>	<b>2</b>	<b>12.6</b>
			<b>5</b>		<b>14</b>		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2024).

**Table 3.4.3 Staff leaving the employ of the Department, 1 April 2024 to 31 March 2025**

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2024
Death	1	2.2	0.4
Resignation*	22	47.8	8.0
Expiry of contract	12	26.1	4.4
Dismissal - operational changes	-	-	-
Dismissal - misconduct	1	2.2	0.4
Dismissal - inefficiency	-	-	-
Discharged due to ill-health	2	4.3	0.7
Retirement	5	10.9	1.8
Employee initiated severance package	-	-	-
Transfers to Statutory Body	-	-	-
Transfers to other Public Service departments	2	4.3	0.7
Promotion to another WCG Department	1	2.2	0.4
<b>Total</b>	<b>46</b>	<b>100.0</b>	<b>16.7</b>

Note: Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of the Department.

\* Resignations are further discussed in Tables 3.4.4 and 3.4.5.

**Table 3.4.4 Reasons why staff resigned, 1 April 2024 to 31 March 2025**

Resignation Reasons	Number	% of total resignations
Age	1	4.5
No reason provided	17	77.3
Other Occupation	3	13.6
Successful for a permanent position in another WCG Department	1	4.5
<b>Total</b>	<b>22</b>	<b>100.0</b>

**Table 3.4.5 Different age groups of staff who resigned, 1 April 2024 to 31 March 2025**

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	-	-
Ages 25 to 29	1	4.5
Ages 30 to 34	3	13.6
Ages 35 to 39	9	40.9
Ages 40 to 44	5	22.7
Ages 45 to 49	2	9.1
Ages 50 to 54	1	4.5
Ages 55 to 59	-	-
Ages 60 to 64	1	4.5
Ages 65 >	-	-
<b>Total</b>	<b>22</b>	<b>100.0</b>

**Table 3.4.6 Employee initiated severance packages**

Total number of employee -initiated severance packages offered in 2024/25	None
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**Table 3.4.7 Promotions by salary band, 1 April 2024 to 31 March 2025**

Salary Band	Number of Employees as at 31 March 2024	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1 - 2)	2	-	-	2	100.0
Skilled (Levels 3 - 5)	21	-	-	9	42.9
Highly skilled production (Levels 6 - 8)	48	1	2.1	25	52.1
Highly skilled supervision (Levels 9 - 12)	182	8	4.4	104	57.1
Senior management (Levels 13 - 16)	22	-	-	12	54.5
<b>Total</b>	<b>275</b>	<b>9</b>	<b>3.3</b>	<b>152</b>	<b>55.3</b>

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

**Table 3.4.8 Promotions by critical occupation, 1 April 2024 to 31 March 2025**

Critical Occupation	Number of Employees as at 31 March 2024	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Cash Management Analyst (LG)	5	-	-	4	80.0
Economist	18	-	-	6	33.3
Expenditure Analyst (PG)	9	-	-	1	11.1
Financial Analyst	15	2	13.3	4	26.7

Critical Occupation	Number of Employees as at 31 March 2024	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Infrastructure Analyst	7	-	-	2	28.6
Procurement Specialist/Analyst	23	1	4.3	14	60.9
Revenue and Expenditure Analyst (LG)	11	-	-	3	27.3
Systems Controller	23	2	8.7	20	87.0
<b>Total</b>	<b>111</b>	<b>5</b>	<b>4.5</b>	<b>54</b>	<b>48.6</b>

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

### 3.5 Employment equity

**Table 3.5.1 Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2025**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15 - 16)	-	-	-	-	-	1	-	-	-	-	<b>1</b>
Senior management (Levels 13 - 14)	1	6	-	3	-	4	1	3	-	-	<b>18</b>
Professionally qualified and experienced specialists and mid-management (Levels 9 - 12)	23	45	2	9	30	53	-	8	-	-	<b>170</b>
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6 - 8)	3	6	-	-	10	16	-	4	-	-	<b>39</b>
Semi - skilled and discretionary decision-making (Levels 3 - 5)	1	3	-	-	3	8	-	-	-	-	<b>15</b>
Unskilled and defined decision-making (Levels 1 - 2)	1	1	-	-	-	-	-	-	-	-	<b>2</b>
<b>Total</b>	<b>29</b>	<b>61</b>	<b>2</b>	<b>12</b>	<b>43</b>	<b>82</b>	<b>1</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>245</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	<b>-</b>
<b>Grand total</b>	<b>29</b>	<b>61</b>	<b>2</b>	<b>12</b>	<b>43</b>	<b>82</b>	<b>1</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>245</b>

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

For the number of employees with disabilities, refer to Table 3.5.2.

**Table 3.5.2 Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2025**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15 - 16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13 - 14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9 - 12)	2	2	-	1	-	-	-	2	-	-	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6 - 8)	-	-	-	-	-	-	-	2	-	-	2
Semi - skilled and discretionary decision-making (Levels 3 - 5)	-	-	-	-	-	1	-	-	-	-	1
Unskilled and defined decision-making (Levels 1 - 2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>10</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>10</b>

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational level include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

**Table 3.5.3 Recruitment, 1 April 2024 to 31 March 2025**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15 - 16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13 - 14)	-	2	-	-	-	-	-	-	-	-	2
Professionally qualified and experienced specialists and mid-management (Levels 9 - 12)	2	1	-	1	3	3	-	2	-	-	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6 - 8)	-	1	-	-	-	-	-	-	-	-	1

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Semi-skilled and discretionary decision-making (Levels 3 - 5)	-	-	-	-	-	1	-	-	-	-	1
Unskilled and defined decision-making (Levels 1 - 2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2</b>	<b>4</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>16</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>2</b>	<b>4</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>16</b>

A = African; C = Coloured; I = Indian; W = White.

Note: Recruitment refers to the appointment of new employees to the staff establishment of the Department but exclude interns. The totals include transfers from other government departments and/or institutions, as per Table 3.4.1.

**Table 3.5.4 Promotions, 1 April 2024 to 31 March 2025**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15 - 16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13 - 14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9 - 12)	2	3	-	-	-	2	-	1	-	-	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6 - 8)	-	-	-	-	1	-	-	-	-	-	1
Semi-skilled and discretionary decision-making (Levels 3 - 5)	-	-	-	-	-	-	-	-	-	-	-
Unskilled and defined decision-making (Levels 1 - 2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>9</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>9</b>

A = African; C = Coloured; I = Indian; W = White.

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department, by applying and being successful for an advertised post, through the recruitment and selection process as per Table 3.4.7.

**Table 3.5.5 Terminations, 1 April 2024 to 31 March 2025**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15 - 16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13 - 14)	1	-	-	-	-	1	1	2	-	-	5
Professionally qualified and experienced specialists and mid-management (Levels 9 - 12)	2	4	-	3	7	8	-	2	-	-	26
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6 - 8)	3	1	-	-	3	4	-	1	-	-	12
Semi-skilled and discretionary decision-making (Levels 3 - 5)	-	1	-	-	2	-	-	-	-	-	3
Unskilled and defined decision-making (Levels 1 - 2)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>3</b>	<b>12</b>	<b>13</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>46</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>3</b>	<b>12</b>	<b>13</b>	<b>1</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>46</b>

A = African; C = Coloured; I = Indian; W = White.

Note: Terminations refer to those employees (excluding interns) who have left the employ of the Department, including transfers to other departments, as per Table 3.4.1.

**Table 3.5.6 Disciplinary actions, 1 April 2024 to 31 March 2025**

Disciplinary actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Desertion (Dismissal)	-	-	-	-	1	-	-	-	-	-	1
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>

A = African; C = Coloured; I = Indian; W = White.

Note: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3.

**Table 3.5.7 Skills development, 1 April 2024 to 31 March 2025**

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15 - 16)	-	-	-	-	-	-	-	-	-
Senior management (Levels 13 - 14)	1	-	-	1	-	2	2	3	9
Professionally qualified and experienced specialists and mid-management (Levels 9 - 12)	8	17	1	2	13	17	-	-	58
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6 - 8)	-	2	-	-	2	8	-	3	15
Semi-skilled and discretionary decision-making (Levels 3 - 5)	1	3	-	-	1	5	-	-	10
Unskilled and defined decision-making (Levels 1 - 2)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10</b>	<b>22</b>	<b>1</b>	<b>3</b>	<b>16</b>	<b>32</b>	<b>2</b>	<b>6</b>	<b>92</b>
Temporary employees	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>10</b>	<b>22</b>	<b>1</b>	<b>3</b>	<b>16</b>	<b>32</b>	<b>2</b>	<b>6</b>	<b>92</b>

A = African; C = Coloured; I = Indian; W = White.

Note: The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.

### 3.6 Signing of Performance Agreements by SMS members

**Table 3.6.1 Signing of Performance Agreements by SMS Members, as at 31 May 2024**

SMS Post Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Head of Department	1	1	1	100.0
Salary Level 15	-	-	-	-
Salary Level 14	5	5	5	100.0
Salary Level 13	16	16	16	100.0
<b>Total</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>100.0</b>

Note: This table refers to employees who are appointed as SMS members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

**Table 3.6.2 Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2024**

Reasons for not concluding Performance Agreements with all SMS
None

**Table 3.6.3 Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2024**

Disciplinary steps taken against SMS Members for not having concluded Performance Agreements	
None required	

### 3.7 Filling of SMS posts

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

**Table 3.7.1 SMS posts information, as at 30 September 2024**

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.0	-	-
Salary Level 15	1	-	-	1	100.0
Salary Level 14	5	4	80.0	1	20.0
Salary Level 13	17	17	100.0	-	-
<b>Total</b>	<b>24</b>	<b>22</b>	<b>91.7</b>	<b>2</b>	<b>8.3</b>

Note: This table refers to employees who are appointed as SMS members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

**Table 3.7.2 SMS posts information, as at 31 March 2025**

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.0	-	-
Salary Level 15	1	-	-	1	100.0
Salary Level 14	5	4	80.0	1	20.0
Salary Level 13	16	14	87.5	2	12.5
<b>Total</b>	<b>23</b>	<b>19</b>	<b>82.6</b>	<b>4</b>	<b>17.4</b>

Note: This table refers to employees who are appointed as SMS members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration).

**Table 3.7.3 Advertising and Filling of SMS posts, as at 31 March 2025**

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 after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Head of Department	-	-	-
Salary Level 15	1	-	-
Salary Level 14	1	-	-
Salary Level 13	1	2	-
<b>Total</b>	<b>3</b>	<b>2</b>	<b>-</b>

Note: The one SMS post filled on Salary Level 13 was advertised in the previous financial year, whilst the remaining SMS post was filled in the Office of the Provincial Minister.

**Table 3.7.4 Reasons for not having complied with the filling of active vacant SMS posts - Advertised within 6 months and filled within 12 months after becoming vacant**

SMS Level	Reasons for non-compliance
Head of Department	N/A
Salary Level 15	N/A
Salary Level 14	N/A
Salary Level 13	N/A

**Table 3.7.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months**

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts
None

### 3.8 Employee performance

The following tables note the number of staff by salary band (Table 3.8.1) and staff within critical occupations (Table 3.8.2) who received a notch progression as a result of performance management. (i.e., qualifying employees who scored between 3 and 4 in their performance ratings).

**Table 3.8.1 Notch progressions by salary band, 1 April 2024 to 31 March 2025**

Salary Band	Employees as at 31 March 2024	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1 - 2)	2	2	100.0
Skilled (Levels 3 - 5)	21	9	42.9
Highly skilled production (Levels 6 - 8)	48	25	52.1
Highly skilled supervision (Levels 9 - 12)	182	104	57.1
Senior management (Levels 13 - 16)	22	12	54.5
<b>Total</b>	<b>275</b>	<b>152</b>	<b>55.3</b>

Note: Employees who do not qualify for notch progressions are not included.

**Table 3.8.2 Notch progressions by critical occupation, 1 April 2024 to 31 March 2025**

Critical Occupations	Employees as at 31 March 2024	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Cash Management Analyst (LG)	5	4	80.0
Economist	18	6	33.3
Expenditure Analyst (PG)	9	1	11.1
Financial Analyst	15	4	26.7
Infrastructure Analyst	7	2	28.6
Procurement Specialist/ Analyst	23	14	60.9
Revenue and Expenditure Analyst (LG)	11	3	27.3
Systems Controller	23	20	87.0
<b>Total</b>	<b>111</b>	<b>54</b>	<b>48.6</b>

Note: Employees who do not qualify for notch progressions are not included.

In line with a WCG Provincial Top Management decision, approved by Cabinet, no performance rewards have been paid to employees since the 2019/20 financial year due to austerity measures implemented to address fiscal constraints. Subsequently, the DPSA issued a circular in line with the Incentive Policy Framework 2019, directing that 0.0 per cent of departmental budgets be allocated to performance rewards from the 2022/23 financial year onwards, reinforcing the suspension of such payments. Consequently, the tables in this section reflect "none" for performance rewards.

Despite the suspension of financial rewards, employee performance assessments have continued, with 69.4 per cent of employees rated as Fully Effective and 29.5 per cent as Highly Effective, while 1.1 per cent were Partially Effective and 0.0 per cent Not Effective for the 2023/24 performance cycle, which was finalised in the 2024/25 financial year, demonstrating sustained commitment to service delivery. The WCG is actively developing a policy for non-remunerative rewards to recognise employee contributions in a manner aligned with current fiscal realities, with implementation expected in future reporting periods.

**Table 3.8.3 Performance rewards by race, gender, and disability, 1 April 2024 to 31 March 2025**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
None					

**Table 3.8.4 Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2024 to 31 March 2025**

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
None						

**Table 3.8.5 Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2024 to 31 March 2025**

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
None						

**Table 3.8.6 Performance rewards (cash bonus) by critical occupation, 1 April 2024 to 31 March 2025**

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2024	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
None						

### 3.9 Foreign workers

The tables below summarise the employment of foreign nationals in PT in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

**Table 3.9.1 Foreign Workers by salary band, 1 April 2024 to 31 March 2025**

Salary Band	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% change
None						

**Table 3.9.2 Foreign Workers by major occupation, 1 April 2024 to 31 March 2025**

Major Occupation	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% change
None						

### 3.10 Leave utilisation for the period 1 January 2024 to 31 December 2024

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided.

**Table 3.10.1 Sick leave, 1 January 2024 to 31 December 2024**

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Interns	71	33.8	22	44	50.0	3	24
Lower skilled (Levels 1 - 2)	10	100.0	1	2	50.0	10	5
Skilled (Levels 3 - 5)	105	84.8	12	20	60.0	9	91
Highly skilled production (Levels 6 - 8)	337	78.6	42	54	77.8	8	448
Highly skilled supervision (Levels 9 - 12)	1 123	79.8	150	201	74.6	7	2 466
Senior management (Levels 13 - 16)	80	72.5	16	24	66.7	5	288
<b>Total</b>	<b>1 726</b>	<b>77.8</b>	<b>243</b>	<b>345</b>	<b>70.4</b>	<b>7</b>	<b>3 322</b>

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three (3) years. The three-year sick leave cycle started in January 2022 and ended in December 2024. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

**Table 3.10.2 Incapacity leave, 1 January 2024 to 31 December 2024**

Salary Band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Interns	-	-	-	44	-	-	-
Lower skilled (Levels 1 - 2)	18	100.0	1	2	50.0	18	10
Skilled (Levels 3 - 5)	79	100.0	5	20	25.0	16	69
Highly skilled production (Levels 6 - 8)	204	100.0	4	54	7.4	51	257
Highly skilled supervision (Levels 9 - 12)	435	100.0	12	201	6.0	36	826
Senior management (Levels 13 - 16)	44	100.0	1	24	4.2	44	148
<b>Total</b>	<b>780</b>	<b>100.0</b>	<b>23</b>	<b>345</b>	<b>6.7</b>	<b>34</b>	<b>1 310</b>

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three (3) years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA). Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council (PSCBC) in 2 000 requires management of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

**Table 3.10.3 Annual Leave, 1 January 2024 to 31 December 2024**

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	338	37	9
Lower skilled (Levels 1 - 2)	45	2	23
Skilled (Levels 3 - 5)	379	19	20
Highly skilled production (Levels 6 - 8)	1 175	49	24
Highly skilled supervision (Levels 9 - 12)	4 435	189	23
Senior management (Levels 13 - 16)	574	24	24
<b>Total</b>	<b>6 946</b>	<b>320</b>	<b>22</b>

**Table 3.10.4 Capped leave, 1 January 2024 to 31 December 2024**

Salary Band	Total capped leave available as at 31 Dec 2023	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2024	Total capped leave available as at 31 Dec 2024
Lower skilled (Levels 1 - 2)	-	-	-	-	-	-
Skilled (Levels 3 - 5)	-	-	-	-	-	-
Highly skilled production (Levels 6 - 8)	71.38	8.99	2	4.5	6	62.39
Highly skilled supervision (Levels 9 - 12)	824.29	102.85	3	34.3	16	671.23
Senior management (Levels 13 - 16)	81.84	-	-	-	3	81.84
<b>Total</b>	<b>977.51</b>	<b>111.84</b>	<b>5</b>	<b>22.4</b>	<b>25</b>	<b>815.46</b>

Note: It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the Department, retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total. Furthermore, capped leave is only paid out in the event of retirement, ill-health retirement or death, therefore capped leave forfeited due to resignation and or dismissal is not reflected in the table above.

**Table 3.10.5 Leave pay-outs, 1 April 2024 to 31 March 2025**

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave pay-outs due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay-outs on termination of service	358	5	71 627
Current leave pay-outs on termination of service	965	44	21 933

### 3.11 Health Promotion Programmes, including HIV and AIDS

**Table 3.11.1 Steps taken to reduce the risk of occupational exposure, 1 April 2024 to 31 March 2025**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of PT's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.	<p>EHW Services are rendered to all employees in need and include the following:</p> <ul style="list-style-type: none"> <li>● 24/7/365 Telephone counselling;</li> <li>● Face to face counselling (four (4) session model);</li> <li>● Trauma and critical incident counselling;</li> <li>● Advocacy on HIV&amp;AIDS awareness, including online services; and</li> <li>● Training, coaching and targeted Interventions as required.</li> </ul>

**Table 3.11.2 Details of Health Promotion including HIV & AIDS Programmes,  
1 April 2024 to 31 March 2025**

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, 2016? If so, provide her/his name and position.	✓		Ms Letitia Isaacs, Director: Transversal People Capacity Enablement (DotP)
2. Does the Department have a dedicated unit, or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		<p>DotP provides a transversal service to the eleven (11) provincial client departments, including the PT.</p> <p>A designated EHW unit within the Directorate Transversal People Capacity Enablement and the Chief Directorate Organisation Development in the DotP serves to promote the health and well-being of employees in the eleven (11) provincial client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners.</p> <p>Budget: R3.7 million.</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	✓		<p>The DotP has entered into a service level agreement with Lyra Wellbeing (external service provider) to render an EHW Service to the eleven (11) provincial client departments.</p> <p><b>The following interventions were conducted:</b> Mental Health Workshop, Stress and Work life Balance, Coping During Crisis, Adrenalin Fatigue, Stress, Burnout &amp; Depression, Coping During Uncertainty, Psychological Safety in the Workplace, Effective Communication, Managerial Capacitation: Managing Conflict &amp; Toxic Relationships, Stress, Burnout &amp; Depression, EHW Power Hour: Meditation exercises, EHW Power Hour: Breathing Exercises, Conflict Management and Mediation, Departmental Webinar: Bullying in the Workplace, Transversal EHW Power Hour: Mindfulness, Stress, Burnout and Depression, Trauma and Grief, Transversal EHW Power Hour: Stretching Exercises, Transversal EHW Power Hour: Grounding Exercises, Self-Care, Financial Wellness, Identifying an Employee in Crisis, Parenting: Helping Children Deal with Stress, Transversal EHW Power Hour: Meditation, Work-life Balance, Fatigue Management, GRIT for Employees, Managing Employees in Transition, Forming Positive Habits, Mental Health and Mental Illness, Conflict into Synergy, Emotional Intelligence, Me in a Team, Stress and Burnout, 3<sup>rd</sup> Annual Mental Health Conference, Personal Agility, Substance Dependency, Men's Health, Conflict Resolution, Stress and Resilience, Mental Health Regional Workshop: Caledon, EHW Power Hour: Visualisation and Being Human at Work.</p> <p><b>Staff members from the Department attended the following Transversal Webinars:</b> Retirement Planning, Youth Webinar: Assimilation into the Workplace, Emotional Intelligence and Integrity, Investing &amp; Wealth Management, Transversal Webinar: Women's Health-Let's Talk Menopause, Managerial Capacitation Webinar: Setting Boundaries, Understanding Cancer, Understanding Cancer, Youth Webinar: Bridging Generational Gaps, Incapacity vs Disability Management and a Youth Webinar: How to Use Your Internship to Find a Job.</p> <p>These interventions are based on the Mental Health Strategy, trends reflected in the quarterly reports and specific needs from the Department.</p>

Question	Yes	No	Details, if yes
			<p>The targeted interventions for both employees and managers were aimed at personal development; promotion of healthy lifestyles; and improving coping skills. This involved presentations, workshops, group discussions to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. Targeted Interventions were also implemented to equip managers with tools to engage employees in the workplace.</p> <p>EHW information desks were conducted to raise awareness about the EHW services and the programme.</p>
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	✓		<p>The Provincial EHW Steering Committee has been established with members nominated by each department.</p> <p>PT is represented by Brandon Damons and Mziyanda Mpiyane.</p>
<p>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.</p>	✓		<p>The Transversal Management Framework for EHW Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province in December 2016. These policies are in the first draft of review, stakeholders have been consulted.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>Under the EHW banner, four (4) EHW Policies were approved which includes HIV &amp; AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV &amp; AIDS and TB in the workplace. The policy is in line with the amended National EHW Strategic Framework 2019.</p> <p>Further to this, the Department of Health and Wellness, that is the lead department for HIV &amp; AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework (2017 - 2026).</p> <p>During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy have been audited by DPSA against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2022 - 2027) which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.</p>

Question	Yes	No	Details, if yes
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.	✓		<p>The Provincial Strategic Plan on HIV &amp; AIDS, STIs and TB 2022 - 2027 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The aim is to:</p> <ul style="list-style-type: none"> <li>• Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees;</li> <li>• Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations, within the DotP, addresses complaints or grievances relating to unfair discrimination and provides training to employees.</li> </ul> <p>The Department implemented one Wellness day during May 2024 and information material distributed as follows:</p> <ul style="list-style-type: none"> <li>• Wellness Screenings (Blood pressure, Glucose, Cholesterol, TB, BMI);</li> <li>• HCT Screenings;</li> <li>• Distributing posters and pamphlets; and</li> <li>• Condom distribution.</li> </ul>
7. Does the Department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	✓		<p>The PT participated in two (2) HCT and Wellness screening session.</p> <p>98 Employees were screened for noncommunicable diseases and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).</p>
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		<p>The EHW is monitored through Quarterly and Annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics i.e., age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individuals and the workplace.</p>

### 3.12 Labour relations

The following provincial collective agreements were entered into with trade unions for the period under review.

**Table 3.12.1 Collective agreements, 1 April 2024 to 31 March 2025**

Subject Matter	Date
PSCBC Resolution 2 of 2024: Amendment to Resolution 1 of 2017 - Negotiations Protocol Agreement: Wage Negotiations Process	09/07/2024
PSCBC Resolution 1 of 2025: Agreement on the payment of salary adjustments and improvements of conditions of service for the Financial Years 2025/26, 2026/27 and 2027/28	17/02/2025
PSCBC Resolution 2 of 2025: Agreement on matters referred to a further process for research, investigation and negotiations in the Financial Year 2025/26	17/02/2025
GPSSBC Resolution 3 of 2024: Appointment of Full Time Shop Stewards and Release of Trade Union Office Bearers	24/05/2024
GPSSBC Resolution 4 of 2024: Agreement on the Amendment of resolution 7 of 2017 - Dispute Resolution Rules. Rules for conduct of proceedings before the GPSSBC	18/10/2024
GPSSBC Resolution 5 of 2024: Agreement on the 2024 National Macro Organisation of Government	05/12/2024

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

**Table 3.12.2 Misconduct and disciplinary hearings finalised, 1 April 2024 to 31 March 2025**

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Desertion (Dismissal)	1	100.0
<b>Total</b>	<b>1</b>	<b>100.0</b>
Percentage of total employment		0.3

Note: Outcomes of disciplinary hearings refer to formal cases only.

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings, 1 April 2024 to 31 March 2025**

Type of misconduct	Number	% of total
Abscondment	1	100.0
<b>Total</b>	<b>1</b>	<b>100.0</b>

**Table 3.12.4 Grievances lodged, 1 April 2024 to 31 March 2025**

Grievances lodged	Number	% of total
Number of grievances resolved	7	87.5
Number of grievances not resolved	1	12.5
<b>Total number of grievances lodged</b>	<b>8</b>	<b>100.0</b>

Note: Grievances lodged refers to cases that were finalised within the reporting period. Grievances **not resolved** refers to cases where the outcome was **not in favour of the aggrieved**. All cases resolved and not resolved have been finalised.

**Table 3.12.5 Disputes lodged with Councils, 1 April 2024 to 31 March 2025**

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	-	-
Number of disputes dismissed	1	100.0
<b>Total number of disputes lodged</b>	<b>1</b>	<b>100.0</b>

Note: Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is "upheld", it means that the Council rules in favour of the aggrieved. When a dispute is "dismissed", it means that the Council rules in favour of the Department.

**Table 3.12.6 Strike actions, 1 April 2024 to 31 March 2025**

Strike actions	Number
None	

**Table 3.12.7 Precautionary suspensions, 1 April 2024 to 31 March 2025**

Precautionary suspensions	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	47
Cost (R'000) of suspensions	221

Note: Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was being investigated.

### 3.13 Skills development

This section highlights the efforts of PT regarding skills development. Table 3.13.1 reflects the training needs as at the beginning of the period under review, and Table 3.13.2 the actual training provided.

**Table 3.13.1 Training needs identified, 1 April 2024 to 31 March 2025**

Occupational Categories	Gender	Number of employees as at 1 April 2024	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	13	-	25	-	<b>25</b>
	Male	9	-	24	-	<b>24</b>
Professionals (Salary Band 9 - 12)	Female	98	-	121	-	<b>121</b>
	Male	82	-	61	-	<b>61</b>
Technicians and associate professionals (Salary Band 6 - 8)	Female	38	-	47	-	<b>47</b>
	Male	13	-	58	-	<b>58</b>
Clerks (Salary Band 3 - 5)	Female	11	-	10	-	<b>10</b>
	Male	5	-	10	-	<b>10</b>
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	<b>-</b>
	Male	2	-	3	-	<b>3</b>
Sub-total	Female	<b>160</b>	-	<b>203</b>	-	<b>203</b>
	Male	<b>111</b>	-	<b>156</b>	-	<b>156</b>
<b>Total</b>		<b>271</b>	-	<b>359</b>	-	<b>359</b>
Employees with disabilities	Female	6	-	6	-	<b>6</b>
	Male	5	-	7	-	<b>7</b>

Note: The above table identifies the training needs at the start of the reporting period as per the Department's Workplace Skills Plan.

**Table 3.13.2 Training provided, 1 April 2024 to 31 March 2025**

Occupational Categories	Gender	Number of employees as at 31 March 2025	Training needs provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	9	-	18	-	<b>18</b>
	Male	10	-	2	-	<b>2</b>
Professionals (Salary Band 9 - 12)	Female	91	-	82	-	<b>82</b>
	Male	79	-	57	-	<b>57</b>
Technicians and associate professionals (Salary Band 6 - 8)	Female	30	-	19	-	<b>19</b>
	Male	9	-	3	-	<b>3</b>
Clerks (Salary Band 3 - 5)	Female	11	-	7	-	<b>7</b>
	Male	4	-	4	-	<b>4</b>

Occupational Categories	Gender	Number of employees as at 31 March 2025	Training needs provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Elementary occupations (Salary Band 1 - 2)	Female	-	-	-	-	-
	Male	2	-	-	-	-
Sub-total	Female	<b>141</b>	-	<b>126</b>	-	<b>126</b>
	Male	<b>104</b>	-	<b>66</b>	-	<b>66</b>
<b>Total</b>		<b>245</b>	-	<b>192</b>	-	<b>192</b>
<b>Employees with disabilities</b>	Female	5	-	-	-	-
	Male	5	-	-	-	-

Note: The above table identifies the number of training courses attended by individuals during the period under review.

### 3.14 Injury on duty

This section provides basic information on injuries sustained whilst being on official duty.

**Table 3.14.1 Injury on duty, 1 April 2024 to 31 March 2025**

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	-
Temporary disablement	1	100.0
Permanent disablement	-	-
Fatal	-	-
<b>Total</b>	<b>1</b>	<b>100.0</b>
Percentage of total employment		0.3

### 3.15 Utilisation of consultants

**Table 3.15.1 Consultant appointments using appropriated funds**

Programme	Consulting Firm	Project Title	Nature of the Project	Total number of consultants that worked on the Project	Duration: Workdays/ Hours	Contract Expenditure Value in Rand R'000	Total Number of Projects	BBBEE LEVEL
Programme 1	Clifford Brink Smuts Language Practitioner	Translation of Provincial Treasury's Annual Performance Plan 2024/25 from English to Afrikaans.	Translation Services.	One (1)	56 154 words (R0.70 per word)	39	-	4
	Sandile David Gxilishe	Translation of Provincial Treasury's Annual Performance Plan 2024/25 from English to isiXhosa.	Translation Services.	One (1)	56 154 words (R0.80 per word)	45	-	1
	DLK Group (Pty) Ltd	ICT business analytical services, for the Strategic Execution Office (SEO).	Business analytics.	One (1)	768 hours	451	-	1
	Tipp Focus Holdings (Pty) Ltd		Business analytics.	One (1)	440 hours	607	-	1

Programme	Consulting Firm	Project Title	Nature of the Project	Total number of consultants that worked on the Project	Duration: Workdays/ Hours	Contract Expenditure Value in Rand R'000	Total Number of Projects	BBBEE LEVEL
Programme 2	Government Technical Advisory Centre (GTAC)	Conducting of two (2) technical spending reviews: Leased Accommodation and Government Motor Transport.	Technical spending reviews.	Eight (8)	Four (4) months	578	-	N/A
	FTI Consulting South Africa (Pty) Ltd	Policy research on gambling and racing industry.	To undertake the economic analysis of the potential imposition of taxes/charges under the proposed new legislative scheme for the gambling and racing industry.	Four (4)	N/A	2 818	-	2
	DNA Economics (Pty) Ltd	Fiscal Futures.	To undertake research and develop the Western Cape Government Fiscal Scenarios.	Four (4)	N/A	642	-	2
	Bureau for Economic Research Stellenbosch University	Editorial Review: 2024 Provincial Economic Report.	Proofreading the draft 2024 Provincial Economic Review and Outlook.	N/A	N/A	45	-	8
	Ernest & Young Advisory Services (Pty) Ltd	Municipal Economic Review and Outlook (MERO).	Conducting research and production of the MERO.	Ten (10)	Seven (7) months	1 751	-	1
	Chartered Institute of Government Finance Audit and Risk Officers (CIGFARO)	Revenue Management Master Class.	Training and capacity building for municipal and WCG officials.	N/A	2 days	350	-	7
Programme 3	Transversal Contract (MoA between Cel and PT): ● Tipp Focus Holdings (Pty) Ltd	SCM Reform - execution including procurement data centre.	Leveraging business intelligence and technology to streamline procurement processes, enabling data driven decision-making and faster, more effective SCM management.	Two (2)	178 hours	125	-	1
	Transversal Contract (MoA between Cel and PT): ● EOH Mthombo (Pty) Ltd	Western Cape Supplier Evidence Bank (WCSEB).	The WCSEB is a central repository of governance documentation that is used by institutions for the invitation of price quotations (competitive and limited).	Three (3)	1 214.5 hours	500	-	1
	Transversal Contract (MoA between Cel and PT): ● EOH Mthombo (Pty) Ltd	Kitso (BAS reporting).	Consolidated view of Budget and Expenditure of BAS data. An end-to-end view of transactions from BAS.	Six (6)	713.5 hours	589	-	1

Programme	Consulting Firm	Project Title	Nature of the Project	Total number of consultants that worked on the Project	Duration: Workdays/ Hours	Contract Expenditure Value in Rand R'000	Total Number of Projects	BBBEE LEVEL
Programme 3	Transversal Contract (MoA between Cel and PT): <ul style="list-style-type: none"> <li>EOH Mthombo (Pty) Ltd; and</li> <li>Quantum Leap Consulting (QLC)</li> </ul>	PT e-Procurement Solution (ePS).	The automation of procurement via the eProcurement System (ePS) for quotation processes to streamline tender opportunities, optimising resource utilisation, and promoting value-for-money outcomes in procurement decisions.	Six (6)	4 192 hours	3 077	-	1
	Transversal Contract (MoA between Dol and PT): <ul style="list-style-type: none"> <li>NTI Data</li> </ul>							2
	Transversal Contract (MoA between Cel and PT): <ul style="list-style-type: none"> <li>EOH Mthombo (Pty) Ltd;</li> <li>Quantum Leap Consulting (QLC); and</li> <li>African Ideas Corporation (Pty) Ltd</li> </ul>	Procurement Planning Toolkit.	The automation procurement planning that provides valuable insights into upcoming tenders, further fostering transparency.	Three (3)	428 hours	310	-	1
	Transversal Contract (MoA between Cel and PT): <ul style="list-style-type: none"> <li>EOH Mthombo (Pty) Ltd</li> </ul>	PT Business Intelligence Hub.	Development of a cloud-based platform for information and knowledge management. A single point of access for solutions, data, and reports for end users to self-service.	Two (2)	2 187 hours	1 380	-	1
	Transversal Contract (MoA between Cel and PT): <ul style="list-style-type: none"> <li>DLK Group (Pty) Ltd; and</li> <li>Tipp Focus Holdings (Pty) Ltd</li> </ul>	Persal Legacy System Skills Transfer Initiative.	Implement Business Process Re-engineering to preserve legacy system expertise and systematically document institutional knowledge.	One (1)	991.5 hours	582	-	1
					934 hours	652	-	1
Transversal Contract (MoA between Cel and PT): <ul style="list-style-type: none"> <li>DLK Group (Pty) Ltd; and</li> <li>Tipp Focus Holdings (Pty) Ltd</li> </ul>	Application Portfolio Management (APM).	Streamline of financial systems application portfolio to eliminate redundancies and prevent duplications, ensuring efficient and cost-effective management and ICT Solutions Architecture design.	One (1)	1 038 hours	1 150	-	1	
			One (1)	134.5 hours	74	-	1	

Programme	Consulting Firm	Project Title	Nature of the Project	Total number of consultants that worked on the Project	Duration: Workdays/ Hours	Contract Expenditure Value in Rand R'000	Total Number of Projects	BBBEE LEVEL
Programme 3	Transversal Contract (MoA between Dol and PT): <ul style="list-style-type: none"> <li>• NTI Data; and</li> <li>• Sizwe Africa IT Group (Pty) Ltd</li> </ul>				800 hours	1 098	-	2
					468 hours	543	-	1
	Transversal Contract (MoA between Dol and PT): <ul style="list-style-type: none"> <li>• NTI Data; and</li> <li>• Sizwe Africa IT Group (Pty) Ltd</li> </ul>	Data Warehouse Engineering.	Developing the architecture for data storage, including database design and ETL (Extract, Transform, Load) processes.	One (1)	1000.81 hours	1 528	-	2
					489.08 hours	568	-	1
	Transversal Contract (MoA between Cel and PT): <ul style="list-style-type: none"> <li>• EOH Mithombo (Pty) Ltd;</li> <li>• Quantum Leap Consulting (QLC); and</li> <li>• Columbus Consulting (Pty) Ltd</li> </ul>	PT Data Warehouse (Development).	The development of the data warehouse serves as a support system for PT's ICT levers. It consolidates data from financial systems into an advanced repository, transitioning to a cloud-based environment in alignment with PT's e-Vision and ICT plan.	Six (6)	822 hours	703	-	1
								1
Programme 4	Altimax (Pty) Ltd	Modified Cash Standards (MCS) Training.	Provision of the MCS training for eighty (80) provincial government accounting officials.	N/A	2 days	62	-	2
		GRAP Training	Provision of GRAP training for fifty (50) Provincial Treasury accounting and provincial public entities officials.	N/A	2 days	88	-	2
			Provision of online GRAP training for ninety (90) Provincial Treasury accounting and municipal accounting officials.	N/A	2 days	62	-	2
	IA Professionals	Quality Assurance Review (QAR)	External Quality Assessment (EQA) of the Internal Audit Function (IA) at Knysna Municipality	Four (4)	Six weeks	164	-	4
	DGK Advisory	Municipal Assurance	Internal Audit services on the Risk Management process at Laingsburg Municipality.	Two (2)	Three (3) months	85	-	1
	Pricewaterhouse Coopers (PwC)	Agile Audit	Pilot implementation of Agile Internal Auditing at Stellenbosch Municipality	Four (4)	Three (3) months	350	-	1



The background is a solid red color. It features several abstract, organic shapes in teal, purple, and light blue. A large teal shape is in the top right, a purple circle is in the top center, and another purple circle is in the bottom right. A large teal shape is in the bottom left, and a light blue shape is in the bottom center.

**PFMA  
COMPLIANCE  
REPORT  
PART E**



## PART E: PFMA COMPLIANCE REPORT

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

#### 1.1 Irregular expenditure

**Table 1.1.1 Reconciliation of irregular expenditure**

Description	2024/25	2023/24
	R'000	R'000
Opening balance	2	264
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	43	14
Less: Irregular expenditure condoned	(2)	(226)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	(50)
Less: Irregular expenditure not recoverable and written off	-	-
<b>Closing balance</b>	<b>43</b>	<b>2</b>

The 2024/25 opening balance pertains to a single case identified in the 2023/24 financial year, amounting to R1 530.00. This was due to non-compliance with National Treasury Instruction (NTI) 04 of 2017/18, which outlines revised cost containment measures for travel and subsistence. Specifically, accommodation was booked at a higher star-rated establishment (4\*) without the necessary approval for deviation. The Department did not suffer a loss and the Irregular expenditure was condoned.

The confirmed irregular expenditure for the 2024/25 FY, totalling R43 240.00, resulted from non-compliance with PFMA SCM Instruction No. 03 of 2021/22, paragraph 5.1 (a). The contract scope was expanded by adding extra deliverables without obtaining the necessary approval. The Department did not suffer a loss and a submission to condone the irregular expenditure was compiled.

**Table 1.1.2 Reconciliation notes**

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	43	-
Irregular expenditure for the current year	-	14
<b>Total</b>	<b>43</b>	<b>14</b>

**Table 1.1.3 Details of irregular expenditure (under assessment, determination, and investigation)**

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Table 1.1.4 Details of irregular expenditure condoned**

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure condoned	2	226
<b>Total</b>	<b>2</b>	<b>226</b>

Irregular expenditure of R1 530.00, resulting from a booking at a higher star-rated (4\*) establishment without approval to deviate, was condoned by the Accounting Officer on 27 June 2024.

**Table 1.1.5 Details of irregular expenditure removed (not condoned)**

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Table 1.1.6 Details of irregular expenditure recoverable**

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure recoverable	-	50
<b>Total</b>	<b>-</b>	<b>50</b>

**Table 1.1.7 Details of irregular expenditure written off (irrecoverable)**

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure written off	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Table 1.1.8 Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (not responsible for the non-compliance)**

Description
Not Applicable

**Table 1.1.9 Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (responsible for the non-compliance)**

Description	2024/25	2023/24
	R'000	R'000
None		

**Table 1.1.10 Details of disciplinary or criminal steps taken as a result of irregular expenditure**

Disciplinary steps taken
No disciplinary action was taken as no gross negligence on the part of the official could be determined.

## 1.2 Fruitless and wasteful expenditure

**Table 1.2.1 Reconciliation of fruitless and wasteful expenditure**

Description	2024/25	2023/24
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	24	6
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	24	(6)
<b>Closing balance</b>	<b>-</b>	<b>-</b>

Fruitless and wasteful expenditure was incurred as a result of the following:

**Case 1:** Following the resignation of the training officer, the lodgement fees for three (3) trainees, payable to the South African Institute of Chartered Accountants (SAICA), were delayed. This resulted in two (2) payments of late penalty fees amounting to R5 038.20 and R7 136.32.

**Case 2:** Penalty for late cancellation for domestic accommodation amounting to R1 210.00.

**Case 3:** The travel arrangements for a candidate shortlisted for an interview had to be cancelled due to the non-submission of a mandatory practical exercise required beforehand. The Department attempted to cancel all travel arrangements without incurring any costs. The Department was successful in cancelling all arrangements except the flight tickets, unfortunately, the flight tickets were non-refundable. This resulted in fruitless and wasteful expenditure of R10 747.74.

**Table 1.2.2 Reconciliation notes**

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	8	-
Fruitless and wasteful expenditure for the current year	16	6
<b>Total</b>	<b>24</b>	<b>6</b>

**Table 1.2.3 Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)**

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	7
<b>Total</b>	<b>-</b>	<b>7</b>

**Table 1.2.4 Details of fruitless and wasteful expenditure recoverable**

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Table 1.2.5 Details of fruitless and wasteful expenditure not recoverable and written off**

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure written off	24	6
<b>Total</b>	<b>24</b>	<b>6</b>

The AO approved the write-off of all fruitless and wasteful expenditure cases, refer to table 1.2.1.

**Table 1.2.6 Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

Disciplinary steps taken
No disciplinary action was taken. The AO approved that the expenditure be written off as no gross negligence could be determined in three (3) cases.

### 1.3 Unauthorised expenditure

**Table 1.3.1 Reconciliation of unauthorised expenditure**

Description	2024/25	2023/24
	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	-	-
Less: unauthorised not recoverable and written off	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

**Table 1.3.2 Reconciling notes**

Description	2024/25	2023/24
	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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Table 1.3.3 Details unauthorised expenditure (under assessment, determination, and investigation)**

Description	2024/25	2023/24
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

**Table 1.4.1 Details of material losses through criminal conduct**

Material losses through criminal conduct	2024/25	2023/24
	R'000	R'000
Theft	252	265
Other material losses	-	-
Less: Recoverable	(33)	(8)
Less: Not recoverable and written off	(207)	(126)
<b>Total</b>	<b>12</b>	<b>131</b>

*Theft* involves nine (9) major assets (eight (8) laptops and one (1) television) and one (1) minor asset (external hard drive) and one (1) set of headphones. The laptops, external hard drive and headphones were stolen while in the possession of officials and the television was stolen during the modernisation refurbishment of the offices.

*Other material losses* for 2023/24 financial year were incorrectly stated as 18 and is rectified to zero (0) as the losses were not incurred through criminal conduct.

**Table 1.4.2 Details of other material losses**

Nature of other material losses	2024/25	2023/24
	R'000	R'000
Assets that could not be verified during the asset verification process	107	-
Damage to Government Garage (GG) vehicle	4	14
Damage to computer equipment	19	3
Missing laser pointer	1	1
<b>Total</b>	<b>131</b>	<b>18</b>

*Other material losses* pertain to assets that could not be verified during the asset verification process such as digital recorder, projectors, computer monitors, laptop, docking stations, external hard drives, printers, filing cabinets, air conditioners, chair as well as one (1) case of a missing laser pointer, a case of damages to a GG vehicle, and desktop computer.

**Table 1.4.3 Other material losses recoverable**

Nature of losses	2024/25	2023/24
	R'000	R'000
Theft of laptops and set of headphones	33	8
<b>Total</b>	<b>33</b>	<b>8</b>

The recoverable losses involve a partial recovery initiated against two (2) officials for the laptops and the set of headphones that was stolen while in their possession. Both cases were registered with the South African Police Service and closed after unsuccessful leads. The recoverable amounts were paid by both officials.

**Table 1.4.4 Other material losses not recoverable and written off**

Nature of losses	2024/25	2023/24
	R'000	R'000
Theft	-	108
Other material losses	20	18
<b>Total</b>	<b>20</b>	<b>126</b>

*Other material losses* pertain to one (1) case of a missing laser pointer and a case of damages to a desktop computer.

## 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

**Table 2.1** Late and/or non-payment of suppliers

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	367	19 398
Invoices paid <b>within</b> 30 days or agreed period	357	18 270
Invoices paid <b>after</b> 30 days or agreed period	10	1 128
Invoices older than 30 days or agreed period ( <b>unpaid and without dispute</b> )	-	-
Invoices older than 30 days or agreed period ( <b>unpaid and in dispute</b> )	-	-

During the 2034/24 FY, 367 payments were made to suppliers for goods and services. Of these, 357 invoices (97.3 per cent) were processed within the 30-day period, while 10 invoices (2.7 per cent) were paid after the 30-day period. The primary reasons for the delays in paying these 10 invoices were administrative delays, technical issues, and procedural complexities.

## 3. SUPPLY CHAIN MANAGEMENT

**Table 3.1** Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Contract Expenditure R'000
Translation of Provincial Treasury's Annual Performance Plan 2024/25 from English to Afrikaans.	Clifford Brink Smuts Language Practitioner	Transversal Contract	Departmental of Cultural Affairs and Sport (DCAS): Language Services	39
Translation of Provincial Treasury's Annual Performance Plan 2024/25 from English to isiXhosa.	Sandile David Gxilishe	Transversal Contract	Departmental of Cultural Affairs and Sport (DCAS): Language Services	45
ICT business analytical services, for the Strategic Execution Office (SEO).	DLK Group (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	451
	Tipp Focus Holdings (Pty) Ltd			607
Provision of communication services to all of the Western Cape Government departments.	Ogilvy South Africa (Pty)Ltd	Transversal Contract: Department of the Premier	FMA 002-2023/24	1 337
Repair and replacement of a Lenovo X1 Yoga battery.	Azzora Technologies (Pty) Ltd	Limited (Quotation) Bidding Process	N/A	6
Undertake the economic analysis of the potential imposition of taxes/charges under the proposed new legislative scheme for casinos.	FTI Consulting	Limited Bidding Process	WCPT-LTD 01/2023/24	2 818

Project description	Name of supplier	Type of procurement by other means	Contract number	Contract Expenditure R'000
Conducting of two (2) technical spending reviews: <ul style="list-style-type: none"> <li>● Leased Accommodation; and</li> <li>● Government Motor Transport</li> </ul>	Government Technical Advisory Centre (GTAC)	MoA between PT and NT	N/A	578
Revenue Management Master Class.	Chartered Institute of Government Finance Audit and Risk Officers (CIGFARO)	Limited (Quotation) Bidding Process	N/A	350
mSCOA Conference, attended by an official.	Chartered Institute of Government Finance Audit & Risk Officers (CIGFARO)	Limited (Quotation) Bidding Process	N/A	6
Compilation of an annual financial sustainability rating service subscription for all the Western Cape municipalities for 2024/25 Financial Year.	Ratings Afrika (Pty)Ltd	Limited (Quotation) Bidding Process	N/A	391
Proofreading the draft 2024 PERO.	Bureau for Economic Research Stellenbosch University	Limited (Quotation) Bidding Process	N/A	45
Annual Road Traffic and Transport Legislation workshop, attended by three (3) officials.	ALTA Swanepoel and Associates CC	Limited (Quotation) Bidding Process	N/A	8
Lease of accommodation for Procurement Client Centre.	SAP South Africa	Leasing Agreement between Department of Infrastructure and SAP South Africa on behalf of PT	N/A	1 101
Render business analytical services, for SCM Reform-Execution including data Centre. Leveraging business intelligence and technology to streamline procurement processes, enabling data driven decision-making and faster, more effective SCM management.	Tipp Focus Holdings (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	125
Kitso (Power BI Services): Software Services.	Quantum Leap Consulting (QLC)	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	169
eLearning Platform.	SITA	Transversal Contract	N/A	409
Power BI Premium Licence.	Microsoft	Transversal Contract (MoA between Cel and PT)	N/A	153

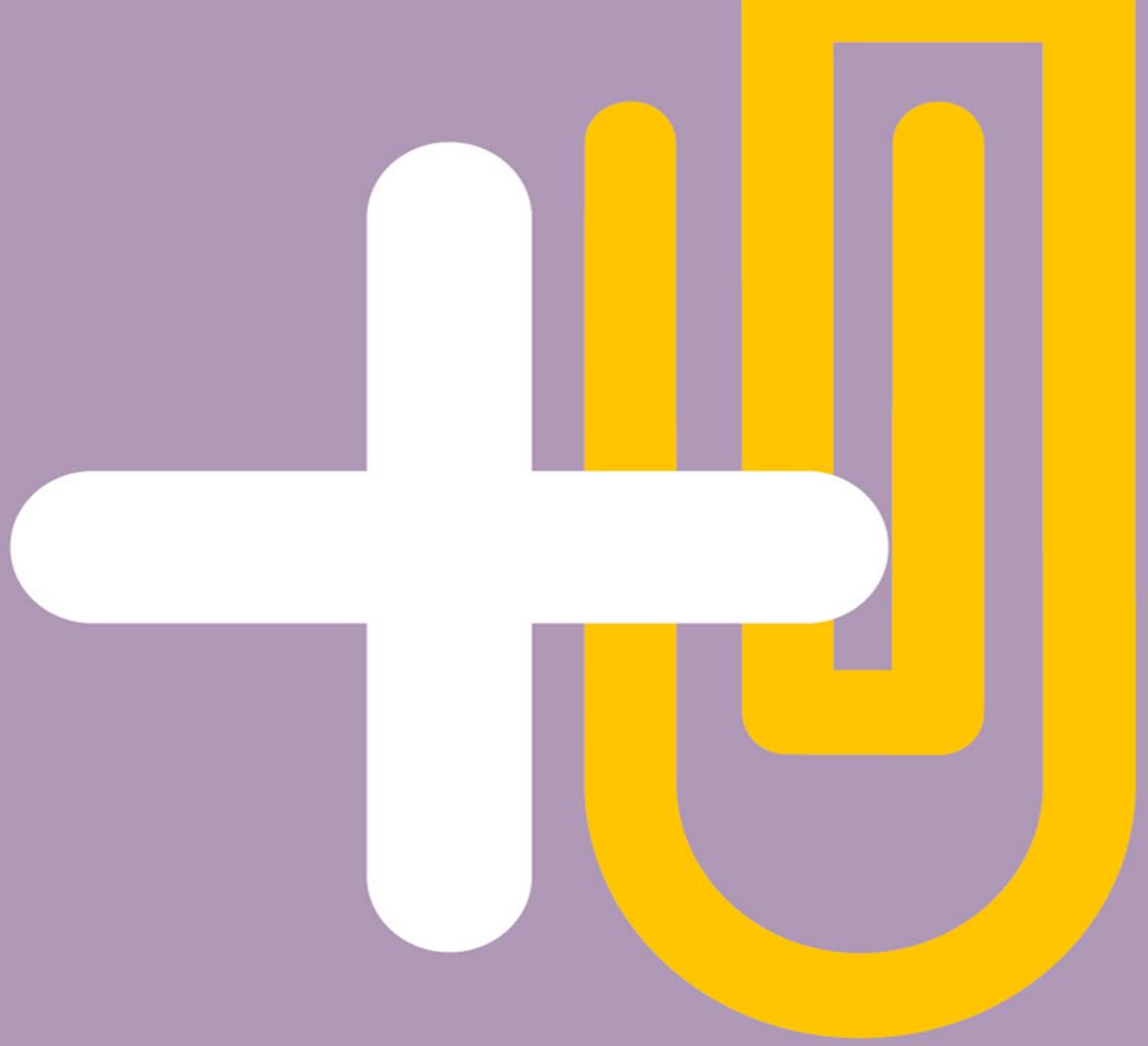
Project description	Name of supplier	Type of procurement by other means	Contract number	Contract Expenditure R'000
PT Data Warehouse (Development)- the development of the data warehouse serves as a support system for PT's ICT levers. It consolidates data from financial systems into an advanced repository, transitioning to a cloud-based environment in alignment with PT's e-Vision and ICT plan.	EOH Mthombo (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	615
	DLK Group (Pty) Ltd			7
	Quantum Leap Consulting (QLC)			68
	Columbus Technologies (Pty) Ltd			13
Kitso (BAS reporting)- consolidated view of Budget and Expenditure of BAS data. An end-to-end view of transactions from BAS.	EOH Mthombo (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	589
Western Cape Supplier Evidence Bank- The WCSEB is a central repository of governance documentation that is used by institutions for the invitation of price quotations (competitive and limited).	EOH Mthombo (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	500
Maintenance and support of the Procurement Planning Tool. The automation procurement planning that provides valuable insights into upcoming tenders, further fostering transparency.	EOH Mthombo (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	274
	Quantum Leap Consulting (QLC)			36
PT Business Intelligence Hub- development of a cloud-based platform for information and knowledge management. A single point of access for solutions, data, and reports for end users to self-service.	EOH Mthombo (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	1 364
	NTT Data	Transversal Contract (MoA between Dol and PT)		15
Persal Legacy System Skills Transfer Initiative - implement Business Process Re-engineering to preserve legacy system expertise and systematically document institutional knowledge.	DLK Group (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	582
	Tipp Focus Holdings (Pty) Ltd			652

Project description	Name of supplier	Type of procurement by other means	Contract number	Contract Expenditure R'000
Data Warehouse Engineering- developing the architecture for data storage, including database design and ETL (Extract, Transform, Load) processes.	NTT Data	Transversal Contract (MoA between Dol and PT)	N/A	1 528
	Sizwe Africa IT Group (Pty) Ltd			568
Application Portfolio Management (APM)- streamline of financial systems application portfolio to eliminate redundancies and prevent duplications, ensuring efficient and cost-effective management and ICT Solutions Architecture design.	DLK Group (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	2 865
	Tipp Focus Holdings (Pty) Ltd			
	NTT Data	Transversal Contract (MoA between Dol and PT)	N/A	
	Sizwe Africa IT Group (Pty) Ltd			
PT e-Procurement Solution (ePS)- The automation of procurement via the eProcurement System (ePS) for quotation processes to streamline tender opportunities, optimising resource utilisation, and promoting value-for-money outcomes in procurement decisions.	NTT Data	Transversal Contract (MoA between Dol and PT)	N/A	372
	Microsoft Ireland Operations Limited (Azure)	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	4 896
	EOH Mthombo (Pty) Ltd			
	Quantum Leap Consulting (QLC)			
Development of Compliance Management Application.	EOH Mthombo (Pty) Ltd	Transversal Contract (MoA between Cel and PT)	FMA CEI 004-2020/21	450
Enlit Africa three (3) day Conference, attended by five (5) officials.	Spintelligent T/A VUKA Group	Limited (Quotation) Bidding Process	N/A	17
Provision of security services at the Procurement Client Centre, based in Century City.	Silver Solutions 2616 (t/a Star Security)	Limited (Quotation) Bidding Process	N/A	89
<b>Total</b>				<b>24 138</b>

**Table 3.2 Contract variations and expansions**

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 security services at the Procurement Client Centre, based in Century City	Silver Solutions 2616 (t/a Star Security)	Contract Extension	WCG-2024-03-18-672127	89	N/A	89
The removal of wastepaper and scheduled/ad hoc collection of bulk paper records/files/archival boxes, secure and confidential off-site paper shredding and document destruction (recycling) services	Cleardata (Pty) Ltd (Metrofile)	Contract Extension	PT00960	308	N/A	208
<b>Total</b>				<b>397</b>	<b>-</b>	<b>297</b>





**FINANCIAL  
INFORMATION**

**PART F**



## PART F: FINANCIAL INFORMATION

	<b>Page No</b>
Report of the Auditor-General	162
Appropriation Statement	170
Notes to the Appropriation Statement	175
Statement of Financial Performance	179
Statement of Financial Position	180
Statement of Changes in Net Assets	181
Cash Flow Statement	182
Accounting Policies	183
Notes to the Annual Financial Statements	191
Annexures	215

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON  
VOTE NO. 3: WESTERN CAPE PROVINCIAL TREASURY**

**Report on the audit of the financial statements**

**Opinion**

1. I have audited the financial statements of the Western Cape Provincial Treasury set out on pages 170 to 214, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and the statement of cash flows and appropriation 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, the financial statements present fairly, in all material respects, the financial position of the Western Cape Provincial Treasury as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA), and Division of Revenue Act 24 of 2024 (DoRA).

**Basis for opinion**

3. 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.
4. 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Other matter**

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

**Unaudited supplementary schedules**

7. The supplementary information set out in pages 215 to 221 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and accordingly, we do not express an opinion thereon.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

**Responsibilities of the Accounting Officer for the financial statements**

8. 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.
9. 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**

10. 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.
11. 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 165 to 167, forms part of my auditor's report.

**Report on the audit of the annual performance report**

12. 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 programme presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I selected the following programme presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected a programme that measures the Department's performance on its primary mandated functions and that is of significant national, community or public interest.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

Programme	Pages in the Annual Performance Report	Purpose
Programme 2 – Sustainable Resource Management	59 - 70	To ensure efficient and effective management of provincial and municipal financial resources

14. I evaluated the reported performance information for the selected programme 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.
15. 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; and
  - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected programme.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

**Report on compliance with legislation**

18. 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.
19. 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.
20. 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.
21. I did not identify any material non-compliance with the selected legislative requirements.

**Other information in the annual report**

22. The accounting officer is responsible for the other information included in the annual report, the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that has been specifically reported on in this auditor's report.
23. My opinion on the financial statements and my reports on the audit of the annual performance report and 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.  
  
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.
24. The other information I obtained prior to the date of this auditor's report is Part A to E of the annual report, and Part F is expected to be made available to us after 30 July 2025.
25. 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.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

26. When I do receive and read Part F of the annual 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**

27. 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.
28. I did not identify any significant deficiencies in internal control.

*Auditor - General*

Cape Town  
30 July 2025



**AUDITOR - GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

**Annexure to the Auditor's report**

1. The annexure includes the following:
  - The auditor-general's responsibility for the audit; and
  - The selected legislative requirements for compliance testing.

**Auditor-General's responsibility for the audit**

**Professional judgement and professional scepticism**

2. 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 the selected programme and on the Department's compliance with selected requirements in key legislation.

**Financial statements**

3. 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; and

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

- 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**

4. 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.
5. 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**

1. 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); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 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 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb)

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**REPORT OF THE AUDITOR-GENERAL  
for the year ended 31 March 2025**

Legislation	Sections or regulations
National Health Act 61 of 2003	Section 13
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
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
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury 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; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 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)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2025**

Appropriation per programme									
Voted Funds	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Programme</b>									
1. Administration	54 745	-	-	54 745	53 539	1 206	97.8	57 837	57 340
2. Sustainable Resource Management	134 355	-	-	134 355	131 088	3 267	97.6	126 114	123 013
3. Asset Management	71 036	-	-	71 036	65 315	5 721	91.9	80 932	79 586
4. Financial Governance	46 035	-	-	46 035	44 470	1 565	96.6	51 553	50 861
<b>Total</b>	<b>306 171</b>	<b>-</b>	<b>-</b>	<b>306 171</b>	<b>294 412</b>	<b>11 759</b>	<b>96.2</b>	<b>316 436</b>	<b>310 800</b>
<b>Reconciliation with Statement of Financial Performance</b>									
<b>Add:</b>									
Departmental receipts				4 503				17 773	
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>				<b>310 674</b>				<b>334 209</b>	
<b>Actual amounts per Statement of Financial Performance (Total Expenditure)</b>					<b>294 412</b>				<b>310 800</b>

Appropriation per economic classification									
Voted funds	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Economic Classification</b>									
<b>Current payments</b>	<b>254 853</b>	<b>( 907)</b>	<b>-</b>	<b>253 946</b>	<b>242 309</b>	<b>11 637</b>	<b>95.4</b>	<b>270 198</b>	<b>264 563</b>
Compensation of employees	198 121	( 275)	-	197 846	193 590	4 256	97.8	200 529	199 089
Goods and services	56 732	( 632)	-	56 100	48 719	7 381	86.8	69 669	65 474
<b>Transfers and subsidies</b>	<b>49 324</b>	<b>275</b>	<b>-</b>	<b>49 599</b>	<b>49 477</b>	<b>122</b>	<b>99.8</b>	<b>43 925</b>	<b>43 924</b>
Provinces and municipalities	20 733	-	-	20 733	20 633	100	99.5	18 427	18 427
Departmental agencies and accounts	24 596	-	-	24 596	24 596	-	100.0	21 186	21 186
Households	3 995	275	-	4 270	4 248	22	99.5	4 312	4 311
<b>Payments for capital assets</b>	<b>1 924</b>	<b>451</b>	<b>-</b>	<b>2 375</b>	<b>2 375</b>	<b>-</b>	<b>100.0</b>	<b>2 137</b>	<b>2 137</b>
Machinery and equipment	1 903	472	-	2 375	2 375	-	100.0	2 137	2 137
Software and other intangible assets	21	(21)	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>70</b>	<b>181</b>	<b>-</b>	<b>251</b>	<b>251</b>	<b>-</b>	<b>100.0</b>	<b>176</b>	<b>176</b>
<b>Total</b>	<b>306 171</b>	<b>-</b>	<b>-</b>	<b>306 171</b>	<b>294 412</b>	<b>11 759</b>	<b>96.2</b>	<b>316 436</b>	<b>310 800</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2025**

Programme 1: ADMINISTRATION									
Sub-programme	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
1. Office of the Minister	7 772	( 148)	-	7 624	7 236	388	94.9	7 582	7 526
2. Management Services	21 238	( 139)	-	21 099	20 662	437	97.9	22 834	22 530
3. Financial Management	25 735	287	-	26 022	25 641	381	98.5	27 421	27 284
<b>Total for sub-programmes</b>	<b>54 745</b>	<b>-</b>	<b>-</b>	<b>54 745</b>	<b>53 539</b>	<b>1 206</b>	<b>97.8</b>	<b>57 837</b>	<b>57 340</b>

Economic classification	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Current payments</b>	<b>49 300</b>	<b>( 632)</b>	<b>-</b>	<b>48 668</b>	<b>47 483</b>	<b>1 185</b>	<b>97.6</b>	<b>53 392</b>	<b>52 895</b>
Compensation of employees	37 595	-	-	37 595	36 559	1 036	97.2	38 693	38 338
Goods and services	11 705	( 632)	-	11 073	10 924	149	98.7	14 699	14 557
<b>Transfers and subsidies</b>	<b>3 451</b>	<b>-</b>	<b>-</b>	<b>3 451</b>	<b>3 430</b>	<b>21</b>	<b>99.4</b>	<b>2 132</b>	<b>2 132</b>
Departmental agencies and accounts	10	-	-	10	10	-	100.0	8	8
Households	3 441	-	-	3 441	3 420	21	99.4	2 124	2 124
<b>Payments for capital assets</b>	<b>1 924</b>	<b>451</b>	<b>-</b>	<b>2 375</b>	<b>2 375</b>	<b>-</b>	<b>100.0</b>	<b>2 137</b>	<b>2 137</b>
Machinery and equipment	1 903	472	-	2 375	2 375	-	100.0	2 137	2 137
Software and other intangible assets	21	( 21)	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>70</b>	<b>181</b>	<b>-</b>	<b>251</b>	<b>251</b>	<b>-</b>	<b>100.0</b>	<b>176</b>	<b>176</b>
<b>Total</b>	<b>54 745</b>	<b>-</b>	<b>-</b>	<b>54 745</b>	<b>53 539</b>	<b>1 206</b>	<b>97.8</b>	<b>57 837</b>	<b>57 340</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2025**

Programme 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub-programme	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
1. Programme Support	6 252	-	-	6 252	5 563	689	89.0	6 683	6 610
2. Fiscal Policy	43 129	1 175	-	44 304	44 273	31	99.9	41 166	40 932
3. Budget Management	19 175	( 40)	-	19 135	18 413	722	96.2	18 498	18 402
4. Public Finance	65 799	( 1 135)	-	64 664	62 839	1 825	97.2	59 767	57 069
<b>Total for sub-programmes</b>	<b>134 355</b>	<b>-</b>	<b>-</b>	<b>134 355</b>	<b>131 088</b>	<b>3 267</b>	<b>97.6</b>	<b>126 114</b>	<b>123 013</b>

Economic classification	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Current payments</b>	<b>93 070</b>	<b>( 115)</b>	<b>-</b>	<b>92 955</b>	<b>89 688</b>	<b>3 267</b>	<b>96.5</b>	<b>93 243</b>	<b>90 142</b>
Compensation of employees	80 165	( 115)	-	80 050	78 364	1 686	97.9	78 036	77 540
Goods and services	12 905	-	-	12 905	11 324	1 581	87.7	15 207	12 602
<b>Transfers and subsidies</b>	<b>41 285</b>	<b>115</b>	<b>-</b>	<b>41 400</b>	<b>41 400</b>	<b>-</b>	<b>100.0</b>	<b>32 871</b>	<b>32 871</b>
Provinces and municipalities	16 383	-	-	16 383	16 383	-	100.0	11 377	11 377
Departmental agencies and accounts	24 586	-	-	24 586	24 586	-	100.0	21 178	21 178
Households	316	115	-	431	431	-	100.0	316	316
<b>Total</b>	<b>134 355</b>	<b>-</b>	<b>-</b>	<b>134 355</b>	<b>131 088</b>	<b>3 267</b>	<b>97.6</b>	<b>126 114</b>	<b>123 013</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2025**

<b>Programme 3: ASSET MANAGEMENT</b>									
Sub-programme	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
1. Programme Support	3 621	-	-	3 621	3 028	593	83.6	5 568	5 369
2. Supply Chain Management	26 359	-	-	26 359	24 133	2 226	91.6	37 357	36 945
3. Supporting and Interlinked Financial Systems	41 056	-	-	41 056	38 154	2 902	92.9	38 007	37 272
<b>Total for sub-programmes</b>	<b>71 036</b>	<b>-</b>	<b>-</b>	<b>71 036</b>	<b>65 315</b>	<b>5 721</b>	<b>91.9</b>	<b>80 932</b>	<b>79 586</b>

Economic classification	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Current payments</b>	<b>70 955</b>	<b>( 76)</b>	<b>-</b>	<b>70 879</b>	<b>65 159</b>	<b>5 720</b>	<b>91.9</b>	<b>79 546</b>	<b>78 201</b>
Compensation of employees	43 598	( 76)	-	43 522	42 853	669	98.5	44 874	44 543
Goods and services	27 357	-	-	27 357	22 306	5 051	81.5	34 672	33 658
<b>Transfers and subsidies</b>	<b>81</b>	<b>76</b>	<b>-</b>	<b>157</b>	<b>156</b>	<b>1</b>	<b>99.4</b>	<b>1 386</b>	<b>1 385</b>
Provinces and municipalities	-	-	-	-	-	-	-	550	550
Households	81	76	-	157	156	1	99.4	836	835
<b>Total</b>	<b>71 036</b>	<b>-</b>	<b>-</b>	<b>71 036</b>	<b>65 315</b>	<b>5 721</b>	<b>91.9</b>	<b>80 932</b>	<b>79 586</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2025**

Programme 4: FINANCIAL GOVERNANCE									
Sub-programme	2024/25							2023/24	
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
1. Programme Support	5 879	-	-	5 879	5 414	465	92.1	7 923	7 843
2. Accounting Services	22 915	-	-	22 915	22 115	800	96.5	25 718	25 440
3. Corporate Governance	17 241	-	-	17 241	16 941	300	98.3	17 912	17 578
<b>Total for sub-programmes</b>	<b>46 035</b>	<b>-</b>	<b>-</b>	<b>46 035</b>	<b>44 470</b>	<b>1 565</b>	<b>96.6</b>	<b>51 553</b>	<b>50 861</b>

Economic classification	2024/25							2023/24	
	Adjusted Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
<b>Current payments</b>	<b>41 528</b>	<b>( 84)</b>	<b>-</b>	<b>41 444</b>	<b>39 979</b>	<b>1 465</b>	<b>96.5</b>	<b>44 017</b>	<b>43 325</b>
Compensation of employees	36 763	( 84)	-	36 679	35 814	865	97.6	38 926	38 668
Goods and services	4 765	-	-	4 765	4 165	600	87.4	5 091	4 657
<b>Transfers and subsidies</b>	<b>4 507</b>	<b>84</b>	<b>-</b>	<b>4 591</b>	<b>4 491</b>	<b>100</b>	<b>97.8</b>	<b>7 536</b>	<b>7 536</b>
Provinces and municipalities	4 350	-	-	4 350	4 250	100	97.7	6 500	6 500
Households	157	84	-	241	241	-	100.0	1 036	1 036
<b>Total</b>	<b>46 035</b>	<b>-</b>	<b>-</b>	<b>46 035</b>	<b>44 470</b>	<b>1 565</b>	<b>96.6</b>	<b>51 553</b>	<b>50 861</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE APPROPRIATION STATEMENTS  
for the year ended 31 March 2025**

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A - C of the Annual Financial Statements.

**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.

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

**3.1 Per programme**

Programme	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
1. Administration	54 745	53 539	1 206	2.2
2. Sustainable Resource Management	134 355	131 088	3 267	2.4
3. Asset Management	71 036	65 315	5 721	8.1
4. Financial Governance	46 035	44 470	1 565	3.4
<b>Total</b>	<b>306 171</b>	<b>294 412</b>	<b>11 759</b>	<b>3.8</b>

Administration	54 745	53 539	1 206	2.2
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The underspending was primarily due to vacancies within the Programme, resulting from attrition and the implementation of the Department of Public Service and Administration (DPSA) Circular 20 of 2024: Amended Directive on the Implementation of Control Measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, requiring governance adaptation prior to the filling of a vacant position.

Sustainable Resource Management	134 355	131 088	3 267	2.4
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The underspending was primarily due to the following:

- Vacancies within the Programme, resulting from attrition and the implementation of the DPSA Circular 20 of 2024: Amended Directive on the Implementation of Control Measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, requiring governance adaptation prior to the filling of a vacant position;
- Expenditure for the Financial Modelling and Utility Tariff Setting training scheduled from 31 March to 11 April 2025 was initially planned for the 2024/25 financial year. However, due to changes in accounting standards, prepayments cannot be expensed until the services have been delivered;
- The close-out of the previous three (3) year contract with the service provider to conduct Western Cape Expenditure Reviews, along with planning for the current financial year, took longer than expected. As a result, the capacity-building component was omitted due to limited staff availability during the budget process;
- Legal fees anticipated for efforts to compel the Kannaland Municipality to cooperate with the process to prepare a Financial Recovery Plan (FRP) were not needed, as the Municipality's cooperation was secured through negotiations; and
- In-house training was conducted at no cost.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE APPROPRIATION STATEMENTS  
for the year ended 31 March 2025**

Asset Management	71 036	65 315	5 721	8.1
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The underspending was primarily under Goods and Services, due to a combination of cost efficiencies and impediments in the execution of a number of initiatives. These include the following:

- PT Evergreen Legacy Systems (ELS);
- Application Transformation Readiness (ATR):
- Business and Data Analysis;
- Data Warehouse subscription services;
- Legal fees;
- Building lease costs; and
- Procurement Client Centre (PCC) staffing.

Notable contributions to the underspending included the successful renegotiation of the PCC lease in Century City at a substantially reduced rate compared to the previous agreement; delayed and non-receipt of interdepartmental claims; certain expenses absorbed by the Centre for e-Innovation (CeI); and delays in onboarding contracted resources as well as staff turnover.

Financial Governance	46 035	44 470	1 565	3.4
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The underspending was primarily due to vacancies within the Programme, resulting from attrition and the implementation of the DPSA Circular 20 of 2024: Amended Directive on the Implementation of Control Measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, requiring governance adaptation prior to the filling of a vacant position.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE APPROPRIATION STATEMENTS  
for the year ended 31 March 2025**

**3.2 Per economic classification**

Economic classification	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
<b>Current expenditure</b>				
Compensation of employees	197 846	193 590	4 256	2.2
Goods and services	56 100	48 719	7 381	13.2
<b>Transfers and subsidies</b>				
Provinces and municipalities	20 733	20 633	100	0.5
Departmental agencies and accounts	24 596	24 596	-	-
Households	4 270	4 248	22	0.5
<b>Payments for capital assets</b>				
Machinery and equipment	2 375	2 375	-	-
<b>Payments for financial assets</b>	251	251	-	-
<b>Total</b>	<b>306 171</b>	<b>294 412</b>	<b>11 759</b>	<b>3.8</b>

The underspending was primarily due to vacancies within the Department, resulting from attrition and the implementation of the DPSA Circular 20 of 2024: Amended Directive on the Implementation of Control Measures aimed at assisting executive authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments, requiring governance adaptation prior to the filling of a vacant position.

The underspending on Goods and Services were mainly on the following SCoA items:

1. Research and Advisory Services:

● Western Cape Expenditure Reviews:

The close-out of the previous three (3) year contract with the service provider to conduct Western Cape Expenditure Reviews, along with planning for the current financial year, took longer than expected. As a result, the capacity-building component was omitted due to limited staff availability during the budget process.

● Expenditure for the Financial Modelling and Tariff Setting training scheduled from 31 March to 11 April 2025 was initially planned for the 2024/25 financial year. However, due to changes in accounting standards, prepayments cannot be expensed until the services have been delivered.

● PT Evergreen Legacy Systems (ELS), Application Transformation Readiness (ATR), and Business & Data Analysis:

Estimates for projects were higher than actual expenditure. This, combined with the delays in appointing analysts and the delayed and non-receipt of interdepartmental claims from the Department of the Premier, contributed the underspending.

2. Computer Services:

CeI has absorbed the cost of subscription services due to shared technology resources billing. The lower-than-expected expenditure resulted from the Department of the Premier not submitting the interdepartmental claims for the Datawarehouse subscription services.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE APPROPRIATION STATEMENTS  
for the year ended 31 March 2025**

3. Legal Services:

- Legal fees anticipated for efforts to compel the Kannaland to cooperate with the process to prepare a Financial Recovery Plan (FRP) was not needed as the Municipality's cooperation was secured through negotiations; and
- Non-receipt of interdepartmental claims related to the litigation on the Procurement Act. Although Legal Services received junior counsel and senior counsel fees be secured, vetted and submitted for payment. However, these claims were not received within the financial year, resulting in the underspending.

4. Operating Lease – Buildings:

- The lease for the Procurement Client Centre in Century City was successfully renegotiated at a substantially lower rate compared to the previous agreement, resulting in cost savings.

5. A&S/O/S: Admin & Support Staff- Client Walk-in Centre/SEB staff:

- Turnover in resources during the period impacted spending, as the initial estimated hours were based on the full contractual capacity. When vacancies occurred, the time taken to fill the posts led to under-expenditure.

6. Training and Development:

- In-house training was conducted at no cost.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**STATEMENT OF FINANCIAL PERFORMANCE  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25 R'000</b>	<b>2023/24 R'000</b>
<b>REVENUE</b>			
Annual appropriation	1	306 171	316 436
Departmental revenue	2	4 503	17 773
<b>TOTAL REVENUE</b>		<b>310 674</b>	<b>334 209</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	193 590	199 089
Goods and services	4	48 720	65 474
<b>Total current expenditure</b>		<b>242 310</b>	<b>264 563</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	6	49 476	43 924
<b>Total transfers and subsidies</b>		<b>49 476</b>	<b>43 924</b>
<b>Expenditure for capital assets</b>			
Tangible assets	7	2 375	2 137
<b>Total expenditure for capital assets</b>		<b>2 375</b>	<b>2 137</b>
<b>Payments for financial assets</b>	5	<b>251</b>	<b>176</b>
<b>TOTAL EXPENDITURE</b>		<b>294 412</b>	<b>310 800</b>
<b>SURPLUS FOR THE YEAR</b>		<b>16 262</b>	<b>23 409</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		11 759	5 636
Annual appropriation		11 759	5 636
Departmental revenue	12	4 503	17 773
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>16 262</b>	<b>23 409</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**STATEMENT OF FINANCIAL POSITION  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25 R'000</b>	<b>2023/24 R'000</b>
<b>ASSETS</b>			
<b>Current Assets</b>		<b>57 375</b>	<b>25 237</b>
Cash and cash equivalents	8	55 799	24 421
Prepayments and advances	9	810	-
Receivables	10	766	816
<b>Non-current assets</b>		<b>44</b>	<b>58</b>
Receivables	10	44	58
<b>TOTAL ASSETS</b>		<b>57 419</b>	<b>25 295</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>56 954</b>	<b>25 202</b>
Voted funds to be surrendered to the Revenue Fund	11	11 759	5 636
Departmental revenue to be surrendered to the Revenue Fund	12	205	63
Payables	13	44 990	19 503
<b>TOTAL LIABILITIES</b>		<b>56 954</b>	<b>25 202</b>
<b>NET ASSETS</b>		<b>465</b>	<b>93</b>
<b>Represented by:</b>			
Recoverable revenue		465	93
<b>TOTAL</b>		<b>465</b>	<b>93</b>
<b>Recoverable revenue</b>			
Opening balance		93	207
Transfers:		372	(114)
Recoverable revenue written off	5.3	-	(45)
Debts recovered (included in departmental revenue)		(408)	(553)
Debts raised		780	484
Closing balance		465	93
<b>TOTAL</b>		<b>465</b>	<b>93</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>Recoverable revenue</b>			
Opening balance		93	207
Transfers:		372	(114)
Recoverable revenue written off	5.3	-	(45)
Debts recovered (included in departmental revenue)		(408)	(553)
Debts raised		780	484
Closing balance		465	93
<b>TOTAL</b>		<b>465</b>	<b>93</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**CASH FLOW STATEMENT  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25 R'000</b>	<b>2023/24 R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		310 752	334 210
Annual appropriation funds received	1.1	306 171	316 436
Departmental revenue received	3	4 575	17 751
Interest received	3.3	6	23
Net (increase)/decrease in net working capital		24 741	(5 804)
Surrendered to Revenue Fund		(10 085)	(19 633)
Current payments		(242 310)	(264 563)
Payments for financial assets	5	(251)	(176)
Transfers and subsidies paid		(49 476)	(43 924)
<b>Net cash flow available from operating activities</b>	<b>14</b>	<b>33 371</b>	<b>110</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	7	(2 375)	(2 137)
Proceeds from sale of capital assets	2.3	10	83
<b>Net cash flow available from investing activities</b>		<b>(2 365)</b>	<b>(2 054)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		372	(114)
<b>Net cash flows from financing activities</b>		<b>372</b>	<b>(114)</b>
Net increase/(decrease) in cash and cash equivalents		31 378	(2 058)
Cash and cash equivalents at beginning of period		24 421	26 479
<b>Cash and cash equivalents at end of period</b>	<b>15</b>	<b>55 799</b>	<b>24 421</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ACCOUNTING POLICIES  
for the year ended 31 March 2025**

**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 prepared on a going concern basis.

**3. Presentation currency**

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

**4. Rounding**

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

**5. Foreign currency translation**

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

**6. Comparative information**

**6.1 Prior period comparative information**

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

**6.2 Current year comparison with budget**

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

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ACCOUNTING POLICIES  
for the year ended 31 March 2025**

**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.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**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.

At commencement of the finance lease term, finance lease assets acquired are recorded and measured at:

- the fair value of the leased asset; or if lower, and
- the present value of the minimum lease payments.

Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ACCOUNTING POLICIES  
for the year ended 31 March 2025**

**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 expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.

**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.

**13. Payables**

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

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ACCOUNTING POLICIES  
for the year ended 31 March 2025**

**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.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ACCOUNTING POLICIES  
for the year ended 31 March 2025**

**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 expenditure incurred in the current year.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ACCOUNTING POLICIES  
for the year ended 31 March 2025**

**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.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ACCOUNTING POLICIES  
for the year ended 31 March 2025**

**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. 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.

**22. 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.

**23. 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.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**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 Provincial Departments:

Programme	2024/25			2023/24		
	Final Budget	Actual Funds Received	Funds not requested/ not received	Final Budget	Appropriation received	Funds not requested/ not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	54 745	54 745	-	57 837	57 837	-
Sustainable Resource Management	134 355	134 355	-	126 114	126 114	-
Asset Management	71 036	71 036	-	80 932	80 932	-
Financial Governance	46 035	46 035	-	51 553	51 553	-
<b>Total</b>	<b>306 171</b>	<b>306 171</b>	<b>-</b>	<b>316 436</b>	<b>316 436</b>	<b>-</b>

	Note	2024/25	2023/24
		R'000	R'000
<b>2. Departmental revenue</b>			
Sales of goods and services other than capital assets	2.1	27	43
Interest, dividends and rent on land	2.2	6	23
Sales of capital assets	2.3	10	83
Transactions in financial assets and liabilities	2.4	4 548	17 708
<b>Total revenue collected</b>		<b>4 591</b>	<b>17 857</b>
Less: Own revenue included in appropriation	12	(88)	(84)
<b>Total</b>		<b>4 503</b>	<b>17 773</b>

**2.1 Sales of goods and services other than capital assets**

Sales of goods and services produced by the department		27	40
Other sales		27	40
Sales of scrap, waste and other used current goods		-	3
<b>Total</b>	<b>2</b>	<b>27</b>	<b>43</b>

**Other sales** include commission on insurance and garnishee orders.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>2.2 Interest, dividends and rent on land</b>			
Interest		6	23
<b>Total</b>	<b>2</b>	<b>6</b>	<b>23</b>
<b>2.3 Sales of capital assets</b>			
<b>Tangible capital assets</b>		<b>10</b>	<b>83</b>
Machinery and equipment		10	83
<b>Total</b>	<b>2</b>	<b>10</b>	<b>83</b>
<b>2.4 Transactions in financial assets and liabilities</b>			
Other receipts including Recoverable Revenue		4 548	17 708
<b>Total</b>	<b>2</b>	<b>4 548</b>	<b>17 708</b>
<p>The decrease in <b>Other receipts including Recoverable Revenue</b> is primarily attributed to the authorisation given to the Western Cape Gambling and Racing Board to retain its previous year's surplus funds.</p>			
<b>2.4.1. Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)</b>			
Gifts		-	-
Donations		-	-
Sponsorships		308	25
<b>Total gifts, donations and sponsorships received in kind</b>	<b>Annexure 1D</b>	<b>308</b>	<b>25</b>

Sponsorships encompass officials who participated in various conferences, including the FASSET Executive Development Programme sponsored by the International Women's Forum of South Africa, the Enlit Africa conference sponsored by Vuka Group, and the G2G Exchange programme sponsored by the Shandong Provincial Government.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**2.5 Cash received not recognised (not included in the main note)**

Name of entity	2024/25			
	Opening balance	Amount received	Amount paid to the revenue fund	Closing balance
	R'000	R'000	R'000	R'000
Western Cape Gambling and Racing Board	19 471	1 665 811	1 640 403	44 879
<b>Total</b>	<b>19 471</b>	<b>1 665 811</b>	<b>1 640 403</b>	<b>44 879</b>

Name of entity	2023/24			
	Opening balance	Amount received	Amount paid to the revenue fund	Closing balance
	R'000	R'000	R'000	R'000
Western Cape Gambling and Racing Board	25 015	1 405 671	1 411 215	19 471
<b>Total</b>	<b>25 015</b>	<b>1 405 671</b>	<b>1 411 215</b>	<b>19 471</b>

The Provincial Treasury acts as a conduit for the Western Cape Gambling and Racing Board (WCGRB) and revenue received from the Board is paid over to the Provincial Revenue Fund (PRF).  
The opening balance was included, and the amount received was adjusted in the comparative year to conform with the 2024/25 financial year presentation.

**3. Compensation of employees**

**3.1 Analysis of balance**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Basic salary		140 041	144 187
Service based		94	76
Compensative/circumstantial		1 582	1 877
Other non-pensionable allowances		26 419	27 303
<b>Total</b>		<b>168 136</b>	<b>173 443</b>

**3.2 Social contributions**

**Employer contributions**

Pension	17 487	17 583
Medical	7 935	8 029
Bargaining council	32	34
<b>Total</b>	<b>25 454</b>	<b>25 646</b>

**Total compensation of employees**

<b>193 590</b>	<b>199 089</b>
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Average number of employees

242	261
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**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**4. Goods and services**

	<i>Note</i>	<b>2024/25</b>	<b>2023/24</b>
		<b>R'000</b>	<b>R'000</b>
Administrative fees		60	42
Advertising		1 093	784
Minor assets	4.1	67	1 821
Bursaries (employees)		475	515
Catering		411	275
Communication		527	563
Computer services	4.2	4 914	11 359
Consultants: Business and advisory services		21 017	27 638
Legal services		933	1 815
Contractors		583	218
Agency and support / outsourced services		3 659	3 817
Audit cost - external	4.3	7 376	6 868
Fleet services		485	474
Consumables	4.4	411	1 110
Operating leases		1 937	1 929
Property payments	4.5	157	485
Travel and subsistence	4.6	2 616	2 372
Venues and facilities		494	603
Training and development		330	1 760
Other operating expenditure	4.7	1 175	1 026
<b>Total</b>		<b>48 720</b>	<b>65 474</b>

The increase in advertising expenditure is mainly due to additional campaigns that took place for Medium-Term Budget Policy Statement (MTBPS) and Budget Day.

Additional information on **Consultants: Business and advisory services** can be found in Part D – Human Resource Management of the Annual Report.

The decrease in Legal Fees is mainly due to a lower interdepartmental claim being received from the Department of Justice and Constitutional Development for gambling-related matters.

The increase under Contractors is mainly due to the need for infographic services for the Provincial Economic Review and Outlook (PERO), which was compiled in-house for the first time.

The decrease in training and development expenditure is mainly due to the prepayment in 2023/24 for staff attendance at both the 10<sup>th</sup> Annual SMART Procurement and the 11<sup>th</sup> Annual SMART World Procurement Conference. Additional training initiatives, such as MMC training, also took place during the 2023/24 financial year, contributing to the higher expenditure in that year.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>4.1 Minor assets</b>			
<b>Tangible capital assets</b>		<b>67</b>	<b>1 821</b>
Machinery and equipment		67	1 821
<b>Total</b>	<b>4</b>	<b>67</b>	<b>1 821</b>

The decrease in **Minor assets** in the 2024/25 financial year is primarily due to the once-off purchase of new office furniture in the 2023/24 financial year due to the modernisation of office accommodation.

<b>4.2 Computer services</b>			
SITA computer services		618	777
External computer service providers		4 296	10 582
<b>Total</b>	<b>4</b>	<b>4 914</b>	<b>11 359</b>

The decrease in **Computer services** is mainly due to the expenditure on the Electronic Procurement System (e-PS) being classified under Computer Services in the 2023/24 financial year, whereas in 2024/25 financial year, the resources allocated to the project were reclassified under 'Consultants: Business and Advisory Services'. Additionally, the Department did not receive the expected interdepartmental claims from the Department of the Premier (DotP) and SITA for the ITSM licenses and Data Warehouse subscription in 2024/25, as originally planned.

<b>4.3 Audit cost - external</b>			
Regularity audits		6 941	6 194
Computer audits		435	674
<b>Total</b>	<b>4</b>	<b>7 376</b>	<b>6 868</b>

<b>4.4 Consumables</b>			
Consumable supplies		181	716
Uniform and clothing		7	2
Household supplies		142	63
Building material and supplies		8	14
IT consumables		11	260
Other consumables		13	377
Stationery, printing and office supplies		230	394
<b>Total</b>	<b>4</b>	<b>411</b>	<b>1 110</b>

The decrease in **Consumables** is mainly due to a once-off bulk purchase of docking station locks and laptop bags in 2023/24. These items have since been incorporated into the standard computer refresh process.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25</b> R'000	<b>2023/24</b> R'000
<b>4.5 Property payments</b>			
Municipal services		-	315
Property maintenance and repairs		-	15
Other		157	155
<b>Total</b>	<b>4</b>	<b>157</b>	<b>485</b>

The decrease in **Property Payments** is mainly due to the non-receipt of interdepartmental claims from the Department of Infrastructure for municipal services related to the Procurement Client Centre.

<b>4.6 Travel and subsistence</b>			
Local		2 401	1 734
Foreign		215	638
<b>Total</b>	<b>4</b>	<b>2 616</b>	<b>2 372</b>

<b>4.7 Other operating expenditure</b>			
Professional bodies, membership and subscription fees		70	93
Resettlement costs		88	55
Other		1 017	878
<b>Total</b>	<b>4</b>	<b>1 175</b>	<b>1 026</b>

**Other** includes printing and publication services.

<b>5. Payments for financial assets</b>			
Material losses through criminal conduct		207	104
Theft	5.3	207	104
Other material losses written off	5.1	44	27
Debts written off	5.2	-	45
<b>Total</b>		<b>251</b>	<b>176</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>5.1 Other material losses written off</b>			
<b>Nature of losses</b>			
Damaged desktop computer		19	-
GMT vehicle damages		-	14
Damaged laptop screen		-	3
Missing laser pointer		1	-
Missing hard drive		-	1
Missing docking station		-	3
Fruitless and wasteful expenditure: Non-attendance of training		-	6
Fruitless and wasteful expenditure: Non-attendance of interview		11	-
Fruitless and wasteful expenditure: Accommodation cancellation fees		1	-
Fruitless and wasteful expenditure: Late lodgement fees		12	-
<b>Total</b>	<b>5</b>	<b>44</b>	<b>27</b>
<b>5.2 Debts written off</b>			
<b>Nature of debts written off</b>			
Recoverable revenue written off			
- Bad debts written off		-	45
<b>Total</b>		<b>-</b>	<b>45</b>
<b>Total debt written off</b>	<b>5</b>	<b>-</b>	<b>45</b>
<b>5.3 Details of theft</b>			
<b>Nature of theft</b>			
Theft of headphones		1	-
Theft of laptop		206	104
<b>Total</b>	<b>5</b>	<b>207</b>	<b>104</b>
The increase in <b>Material losses</b> was due to an increase in the number of laptop thefts. Eight (8) laptops were stolen.			
<b>6. Transfer and Subsidies</b>			
Provinces and municipalities	27	20 633	18 427
Departmental agencies and accounts	<i>Annexure 1B</i>	24 596	21 186
Households	<i>Annexure 1C</i>	4 247	4 311
<b>Total</b>		<b>49 476</b>	<b>43 924</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>7. Expenditure for capital assets</b>			
<b>Tangible capital assets</b>		<b>2 375</b>	<b>2 137</b>
Machinery and equipment		2 375	2 137
<b>Total</b>		<b>2 375</b>	<b>2 137</b>
<b>7.1 Analysis of funds utilised to acquire capital assets – Current year</b>			
		<b>2024/25</b>	
	<b>Voted fun ds</b>	<b>Aid assistance</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Tangible capital assets</b>	<b>2 375</b>	-	<b>2 375</b>
Machinery and equipment	2 375	-	2 375
<b>Total</b>	<b>2 375</b>	-	<b>2 375</b>
<b>7.2 Analysis of funds utilised to acquire capital assets – Prior year</b>			
		<b>2023/24</b>	
	<b>Voted funds</b>	<b>Aid assistance</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Tangible capital assets</b>	<b>2 137</b>	-	<b>2 137</b>
Machinery and equipment	2 137	-	2 137
<b>Total</b>	<b>2 137</b>	-	<b>2 137</b>
<b>7.3 Finance lease expenditure included in Expenditure for capital assets</b>			
<b>Tangible capital assets</b>		<b>1 482</b>	<b>1 615</b>
Machinery and equipment		1 482	1 615
<b>Total</b>		<b>1 482</b>	<b>1 615</b>
<b>8. Cash and Cash Equivalents</b>			
Consolidated Paymaster General Account		55 787	24 413
Cash on hand		12	8
<b>Total</b>		<b>55 799</b>	<b>24 421</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>9. Prepayments and Advances</b>			
Travel and subsistence		16	-
Prepayments (Not expensed)	9.2	794	-
<b>Total</b>		<b>810</b>	<b>-</b>

**Analysis of Total Prepayments and advances**

Current Prepayments and advances	810	-
<b>Total</b>	<b>810</b>	<b>-</b>

**9.1 Prepayments (Not expensed)**

		2024/25				
		Amount as at 1 April 2024 R'000	Less: Amounts expensed in current year R'000	Add/ Less: Other R'000	Add Current year prepayments R'000	Amount as at 31 March 2025 R'000
Goods and services		-	-	-	794	794
<b>Total</b>	9	<b>-</b>	<b>-</b>	<b>-</b>	<b>794</b>	<b>794</b>

**9.2 Prepayments (Expensed)**

		Amount as at 1 April 2024 R'000	Less: Received in the current year R'000	Less: Other R'000	Amount as at 31 March 2025 R'000
Goods and services		1 096	-	(1 096)	-
<b>Total</b>		<b>1 096</b>	<b>-</b>	<b>(1 096)</b>	<b>-</b>

		2023/24				
		Amount as at 1 April 2023 R'000	Less: Received in the current year R'000	Add/Less: Other R'000	Add: Current Year prepayments R'000	Amount as at 31 March 2024 R'000
Goods and services		-	-	-	1 096	1 096
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>1 096</b>	<b>1 096</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**10. Receivables**

	Note	2024/25			2023/24		
		Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
Claims recoverable	10.1	-	-	-	6	-	6
Recoverable expenditure	10.2	284	-	284	727	-	727
Staff debt	10.3	39	1	40	30	13	43
Other receivables	10.4	443	43	486	53	45	98
<b>Total</b>		<b>766</b>	<b>44</b>	<b>810</b>	<b>816</b>	<b>58</b>	<b>874</b>

	Note	2024/25 R'000	2023/24 R'000
<b>10.1 Claims recoverable</b>			
National departments		-	6
<b>Total</b>	<b>10</b>	<b>-</b>	<b>6</b>
<b>10.2 Recoverable expenditure</b>			
Receivables from financial institution		232	724
Salary Reversal		24	-
Damages and losses – GG vehicle		4	-
SAL: Deduction disallowance – recalled salary		8	-
Salary: Medical aid		3	3
Disallowance Training		13	-
<b>Total</b>	<b>10</b>	<b>284</b>	<b>727</b>
<b>10.3 Staff debt</b>			
Salary related debt		9	5
Bursary debts		22	38
Laptop		9	-
<b>Total</b>	<b>10</b>	<b>40</b>	<b>43</b>
<b>10.4 Other receivables</b>			
Ex-employees: Salary related debts		171	84
Ex-employee: tax debt		8	-
Municipal debt		299	-
Bursary debts		8	14
<b>Total</b>	<b>10</b>	<b>486</b>	<b>98</b>

The **Municipal debt** pertains to the amounts owed by Kannaland and Laingsburg Municipality for unspent grants. The increase in **Ex-employee: Salary related debt** is attributed to the unsettled leave debt from a former employee.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25 R'000</b>	<b>2023/24 R'000</b>
<b>11. Voted funds to be surrendered to the Revenue Fund</b>			
Opening balance		5 636	1 770
As restated		5 636	1 770
Transferred from statement of financial performance (as restated)		11 759	5 636
Paid during the year		(5 636)	(1 770)
<b>Closing balance</b>		<b>11 759</b>	<b>5 636</b>
<b>12. Departmental revenue to be surrendered to the Revenue Fund</b>			
Opening balance		63	69
As restated		63	69
Transferred from statement of financial performance (as restated)		4 503	17 773
Own revenue included in appropriation		88	84
Paid during the year		(4 449)	(17 863)
<b>Closing balance</b>		<b>205</b>	<b>63</b>
<b>13. Payables – current</b>			
Clearing accounts	13.1	111	-
Other payables	13.2	44 879	19 503
<b>Total</b>		<b>44 990</b>	<b>19 503</b>
<b>13.1 Clearing accounts</b>			
Funds from Government Employees Housing Scheme		111	-
<b>Total</b>	<b>13</b>	<b>111</b>	<b>-</b>
The <b>Government Employees Housing Scheme</b> funds relates to the pay over of amounts due to relevant officials when they qualify for the amount.			
<b>13.2 Other payables</b>			
<b>Description</b>			
Money received from Western Cape Gambling and Racing Board		44 879	19 471
Salary: Income tax		-	29
Pension fund		-	3
<b>Total</b>	<b>13</b>	<b>44 879</b>	<b>19 503</b>
<b>Other payables</b> include taxes collected by the Western Cape Gambling and Racing Board paid into the Provincial Treasury's bank account, and must still be paid over to the PRF.			

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25</b>	<b>2023/24</b>
		<b>R'000</b>	<b>R'000</b>
<b>14. Net cash flow available from operating activities</b>			
Net surplus/(deficit) as per Statement of Financial Performance		16 262	23 409
Add back non-cash/cash movements not deemed operating activities		17 109	(23 299)
(Increase)/decrease in receivables		64	(196)
(Increase)/decrease in prepayments and advances		(810)	-
Increase/(decrease) in payables - current		25 487	(5 608)
Proceeds from sale of capital assets		(10)	(83)
Expenditure on capital assets		2 375	2 137
Surrenders to Revenue Fund		(10 085)	(19 633)
Own revenue included in appropriation		88	84
<b>Net cash flow generated by operating activities</b>		<b>33 371</b>	<b>110</b>

The increase in payables relates to the taxes received from the Western Cape Gambling and Racing Board to be paid to the PRF.

In accordance with the revised reporting template issued by the National Treasury for the 2024/25 financial year, the classification of movements in non-current receivables has been amended. Amounts previously presented under cash flows from investing activities are now disclosed under cash flows from operating activities, in line with updated guidance clarifying the nature of these receivables as operational in substance. This reclassification has no impact on the net cash flow position but enhances alignment with the Modified Cash Standard.

**15. Reconciliation of cash and cash equivalents for cash flow purposes**

Consolidated Paymaster General account	55 787	24 413
Cash on hand	12	8
<b>Total</b>	<b>55 799</b>	<b>24 421</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<b>16. Contingent liabilities and contingent assets</b>			
<b>16.1 Contingent liabilities</b>			
<b>Liable to</b>			
Intergovernmental payables	<i>Annex 3</i>	24	80
<b>Total</b>		<b>24</b>	<b>80</b>

The Provincial Treasury received a statement of debt owed to the Department of Justice and Institutional Development between the period 2017 – 2021. The matter is being investigated and copies of claims are being awaited.

On 8 February 2018, two licence holders applied for a declaratory order in the Western Cape High Court, for an order in the following terms: (a) Declaring that Freeplay credits do not constitute a "drop" for the purpose of the computation of adjusted gross revenue and does not form part of the taxable revenue per Section 64 of the Act read with Schedule III; (b) Ordering that the Minister for Finance, in her capacity as the custodian of the provincial revenue fund, refund the Applicants R44 570 465 and R1 763 983, respectively in relation to taxes paid; (c) Alternatively that the Board offset the referenced amounts against the Applicants' future liability to pay gambling tax. Judgement was delivered on 29 April 2020 in favour of the Applicants. The Board resolved to appeal the judgement, after having obtained legal advice on the prospects of success on appeal. The Board and Minister for Finance were granted leave to Appeal to the SCA against the whole judgment and that the costs of the application is to be costs in the Appeal. The appeal was heard in the Supreme Court of Appeal on 22 November 2022. Judgement was handed down on 4 September 2023 and the Appeal was upheld. No order was made to costs as the parties agreed that each party will pay their own legal costs. The Court will therefore not impute liability on the Board to pay the costs of the other Applicants should they succeed and vice versa. The Applicant filed a Notice of Application for Leave to Appeal to the Constitutional Court on 26 September 2023, and the Board filed its Notice of Opposition and Founding Affidavit at the Constitutional Court on 9 October 2023. The matter was heard on 4 February 2025 in the Constitutional Court. Judgement has been reserved. However, the contingent liability should be disclosed in the financial statements of the Department as there is no past events enacted/omitted by the Provincial Treasury as it is independent from the Provincial Revenue Funds and the WCGRB.

**16.2 Contingent assets**

As at 31 March 2025, the Department is not able to reliably measure the contingent assets in terms of the Government Employees Housing Scheme of the Individually Linked Savings Facility (ILSF), relating to resignations and termination of services.

There are two (2) PILIR cases under investigation and not finalised as at 31 March 2025.

**17. Accruals and payables not recognised**

**17.1 Accruals**

Listed by economic classification	Note	2024/25			2023/24
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Goods and services		1 200	-	1 200	270
<b>Total</b>		<b>1 200</b>	<b>-</b>	<b>1 200</b>	<b>270</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25</b>	<b>2023/24</b>
		<b>R'000</b>	<b>R'000</b>
<b>Listed by programme level</b>			
Administration		234	148
Sustainable Resource Management		509	86
Asset Management		413	29
Financial Governance		44	7
<b>Total</b>		<b>1 200</b>	<b>270</b>

**17.2 Payables not recognised**

<b>Listed by economic classification</b>	<i>Note</i>	<b>2024/25</b>			<b>2023/24</b>
		<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Goods and services		765	8	773	139
Capital assets		-	-	-	33
<b>Total</b>		<b>765</b>	<b>8</b>	<b>773</b>	<b>172</b>

	<i>Note</i>	<b>2024/25</b>	<b>2023/24</b>
		<b>R'000</b>	<b>R'000</b>
<b>Listed by programme level</b>			
Administration		154	135
Sustainable Resource Management		15	15
Asset Management		603	-
Financial Governance		1	22
<b>Total</b>		<b>773</b>	<b>172</b>

***Included in the above totals are the following:***

Confirmed balances with other departments	<i>Annex 3</i>	68	14
<b>Total</b>		<b>68</b>	<b>14</b>

**18. Employee benefits**

Leave entitlement	9 249	9 788
Service bonus	4 482	4 597
Capped leave	1 912	2 220
Other	1 274	1 147
<b>Total</b>	<b>16 917</b>	<b>17 752</b>

Other includes the long service awards, salary related accruals and the Minister's exit gratuity.

At this stage the Department is not able to reliably measure the long-term portion of the long service awards.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**19. Lease commitments**

**19.1 Operating lease**

	2024/25				
	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	-	-	1 113	644	1 757
Later than 1 year and not later than 5 years	-	-	1 797	429	2 226
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>2 910</b>	<b>1 073</b>	<b>3 983</b>

	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	-	-	703	841	1 544
Later than 1 year and not later than 5 years	-	-	-	1 194	1 194
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>703</b>	<b>2 035</b>	<b>2 738</b>

The **Operating leases commitments** relate to the rental of photocopier machines and office accommodation.

**19.2 Finance leases**

	2024/25				
	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	-	-	-	1 422	1 422
Later than 1 year and not later than 5 years	-	-	-	3 760	3 760
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 182</b>	<b>5 182</b>

	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	-	-	-	1 212	1 212
Later than 1 year and not later than 5 years	-	-	-	2 140	2 140
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 352</b>	<b>3 352</b>

The **Finance lease commitments** refer to vehicles leased from Government Motor Transport (GMT). The Department leased 15 vehicles from GMT for the financial year (March 2024: 15)

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

	<i>Note</i>	<b>2024/25</b>	<b>2023/24</b>
		<b>R'000</b>	<b>R'000</b>
<b>20. Accrued departmental revenue</b>			
Transactions in financial assets and liabilities		18 943	10 852
<b>Total</b>		<b>18 943</b>	<b>10 852</b>
<b>20.1 Analysis of accrued departmental revenue</b>			
Opening balance		10 852	14 036
Less: amounts received		(1 024)	(14 036)
Add: amounts recorded		18 943	10 852
Other		(9 828)	-
<b>Closing balance</b>		<b>18 943</b>	<b>10 852</b>

**Other** relates to the approved accumulation of surplus funds requested from Western Cape Gambling and Racing Board (R9 524 000), Kannaland and Laingsburg Municipality (R299 000) raised as debtors from the unspent grant funding received and the incorrect balance reflected on Mossel Bay's (R5 000) outcome letter.

**21. Unauthorised, Irregular and Fruitless and wasteful expenditure**

Irregular expenditure –current year	43	14
Fruitless and wasteful expenditure - current year	24	-
<b>Total</b>	<b>67</b>	<b>14</b>

Information on any criminal or disciplinary steps taken as result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in Part E – PFMA Compliance Report of the Annual Report.

**22. Related party transactions**

The Provincial Treasury occupies a building free of charge which is managed by the Department of Infrastructure.

Parking space is also provided for government officials at an approved fee that is not market related.

The Provincial Treasury received corporate services from the Corporate Services Centre of the Department of the Premier in the Western Cape Province with effect from 1 November 2010 in respect of the following service areas:

- Information and Communication Technology
- Organisation Development
- Provincial Training (transversal)
- Human Resource Management
- Enterprise Risk Management
- Internal Audit
- Provincial Forensic Services
- Legal Services
- Corporate Communication

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

The Western Cape Gambling and Racing Board is the collecting agent for taxes due to the Provincial Revenue Fund via the Vote of this Department.

The Provincial Treasury makes use of government motor vehicles management by Government Motor Transport (GMT) based on tariffs approved by the Department of Provincial Treasury.

The Provincial Treasury received Security Advisory Services and Security Operations from the Department Community Safety in the Western Cape.

The Minister of Finance was responsible for the following departments and entities as at 31 March 2025:

- Provincial Treasury
- Western Cape Gambling and Racing Board

Key management personnel as mentioned in Note 23 also forms part of the related parties.

**23. Key management personnel**

	<b>2024/25</b>	<b>2023/24</b>
	<b>R'000</b>	<b>R'000</b>
Political office bearer (Minister)	1 756	2 159
Officials:		
Management	11 309	12 915
<b>Total</b>	<b>13 065</b>	<b>15 074</b>

Management includes all officials on salary level 14 and above, as well as the Chief Financial Officer, who has significant influence on the finance and operational policy decisions of the Department.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**24. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025**

	Opening balance R'000	Value adjustments R'000	2024/25		Closing Balance R'000
			Additions R'000	Disposals R'000	
<b>MACHINERY AND EQUIPMENT</b>	<b>17 526</b>	<b>-</b>	<b>954</b>	<b>1 053</b>	<b>17 427</b>
Transport assets	-	-	-	-	-
Computer equipment	12 766	-	659	651	12 774
Furniture and office equipment	2 395	-	151	326	2 220
Other machinery and equipment	2 365	-	144	76	2 433
<b>FINANCE LEASE ASSETS</b>	<b>3 434</b>	<b>-</b>	<b>2 074</b>	<b>1 321</b>	<b>4 187</b>
Finance lease assets	3 434	-	2 074	1 321	4 187
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>20 960</b>	<b>-</b>	<b>3 028</b>	<b>2 374</b>	<b>21 614</b>

The opening balance for the finance leased assets is due to a change in the accounting policy that was applied retrospectively. As from 1 April 2024, in terms of the Modified Cash Standards requirements, assets under finance leases are recorded at the commencement date of the lease instead of the end of the lease term.

**Movable Tangible Capital Assets under investigation**

	Note	Number	Value R'000
<b>Included in the above total of the movable tangible capital assets per the asset register that are under investigation:</b>			
Machinery and equipment		6	78
<b>Total</b>		<b>6</b>	<b>78</b>

Six (6) major assets to the value of R78 000 are currently under investigation.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

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

	Opening balance R'000	Prior period error R'000	2023/24		Closing Balance R'000
			Additions R'000	Disposals R'000	
<b>MACHINERY AND EQUIPMENT</b>	<b>21 291</b>	-	<b>536</b>	<b>4 301</b>	<b>17 526</b>
Transport assets	-	-	-	-	-
Computer equipment	16 160	-	492	3 886	12 766
Furniture and office equipment	2 743	-	44	392	2 395
Other machinery and equipment	2 388	-	-	23	2 365
<b>SPECIALISED MILITARY ASSETS</b>	-	-	-	-	-
Specialised military assets	-	-	-	-	-
<b>BIOLOGICAL ASSETS</b>	-	-	-	-	-
Biological assets	-	-	-	-	-
<b>FINANCE LEASE ASSETS</b>	<b>4 652</b>	-	-	<b>1 218</b>	<b>3 434</b>
Finance lease assets	4 652	-	-	1 218	3 434
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>25 943</b>	-	<b>536</b>	<b>5 519</b>	<b>20 960</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**24.2 Minor Assets**

**MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025**

	2024/25						Total R'000
	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Finance lease assets R'000	
Opening balance	-	-	-	5 758	-	-	5 758
Additions	-	-	-	2 076	-	-	2 076
Disposals	-	-	-	773	-	-	773
<b>Total Minor assets</b>	-	-	-	<b>7 061</b>	-	-	<b>7 061</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of minor assets at cost	-	-	-	3 668	-	-	3 668
<b>Total number of minor assets</b>	-	-	-	<b>3 668</b>	-	-	<b>3 668</b>

**Minor capital assets under investigation**

	Note	Number	Value R'000
<b>Included in the above total of the minor capital assets per the asset register that are under investigation:</b>			
Machinery and equipment		23	41
<b>Total</b>		<b>23</b>	<b>41</b>

Twenty-three (23) minor assets to the value of R41 000 are currently under investigation.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

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

	2023/24						Total R'000
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	
	R'000	R'000	R'000	R'000	R'000	R'000	
Opening balance	-	-	-	6 354	-	-	6 354
Additions	-	-	-	260	-	-	260
Disposals	-	-	-	856	-	-	856
<b>Total Minor assets</b>	-	-	-	<b>5 758</b>	-	-	<b>5 758</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of minor assets at cost	-	-	-	3 173	-	-	3 173
<b>Total number of minor assets</b>	-	-	-	<b>3 173</b>	-	-	<b>3 173</b>

**24.3 Movable capital assets written off**

**MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025**

	2024/25						Total R'000
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	
	R'000	R'000	R'000	R'000	R'000	R'000	
Assets written off	-	-	-	259	-	-	259
<b>Total movable assets written off</b>	-	-	-	<b>259</b>	-	-	<b>259</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024**

	2023/24						Total R'000
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	
	R'000	R'000	R'000	R'000	R'000	R'000	
Assets written off	-	-	-	109	-	-	109
<b>Total movable assets written off</b>	-	-	-	<b>109</b>	-	-	<b>109</b>

**25. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025**

	2024/25			
	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	-	-	-	-
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	-	-	-	-

**25.1 MOVEMENT IN INTANGIBLE 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
SOFTWARE	29	-	-	29	-
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>29</b>	-	-	<b>29</b>	-

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**26. Changes in accounting policies**

Nature of change in accounting policy	Note	2023/24		Restated closing balance (31 Mar 2024)		
		Opening balance before the change (1 Apr 2023)	Adjustment of opening balance			
		R'000	R'000			
			Restated opening balance after the change (1 Apr 2023)	Adjustment for 2023/24		
			R'000	R'000	R'000	
<b>Finance lease assets</b>						
Movable Tangible Capital Assets	38	-	4 652	4 652	(1 218)	3 434

Included in the opening balances for 2023/24 and 2024/25 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**27. Statement of conditional grants and other transfers paid to municipalities**

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER			DORA and other transfers	Actual transfer
	DORA and other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury/ National Department		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Beaufort West	600	-	2 435	3 035	3 035	-	-	1 000	1 000
Bergrivier	-	-	775	775	775	-	-	1 140	1 140
Bitou	-	-	200	200	200	-	-	700	700
Breede Valley	-	-	-	-	-	-	-	100	100
Cape Agulhas	-	-	100	100	100	-	-	200	200
Cederberg	-	-	1 550	1 550	1 550	-	-	2 058	2 058
Central Karoo District	750	-	100	850	850	-	-	100	100
City of Cape Town	-	-	150	150	150	-	-	1 200	1 200
Drakenstein	-	-	100	100	100	-	-	840	840
Garden Route District	-	-	200	200	200	-	-	200	200
George	2 000	-	100	2 100	2 100	-	-	1 200	1 200
Hessequa	263	-	100	363	363	-	-	200	200
Kannaland	-	-	1 550	1 550	1 550	-	-	1 000	1 000
Knysna	150	-	575	725	725	-	-	639	639
Laingsburg	-	-	-	-	-	-	-	1 000	1 000
Langeberg	-	-	100	100	100	-	-	200	200
Matzikama	-	-	1 600	1 600	1 600	-	-	1 050	1 050
Mossel Bay	-	-	100	100	100	-	-	150	150
Oudtshoorn	100	-	575	675	675	-	-	2 200	2 200
Overberg District	2 750	-	200	2 950	2 950	-	-	700	700
Overstrand	160	-	100	260	260	-	-	200	200
Prince Albert	-	-	200	200	200	-	-	200	200
Saldanha Bay	1 000	-	150	1 150	1 150	-	-	1 000	1 000
Stellenbosch	-	-	150	150	150	-	-	200	200
Swartland	-	-	100	100	-	100	-	100	100
Swellendam	500	-	150	650	650	-	-	200	200
Theewaterskloof	500	-	200	700	700	-	-	200	200
Witzenberg	150	-	100	250	250	-	-	250	250
West Coast District	-	-	150	150	150	-	-	200	200
Unallocated	10 837	-	(10 837)	-	-	-	-	-	-
<b>TOTAL</b>	<b>19 760</b>	<b>-</b>	<b>973</b>	<b>20 733</b>	<b>20 633</b>	<b>100</b>	<b>-</b>	<b>18 427</b>	<b>18 427</b>

Swartland Municipality did not take up the Western Cape Financial Management Capability Grant allocation in terms of the external bursary programme.

**28. Broad Based Black Economic Empowerment performance**

Information on compliance with the B-BBEE Act is included in the Annual Report under the section titled B-BBEE Compliance Performance Information.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**ANNEXURE 1A**

**STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

Name of Municipality	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT				DORA and other transfers	Actual transfers
	DoRA and other transfers	Roll Overs	Adjustments	Total Avail-able	Actual Transfer	Funds With-held	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Beaufort West	600	-	2 435	3 035	3 035	-	-	3 035	-	-	-	1 000	1 000
Bergrivier	-	-	775	775	775	-	-	775	-	-	-	1 140	1 140
Bitou	-	-	200	200	200	-	-	200	-	-	-	700	700
Breede Valley	-	-	-	-	-	-	-	-	-	-	-	100	100
Cape Agulhas	-	-	100	100	100	-	-	100	-	-	-	200	200
Cederberg	-	-	1 550	1 550	1 550	-	-	1 550	-	-	-	2 058	2 058
Central Karoo District	750	-	100	850	850	-	-	850	-	-	-	100	100
City of Cape Town	-	-	150	150	150	-	-	150	-	-	-	1 200	1 200
Drakenstein	-	-	100	100	100	-	-	100	-	-	-	840	840
Garden Route District	-	-	200	200	200	-	-	200	-	-	-	200	200
George	2 000	-	100	2 100	2 100	-	-	2 100	-	-	-	1 200	1 200
Hessequa	263	-	100	363	363	-	-	363	-	-	-	200	200
Kannaland	-	-	1 550	1 550	1 550	-	-	1 550	-	-	-	1 000	1 000
Knysna	150	-	575	725	725	-	-	725	-	-	-	639	639
Laingsburg	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000
Langeberg	-	-	100	100	100	-	-	100	-	-	-	200	200
Matzikama	-	-	1 600	1 600	1 600	-	-	1 600	-	-	-	1 050	1 050
Mossel Bay	-	-	100	100	100	-	-	100	-	-	-	150	150
Oudtshoorn	100	-	575	675	675	-	-	675	-	-	-	2 200	2 200
Overberg District	2 750	-	200	2 950	2 950	-	-	2 950	-	-	-	700	700
Overstrand	160	-	100	260	260	-	-	260	-	-	-	200	200
Prince Albert	-	-	200	200	200	-	-	200	-	-	-	200	200
Saldanha Bay	1 000	-	150	1 150	1 150	-	-	1 150	-	-	-	1 000	1 000
Stellenbosch	-	-	150	150	150	-	-	150	-	-	-	200	200
Swartland	-	-	100	100	-	100	-	-	-	-	-	100	100
Swellendam	500	-	150	650	650	-	-	650	-	-	-	200	200
Theewaterskloof	500	-	200	700	700	-	-	700	-	-	-	200	200
Witzenberg	150	-	100	250	250	-	-	250	-	-	-	250	250
West Coast District	-	-	150	150	150	-	-	150	-	-	-	200	200
Unallocated	10 837	-	(10 837)	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>19 760</b>	<b>-</b>	<b>973</b>	<b>20 733</b>	<b>20 633</b>	<b>100</b>	<b>-</b>	<b>20 633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 427</b>	<b>18 427</b>

Swartland Municipality did not take up the Western Cape Financial Management Capability Grant allocation in terms of the external bursary programme.

The 2024/25 municipal allocations were transferred in July 2024, the start of the municipal financial year. Municipalities have until the end of June 2025 to spend funds after which Provincial Treasury will conduct a reconciliation of expenditure against allocations received by the municipalities.

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**ANNEXURE 1B**

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

Departmental Agency or Account	2024/25						2023/24	
	TRANSFER ALLOCATION				TRANSFER		Final Budget	Actual transfer
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Western Cape Gambling and Racing Board	24 586	-	-	24 586	24 586	100.0	21 178	21 178
SABC TV licences	10	-	-	10	10	100.0	8	8
<b>TOTAL</b>	<b>24 596</b>	<b>-</b>	<b>-</b>	<b>24 596</b>	<b>24 596</b>	<b>100.0</b>	<b>21 186</b>	<b>21 186</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**ANNEXURE 1C**

**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

Households	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE		Final Budget	Actual transfer
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual transfer	% of available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
Leave gratuity	1 065	-	261	1 326	1 325	99.9	1 515	1 514
Bursaries to non-employees	2 386	-	51	2 437	2 436	100.0	1 780	1 780
Cash donations to deceased family	-	-	5	5	5	100.0	-	-
Injury on duty	16	-	-	16	16	100.0	53	53
Early retirement penalties	527	-	(42)	485	465	95.9	964	964
<b>TOTAL</b>	<b>3 994</b>	<b>-</b>	<b>275</b>	<b>4 269</b>	<b>4 247</b>	<b>99.5</b>	<b>4 312</b>	<b>4 311</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**ANNEXURE 1D**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

Name of organisation	Nature of gift, donation or sponsorship	2024/25	2023/24
		R'000	R'000
<b>Sponsorships</b>			
Institute for Local Government Management of South Africa	Registration fees for five (5) officials	-	25
International Women's Forum of South Africa	IWFSA – Fasset Executive Development Programme	230	-
Vuka Group	Attendance to the Enlit Africa Conference (2 officials)	6	-
Shandong Provincial Government	Attendance to the G2G Exchange Programme	72	-
Total sponsorships		-	25
<b>Subtotal – received in kind</b>		308	25
<b>TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED</b>		<b>308</b>	<b>25</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**ANNEXURE 2**

**CLAIMS RECOVERABLE**

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000	Receipt date up to six (6) working days after year end	Amount R'000
<b>GOVERNMENT ENTITY</b>								
<b>Department</b>								
National Treasury	-	-	-	6	-	6	-	-
Subtotal	-	-	-	6	-	6	-	-
<b>TOTAL</b>	-	-	-	6	-	6	-	-

## WESTERN CAPE PROVINCE

PROVINCIAL TREASURY  
VOTE 3ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025

## ANNEXURE 3

## INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	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
<b>DEPARTMENTS</b>								
<b>Current</b>								
Department of the Premier	68	14	-	-	68	14	3/4/2025	753
<b>Total Departments</b>	<b>68</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>68</b>	<b>14</b>		<b>753</b>
<b>OTHER GOVERNMENT ENTITIES</b>								
<b>Current</b>								
Department of Justice and Constitutional Development	-	-	24	80	24	80		-
<b>Total Other Government Entities</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>80</b>	<b>24</b>	<b>80</b>		<b>-</b>
<b>TOTAL INTERGOVERNMENT PAYABLES</b>	<b>68</b>	<b>14</b>	<b>24</b>	<b>80</b>	<b>92</b>	<b>94</b>		<b>753</b>

**WESTERN CAPE PROVINCE  
PROVINCIAL TREASURY  
VOTE 3**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2025**

**ANNEXURE 4**

**ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 9.1 AND 9.2)**

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid/ advanced in the current year	Less: goods, services or capital assets received in the current year	Add/ Less: Other	Balance outstanding as at 31 March 2025	Reasons for prepayment or advance and for it remaining outstanding at year end
				R'000	R'000	R'000	R'000	R'000	R'000	
<b>Prepayments</b>										
Commerce Edge SA	Finance	Attendance of Smart Procurement Conference	Goods and services	794	-	794	-	-	794	Attendance of Smart Procurement Conference.
<b>Total prepayments</b>				<b>794</b>	<b>-</b>	<b>794</b>	<b>-</b>	<b>-</b>	<b>794</b>	
<b>Advances</b>										
Ms J Gantana	Finance	Foreign travel: daily allowance	Goods and services	N/A	N/A	16	-	-	16	Daily travel allowance to attend the International Women's Forum
<b>Total advances</b>				<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>16</b>	
<b>TOTAL PREPAYMENTS AND ADVANCES</b>				<b>794</b>	<b>-</b>	<b>810</b>	<b>-</b>	<b>-</b>	<b>810</b>	

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**Western Cape  
Government**

PR 291/2025  
ISBN: 978-1-83491-138-0