DEPARTMENT OF TRADITIONAL AFFAIRS

VOTE NO. 15

ANNUAL REPORT 2021/22
FINANCIAL YEAR

traditional affairs

Department:
Traditional Affairs
REPUBLIC OF SOUTH AFRICA

2030 NDP

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RP309/2022

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PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

DEPARTMENT OF TRADITIONAL AFFAIRS

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2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
BAS	Basic Accounting System
CFS	Corporate and Financial Services
CFO	Chief Financial Officer
CIA	Customary Initiation Act
CoGTA	Cooperative Governance and Traditional Affairs
CONTRALESA	Congress of Traditional Leaders of South Africa
CRLRC	Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities
CTLDC	Commission on Traditional Leadership Disputes and Claims
DCoG	Department of Cooperative Governance
DDG	Deputy Director-General
DDM	District Development Model
DPSA	Department of Public Service and Administration
DTA	Department of Traditional Affairs
IDP	Integrated Development Plan
ISC	Institutional Support and Coordination
LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
MANCO	Departmental Management Committee
MDB	Municipal Demarcation Board
MoU	Memorandum of Understanding
MP	Member of Parliament
MTSF	Medium Term Strategic Framework
NKC	National Khoi-San Council
NHTKL	National House of Traditional and Khoi-San Leaders
NIOC	National Initiation Oversight Committee
OHS	Occupational Health and Safety
PMDS	Performance Management and Development System
PPEs	Personal Protective Equipment's
Provincial House/s	Provincial House/s of Traditional and Khoi-San Leaders
RPL	Research, Policy and Legislation
SALGA	South African Local Government Association
SCM	Supply Chain Management
SMS	Senior Management Service
SOP	Standard Operating Procedures
TC/s	Traditional Council/s
TCo/s	Traditional Court/s
TLGFA	Traditional Leadership and Governance Framework Act
TKLA	Traditional and Khoisan Leadership Act
TKLB	Traditional and Khoi-San Leadership Bill
ToR	Terms of Reference
TATGOF	Traditional Affairs Technical Governance Forum

3. FOREWORD BY THE MINISTER

DR NKOSAZANA DLAMINI ZUMA, MP

Minister

Cooperative Governance and Traditional Affairs

We are very much elated to present this annual report, having went through a tempestuous period of about two years of the Covid-19 pandemic. His Excellency President Ramaphosa kept on reminding us as the nation that, like many other worse challenges we faced before, we shall indeed defeat the pandemic. Despite this assurance, many remained doubtful that we shall indeed be triumphant.

The National State of Disaster, governed by the Disaster Management Act, 2002 (Act no. 57 of 2002) was a key instrument that brought us the mechanism to traverse the difficult task of maintaining a balance between saving lives by containing the spread of the virus amongst others and ensuring livelihoods for our people. We are a tried and tested nation, that is resilient and remains resolute for a course for the betterment of the lives of the people of this country. This was indeed a very difficult task, and we sadly lost many dear lives.

The return to normality is before us and has added even more impetus towards addressing the triple challenges of poverty, unemployment and inequality. The sense of urgency to execute and deliver on the economic recovery is one of the immediate considerations for implementation of this programme, in the main being by the Government Departments and various institutions and organs of State charged with the responsibility within the District Development Model (DDM). We are now paying dedicated attention to the DDM and our resources are geared towards execution.

The Eastern Seaboard Development (ESD), which we are very delighted about, is one of our areas of execution that we have planned to bring much needed relieve to many South Africans through employment and improved livelihoods. The institution of Traditional Leadership is a key partner in the implementation of the ESD and will play an active role in shaping the development our communities aspire for, through representation by traditional leaders in structures and as individual traditional councils. We have planned to consult traditional leaders in the ESD region reach, so that we move collectively in unison. The ESD should be a resemblance to many DDM projects across the country. The execution thereof, must be without delay.

In the midst of this commitment, we are equally multitasking as we continue to address the aftermath of the natural disasters that befell the Provinces of KwaZulu Natal, Eastern Cape, North West and Northern Cape. It was a sad great deal of loss, as many of our people perished. We have had serious damages and destruction to infrastructure which derailed our course for infrastructure delivery. Nevertheless, we have had to partner with many countries as well as organisations nationally, to bring back life and hope to the victims of these disasters. The humanitarian society we have crowded-in, has delivered beyond our expectations and we remain humbly appreciative to their helping-hand.

As a country, we are saddened by the continued infliction of grave pain to our Women and Children. The Gender Based Violence and Femicide (GBVF), dubbed the second pandemic sadly continues to ravage our country. We had thought that during the Women's Month of August, this violence would subside, but the incidents that took place proved us otherwise. The Krugesrdorp-based rape of about 10 young girls remains a sore pain in many of us. The devastating effect of this despicable deed haunts us and will severely affect the future prospects of those young girls. What have we come to become as a nation. We must find solutions to help us defeat the GBVF pandemic. Extra-ordinary measures are needed to fight this evil phenomenon.

The term of office of the National House of Traditional and Khoi-San Leaders (NHTKL) ended in June 2022. This gave way for the reconstitution of the new House for the term 2022 to 2027. The seven Provincial Houses of Traditional and Khoi-San Leaders (PHTKL) have already reconstituted, however, they could not meet the required gender representation of two thirds of their delegation for the reconstitution of the NHTKL. I have therefore, as mandated by the Traditional and Khoi-San Leadership Act, Act no. 3 of 2019, written to request Premiers to reconsider their delegations to the NHTKL in order to achieve gender parity. Once received, the submissions from Premiers are expected to improve gender representativity in the NHTKL.

The end of the term of the NHTKL, gesticulated the end of the first term of the National Initiation Oversight Committee (NIOC). This is so because the terms of the two structures are aligned by virtue of the later sourcing membership from the former. With the reconstitution of the NHTKL being eminent, so will be the NIOC. This will take place on time before the approaching summer initiation season in December so that attention is placed on saving lives of the initiates who would aspire to undergo this important rite of passage.

Lastly, I wish to congratulate the Department of Traditional Affairs, for yet another clean audit for the preceding year 2021/22.This is the target we aim to maintain.

NC Zuma

DR NKOSAZANA DLAMINI ZUMA, MP

Minister of Cooperative Governance and Traditional Affairs

4. DEPUTY MINISTER STATEMENT

Mr Obed Bapela, MP

Deputy Minister

Cooperative Governance and Traditional Affairs

The Department of Traditional Affairs (DTA) was formally proclaimed in 2009 as part of the portfolio of Cooperative Governance and Traditional Affairs (CoGTA). The Department is charged with the responsibility to oversee traditional affairs and Khoi-San matters. Through the Commission for the Promotion and the Protection of the Rights of the Cultural, Religious and Linguistic Communities, commonly referred to as the CRL Rights Commission, Government is working towards protecting and promoting the cultural, religious and linguistic rights of all its diverse communities.

In previous engagements, the Portfolio Committee for CoGTA remarked that the budget of the Department and its entities, that is, the National House of Traditional and Khoi-San Leaders (NHTKL) and the CRL Rights Commission, is a matter of serious concern for them to achieve their mandates. As we advocate for an increased funding for these entities, we are mindful of the country's fiscal squeeze.

We are optimistic in the strides that are being pursued towards a fully-fledged Department that will be able to fully execute its mandate, that is to implement, coordinate and facilitate traditional affairs programmes and projects. This entails the reconsideration of the organisational structure that is fit for purpose, as engagements are persued with the Department of Public Service and Administration (DPSA) and the National Treasury, within the fiscal constraints on capacitating DTA to be able to achieve its mandate.

Despite this status quo, the Department, led by Minister Nkosazana Dlamini Zuma as the Executive Authority, continued to successfully honour all the Parliamentary and oversight structures obligations. We have appeared before the Portfolio Committee as well as the Select Committees of Parliament to give account of the programmes and projects we are implementing. We participated in the parliamentary oversight meetings and visits to various Provinces on matters related to our Department.

Since his delivery of the State of the Nation Address, the His Execellency President Cyril Ramaphosa has been leading the Presidential Post SONA Imbizo programme meant to engage with citizens, themed on the President's SONA call to action, Leave No One Behind. The Presidential Imbizo assists to highlight challenges and unblock any blockages to service delivery in line with the District Development Model (DDM). During the imbizos, the President and Government interacts with communities on their experience of daily life, service delivery challenges, initiatives and solutions by communities to improve socio-economic conditions. The Presidential Imbizos are aimed at giving impetus to the President's stated commitment that no-one will be left behind as government works with all sectors of society to move the country forward.

In February 2022, His Excellency the President established an Inter-Ministerial Task Team (IMTT), chaired by Deputy President David Mabuza that will focus on the resolution of matters that traditional leaders have raised with government over time. As a result, five workstreams have been established and are led by Government Ministers to address the issues raised by traditional leaders but also to ensure that there is a comprehensive approach to efforts of ensuring that rural communities live safe, healthy, dignified lives and to enhance public participation, while also ensuring that traditional leaders are empowered and capacitated to deliver on their mandate in a sustainable manner. The Workstreams have commenced with their work and are expected to meet regularly to provide progress on the work undertaken.

These Workstreams are:

a) Work Stream One: Advancing land ownership, tenure rights and fast-tracking socio-economic development of rural communities, led by the Minister for Agriculture, Land Reform and Rural Development.

b) Work Stream Two: Building Institutional Capacity and ensuring support to Traditional Leaders, led by the Minister for Finance.

c) Work Stream Three: Promoting Unity, Social Cohesion and Nation Building in rural communities, led by the Minister for Sport, Arts and Culture.

d) Work Stream Four: Advancing Infrastructure Investment and Skills Development in rural communities, led by the Minister for Public Works and Infrastructure.

e) Work Stream Five: Fast-tracking the finalisation of policy, legislative and constitutional matters, led by the Minister for Justice and Correctional Services.

As a follow-up to the programme of the IMTT on Traditional Leadership, the Deputy President has undertaken provincial engagements with Provincial Houses of Traditional and Khoi-San Leadership to give account of progress pertaining to the action plans of the workstreams.

In conclusion, I would like to thank all our stakeholders, our partners and our oversight structures for supporting us and strengthening our course of transforming the institution of Traditional Leadership to evolve towards Socio Economic Development of traditional communities.

Mr Obed Bapela, MP

Deputy Minister

5. REPORT OF THE ACCOUNTING OFFICER

Mr Mashwahle Diphofa

Accounting Officer

Department of Traditional Affairs

Mr Mashwahle Diphofa

The 2021/22 financial year saw the Covid-19 pandemic continuing to affect the country and the rest of the world. Within the constraints imposed by the pandemic, the Department of Traditional Affairs continued to focus on its mandate in an effort to contribute towards building a transformed community-oriented institution of traditional leadership.

The following milestones have been recorded by the Department during the year under review;

- The Department has achieved 100% of APP targets. The average performance of the previous five years of the MTSF has been 90%.
- Eight (8) provinces were monitored on the implementation of the agrarian revolution programme. This is a programme that contributes to socio-economic development enabled by the availability of land in traditional communities.
- The implementation of the guidelines on the participation of traditional leadership in municipal IDP processes and the Cooperative governance framework for traditional leadership was monitored in all 8 provinces. This provided the Department with a sense of the extent to which traditional leaders participated in governance and related structures.
- The implementation of initiation policy guidelines during each season was monitored in 9 provinces.
- Two (2) research studies in the Traditional Affairs Research agenda were completed. These studies assist the Department to determine the gaps in existing policies and propose interventions for improvements.
- The proclamation of the commencement of the TKLA.

The Customary Initiation Bill was adopted by Parliament on 16 March 2021. The Bill was assented to by the President on 01 June 2021 and was published in the Government Gazette on 04 June 2021 as Act No. 2 of 2021. The Act commenced on 01 September 2021. As required by the new Act, the National Initiation Oversight Committee (NIOC) was established with effect from 01 November 2021.

Therefore, notwithstanding the challenges experienced, the Department has achieved important milestones during the period under review. I have to credit the employees of the Department who worked tirelessly to ensure that the Department maintains its standard of performance.

Departmental receipts	2021/2022			2020/2021		
	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	50	106	56	49	59	10
Total	**50**	**106**	**56**	**49**	**59**	**10**

Programme Expenditure

Programme Name	2021/2022			2020/2021		
	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	56,711	47,645	9,066	50,685	41,101	9,584
Research, Policy, and Legislation	22,363	20,298	2,065	16,929	15,000	1,929
Institutional Support and Coordination	93,616	86,714	6,902	94,071	81,422	12,649
Total	**172,690**	**154,657**	**18,033**	**161,685**	**137,523**	**24,162**

Virements/roll overs

Virements were effected in accordance with the provision of Section 43 of the PFMA and the National Treasury was informed accordingly.

Reason for the virement

- The Department did not incur unauthorised, fruitless, and wasteful expenditure.
- The virements were to address excess expenditure.

The strategic focus over the short to medium term period

The future plans of the Department from the 2022/2023 financial year extending to the next years of the MTSF are as follows;

a) Implementation of the District Development Model (DDM);

b) Implementation of and monitoring compliance with the Traditional and Khoi-San Leadership Act. The implementation of the TKLA will include among others:

- Supporting the functioning of the Commission on Khoi-San Matters;
- Development of Regulations for identified sections of the TKLA
- Coordinating relevant provincial government departments towards the legal constitution of all statutory structures of traditional and Khoi-San leadership; and
- Setting up institutional mechanisms for TKLA implementation and compliance monitoring.

a) Reduction in initiation related deaths, injuries, kidnappings/abductions and amputations through among others, implementation of the Customary Initiation Act, 2021, and establishment of CIA statutory structures, i.e., the National Initiation Oversight Committee and Provincial Initiation Coordinating Committees;

b) Facilitating the implementation of Socio-Economic Development projects in Traditional Communities;

c) Facilitating the participation of the institution of traditional and Khoi-San leadership in the Land Summit organised by the Department of Agriculture Land Reform and Rural Development;

d) Finalisation of the consultation on the policy proposals on roles and functions of traditional leadership;

e) Implementation of the Traditional Affairs Research Agenda;

f) Once approved, oversee the implementation of the Handbook on Traditional Leadership (tools of trade, guidelines on the provision and utilisation of budget allocations for kingships and queenships, coronation and funeral policies for kings and queens).

Public Private Partnerships

- For the period under review, the Department did not have Public Private Partnerships.

DISCLOSURE OF CHANGES TO THE APP

The Department amended its 2021/2022 Annual Performance Plan (APP) and tabled it in Parliament on 29 September 2021. Implementation of the Amended APP started in the third quarter of the 2021/2022 financial year. The reason for amending the APP was based on the enactment and proclamation for commencement of the TKLA and the CIA which necessitated an addendum to the 2021/2022 Department of Traditional Affairs APP. The amendment was also necessitated by the need to address some technical errors in the APP.

PROGRAMME 2: RESEARCH, POLICY AND LEGISLATION

DISCONTINUED OUTCOME AND OUTCOME INDICATOR: YES

NEW OUTCOME: NONE

DISCONTINUED OUTPUTS AND OUTPUT INDICATORS: YES

NEW OUTPUT AND OUTPUT INDICATOR: YES

Discontinued Outputs	Discontinued Output Indicators	Reasons for discontinuance	Effect on the operations of the department	Financial implications of the discontinued activity
Research Report on Local Houses of Traditional and Khoi-San Leaders i.r.t. issues in section 50 of the TKLA	Number of research studies conducted for the development of TKLA Regulations	The indicator was included as part of the operational plan for non-APP projects of the Department	The discontinuation of the output did not affect the operations of the Department because the output was implemented as part of the operational plan for non-APP projects of the Department.	The budget for the project was still utilised because the output was continued as part of the new output in the operational plan for non-APP projects.
Report of the information on traditional leaders, traditional leadership structures and communities collected from Provinces i.r.t. implementation of the TKLA	Number of Provinces from which information on traditional leaders, traditional leadership structures and communities has been collected i.r.t. implementation of the TKLA	The output included collecting information on traditional councils, houses of traditional and Khoi-San leaders and traditional communities. Since traditional councils could only be constituted by 31 March 2023, and the 2022-2027 houses could only be constituted during the 2022/23 financial year, the output was moved to the 2022/2023 as an operational plan output.	The information on traditional leaders, traditional leadership structures and communities in respect of implementation of the TKLA could not be collected. However, since it was the first year of implementation of the Act, the discontinuation of the output did not affect the operations of the Department much, moreover that part of the information that was to be collected for implementation of the Act was collected as part of the new output on projects/actions in the TKLA Five Year Implementation Schedule implemented.	The budget that was allocated for this output was directed to the new output on 9 kingships/ queenships royal families monitored on implementation of the TKLA and for the output on projects /actions in the TKLA Five Year Implementation Schedule implemented.

Discontinued Outputs	Discontinued Output Indicators	Reasons for discontinuance	Effect on the operations of the department	Financial implications of the discontinued activity
3 kingships/ queenships royal families monitored on implementation of the TKLA and Framework for Resolution of Traditional Leadership Disputes and Claims	Number of kingships kingships/ queenships royal families monitored on implementation of the TKLA and Framework for Resolution of Traditional Leadership Disputes and Claims	Since the TKLA was proclaimed it was necessary to empower and monitor a higher number of kingships / queenships that did not have disputes and litigations. Therefore, the output is included as part of the new target on 9 kingships and queenships Royal Families monitored on implementation of the TKLA	The new target in the amended APP increased the number of kingships/ queenships royal families to be monitored from 3 to 9, making this output part of the new target/output in the amended APP (Refer to the new output in the table below). Therefore, the change/ discontinuation of this output increased its scope and as a result increased service delivery by the Department.	The budget that was allocated for the project was allocated to a new target on 9 kingships/queenships royal families monitored on the implementation of the TKLA.

New Outputs in the Amended APP	New Output Indicators in the Amended APP	Reasons for inclusion	Effect on the operations of the department	Financial implications of the new activity
2021/22 Report on implementation of the TKLA Five-Year Implementation Schedule	Number of 2021/22 projects/actions in the TKLA Five-Year Implementation Schedule implemented	The proclamation and enactment of the TKLA necessitated the inclusion of this indicator to ensure that the implementation of and compliance with the TKLA commences in 2021/22	The output indicator was prioritised for the implementation of the key projects of the TKLA. The new output increased service delivery as it focussed on implementation of the new Act and collecting preliminary information	Additional budget was required to implement the new output. As a result, the part of the budget from the following discontinued activity/output was directed to this new output: • 8 Provinces from which information on traditional leaders, traditional leadership structures and communities has been collected i.r.t. implementation of the TKLA
2021/22 Report on implementation of the CIA Five-Year Implementation Schedule	Number of 2021/22 projects/actions in the CIA Five-Year Implementation Schedule implemented	The proclamation and enactment of the CIA which commenced on 01 September 2021 necessitated the inclusion of this indicator to ensure that implementation of and compliance with the CIA commences during the 2021/2 financial year.	The output indicator was prioritised for the implementation of the key projects of the Customary Initiation Act. The new output increased service delivery as it focussed on urgent priorities in respect of implementation thereof	Additional budget was required to implement the new output. As a result, the project on establishment of a new database for traditional leadership and communities that was in the operational plan for non-APP projects was discontinued, and part of its budget was used to fund this output. Furthermore, part of the budget from the some of the discontinued outputs was directed to this new output:

New Outputs in the Amended APP	New Output Indicators in the Amended APP	Reasons for inclusion	Effect on the operations of the department	Financial implications of the new activity
9 kingships/ queenships royal families monitored on implementation of the TKLA	Number of kingships/ queenships royal families monitored on implementation of the TKLA	Since the TKLA was proclaimed, it was necessary to empower all the kingships/queenships that did not have disputes and litigations in courts Furthermore, the Framework on Resolution of Traditional Leadership Disputes and Claims was an interim measure in the absence of the TKLA. Since the TKLA was promulgated, it was no longer necessary to monitor implementation of the Framework	It increased service delivery for the department because it increased the number of kingships/queenships royal families to be monitored on implementation of the TKLA from 3 to 9.	Increase in the budget allocated for the project since the number of kingships to be monitored increased from 3 to 9. Part of the budget that was allocated to the discontinued output on 3 kingships/queenships royal families monitored on the implementation of the TKLA and Framework for Resolution of Traditional Leadership Disputes and Claims was directed to this output. Furthermore, part of the budget of the project on establishment of a new database for traditional leadership and communities that was in the operational plan for non-APP projects, was discontinued to fund this output.

PROGRAMME 3: INSTITUTIONAL SUPPORT AND COORDINATION DISCONTINUED OUTCOME AND OUTCOME INDICATOR: NONE

NEW OUTCOME: NONE

DISCONTINUED OUTPUTS AND OUTPUT INDICATORS: YES

Discontinued Outputs	Discontinued Output Indicators	Reasons for discontinuance	Effect on the operations of the department	Financial implications of the new activity
Implementation of the social cohesion programme	Number of Provincial Houses of Traditional Leaders monitored on the implementation of the Social Cohesion programme	The output and output indicator were included in the APP of the NHTKL	The NHTKL quarterly and annual reports are prepared and processed separately in line with section 38 of the TKLA.	None, as the work of the NHTKL is included in the Department's budget
Awareness campaigns on the customary initiation practice conducted	Number of awareness campaigns conducted on the customary initiation practice	The output and output indicator were included in the APP of the NHTKL	The NHTKL quarterly and annual reports are prepared and processed separately in line with section 38 of the TKLA.	None, as the work of the NHTKL is included in the Department's budget
Provinces monitored on adherence to initiation policy guidelines	Number of Provinces monitored on adherence to initiation policy guidelines	The output and output indicator were included in the APP of the NHTKL	The NHTKL quarterly and annual reports are prepared and processed separately in line with section 38 of the TKLA.	None, as the work of the NHTKL is included in the Department's budget

NEW OUTPUTS AND OUTPUT INDICATORS: YES

New Outputs in the Amended APP	New Output Indicators in the Amended APP	Reasons for inclusion	Effect on the operations of the department	Financial implications of the new activity
Monitoring reports on the implementation of social cohesion programme by Provinces	Number of Provinces monitored on the implementation of social cohesion programme	To implement the Social Cohesion Strategy of the Department	The output indicator was prioritised for implementation.	None, as the Department used existing internal capacity to implement
South African indigenous languages promotion plan developed	Number of South African indigenous languages promotion plan developed	To implement the Social Cohesion Strategy of the Department	The output indicator was prioritised for implementation.	None, as the Department used existing internal capacity to implement
Structures of traditional leaders trained on CIA	Number of structures of traditional leaders trained on CIA	The indicator was included because of the commencement of the Customary Initiation Act	The output indicator was prioritised for the implementation of the CIA.	None, as the Department used existing internal capacity to implement

PROGRAMME 1: ADMINISTRATION

NEW OUTCOME AND OUTCOME INDICATOR: NONE

New Outcome in the Amended APP	New Outcome Indicator in the Amended APP	Reasons for inclusion	Effect on the operations of the department	Financial implications of the new activity
N/A	N/A	N/A	N/A	N/A

NEW OUTPUT AND OUTPUT INDICATOR: NONE

New Outputs in the Amended APP	New Output Indicators in the Amended APP	Reasons for inclusion	Effect on the operations of the department	Financial implications of the new activity
N/A	N/A	N/A	N/A	N/A

- Supply chain management
  - For the period under review, there were no unsolicited bid proposals concluded.
  - The Department further conducted a workshop on unauthorised, fruitless, and wasteful expenditure and the approved Supply Chain Management Policy. Reforms and National Treasury directives were communicated to the entire staff through Circulars. Systems are in place to detect and prevent unauthorised, fruitless, and wasteful expenditure.
  - Challenges experienced in SCM and how they were resolved.
  - Non-compliance with CSD requirement by most of the SMME's which impacts on and excludes them from participating in the mainstream economy.
  - The Department will raise these issues through relevant structures such as the SCM Forum convened on quarterly basis by National Treasury.
- Gifts and Donations received in kind from non-related parties.
  - None
- Exemptions and deviations received from the National Treasury.
  - None
- Events after the reporting date
  - At the time of reporting, there were no material events affecting the Department that had an impact on the Annual Financial Statements
- Other matters (Fraud and Corruption)
  - There were no cases of alleged fraud and corruption reported during the period under review.
- **Acknowledgement/s or Appreciation**

The Department's achievements in the year under review were made possible by dedicated officials, and the cooperation and support from our provincial counterparts, the National House of Traditional and Khoi-San Leaders (NHTKL), the Minister and Deputy Minister, and our various stakeholders.

Conclusion

We thank the Minister and the Deputy Minister for their political leadership provided throughout the year under review. We also thank the Audit Committee for the support and advice it provided throughout the financial year.

Mr Mashwahle Diphofa

Accounting Officer

Department of Traditional Affairs

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

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

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2022.

Yours faithfully

Mr Mashwahle Diphofa

Accounting Officer

7. STRATEGIC OVERVIEW

Vision

A community development-oriented institution of traditional leadership.

Mission

To provide a national traditional affairs governance system in support of cooperative governance for an improved quality of life of South Africans.

Values

- Ethical
- Cooperative
- Women empowerment focused
- Gender equality
- Responsiveness
- Culturally sensitive
- Accountable
- Client focused
- Transformative

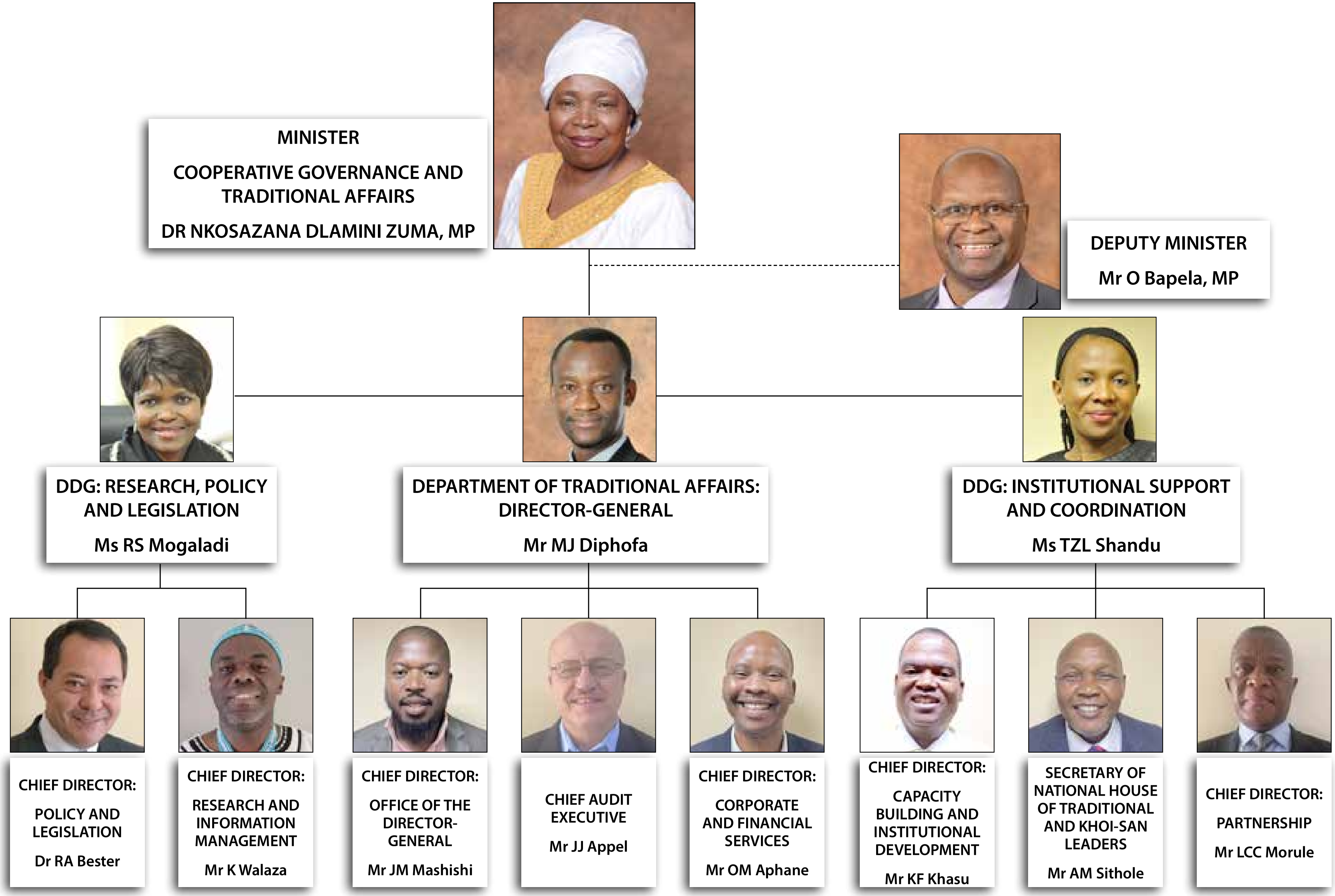
8. LEGISLATIVE AND OTHER MANDATES

NO	LEGISLATION	DESCRIPTION
1	Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) (TKLA)	The TKLA was assented to on 20 November 2019 and published in the Government Gazette on 28 November 2019 as Act No. 3 of 2019. The TKLA consolidates the existing legislation (the TLGFA and the National House Act) and subsequently will repeal those laws. It also addresses shortcomings that were identified during the implementation of those two pieces of legislation. Of historic value is that the TKLA, for the first time ever, makes provision for the statutory recognition of Khoi-San communities and leaders. For this purpose, a Commission on Khoi-San Matters must be established which Commission will operate at national level. The TKLA also provides an enabling provision for the Department to monitor the implementation of this new law.
2	Customary Initiation Act, 2021 (Act No. 2 of 2021) (CIA)	The Customary Initiation Act was proclaimed by the President with the date of commencement as 1 September 2021. The Department has commenced with the implementation of the Act.

NO	LEGISLATION	DESCRIPTION
3	Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act (Act 19 of 2002)	This Act provides for the promotion and protection of the rights of cultural, religious and Linguistic Communities, inclusive of traditional communities, Khoi and San and Interfaith.
4	Local Government: Municipal Structures Act (Act 117 of 1998)	The Municipal Structures Act in section 81 lays down the procedure for the participation of traditional councils through their leaders in the proceedings of municipal councils.
5	Local Government: Municipal Systems Act (Act 32 of 2000)	The Municipal Systems Act in sections 16, 17, 29, 42 and 76 provide a role for traditional councils and traditional leaders in development including consultation of traditional councils in the compilation of integrated development plans (IDPs). This includes consultation in development and service delivery initiatives in traditional areas. The specific sections provide as follows: a) Sections 4(2)(c),16 and 17: public participation to include traditional leaders and their councils. b) Section 29: involvement of traditional councils in the compilation of integrated development plans. c) Section 42: involvement of community to include traditional communities in the development, implementation and review of a municipality's performance management system. d) Section 76: entering into service delivery agreements between municipalities and the traditional councils for the performance of certain services by the traditional councils.
6	Interim Protection of Land Rights Act (IPLRA) (Act 31 of 1996)	Provides for the temporary protection of certain rights to and interests in land which are not otherwise adequately protected by law; and to other matters.
7	Spatial Planning and Land Use Management Act (SPLUMA), 2013. (Act 16 of 2013)	SPLUMA aims to develop a new framework to govern planning permissions and approvals, sets parameters for new developments and provides for different lawful land uses in South Africa. SPLUMA is a framework law, which means that the law provides broad principles for a set of provincial laws that will regulate planning. SPLUMA also provides clarity on how planning law interacts with other laws and policies.
8	Extension of Security of Tenure Act, 1997. (Act 62 of 1997)	To amend the Extension of Security of Tenure Act, 1997, so as to amend and insert certain definitions; to substitute the provision of subsidies with tenure grants; to further regulate the rights of occupiers; to provide for legal representation for occupiers; to further regulate the eviction of occupiers by enforcing alternative resolution mechanisms provided for in the Act; to provide for the establishment and operation of a Land Rights Management Board; to provide for the establishment and operation of Land Rights Management Committees to identify, monitor and settle land rights disputes; and to provide for other matters.
PENDING LEGISLATION		
9	Traditional Courts Bill	The Traditional Courts Bill was developed to replace Sections 12 and 20 of the Black Administration Act of 1927, colonial-era provisions that empower traditional leaders to determine civil disputes and try certain offences in traditional courts. The TCB's stated aim is to advance South Africans' access to justice by recognising the traditional justice system in a way that upholds the values in customary law and the Constitution.

NO	LEGISLATION	DESCRIPTION
INTERNATIONAL, CONTINENTAL AND REGIONAL INSTRUMENTS		
10	UN Sustainable Development Goals	• Goal 1: End poverty in all its forms everywhere • Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture • Goal 5: Achieve gender equality and empower all women and girls • Goal 10: Reduce inequality within and among countries • Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable • Goal 13: Take urgent action to combat climate change and its impacts • Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss • Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development
11	African Union Agenda 2063	• A Prosperous Africa, based on Inclusive Growth and Sustainable Development • An Integrated Continent, Politically united and based on the ideals of Pan Africanism and the vision of African Renaissance • A Peaceful and Secure Africa • Africa with a Strong Cultural Identity Common Heritage, Values and Ethics • An Africa whose Development is people driven, relying on the potential offered by African People, especially its Women and Youth, and caring for Children
NATIONAL PLANS		
12	National Development Plan	Chapter 6: An integrated and inclusive rural economy Chapter 13: Building a capable and developmental state Chapter 15: Transforming society and uniting the country Chapter 8: Transforming Human Settlements
13	MTSF	Priority 1: A capable, ethical and developmental state Priority 2: Economic transformation and job creation Priority 5: Spatial integration, human settlements and local government Priority 6: Social cohesion and safer communities

9. ORGANISATIONAL STRUCTURE



10. ENTITIES REPORTING TO THE MINISTER

The Department does not have entities reporting to the Minister, however, it makes a transfer to the CRL Rights Commission, a Chapter 9 Constitutional Body that reports directly to Parliament and not to the Minister.

a. Structures within the department

The Department has the National House of Traditional and Khoi-San Leaders which is a sub-programme of the ISC Branch and the Commission on Khoi-San Matters which is a sub-programme of the RPL Branch, hence, they are reflected in this section. The transfer for the CRL Rights Commission is also part of the ISC Branch. This is elaborated on further in the table below:

Chapter 9 Constitutional Body/ Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act (Act 19 of 2002). The Commission's mandate is to promote and protect the rights of Cultural, Religious and Linguistic Communities, inclusive of traditional, Khoi-San and interfaith communities	Transfer payment	Promotion and protection of the rights of Cultural, Religious and Linguistic Communities
National House of Traditional and Khoi-San Leaders (NHTKL)	Derives its mandate from the TKLA and its mandate is to advise government on traditional leadership and interests of traditional communities	The NHTKL is a sub-programme of, and its budget allocation is under the ISC the Institutional Support and Coordination (ISC) Programme	The operations and functions of the NHTKL are as defined in the TKLA

PART B:

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives 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 106 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The District Development Model (DDM) has been the focus of emphasis for implementation as adopted by the current administration. Accordingly, the Department of Traditional Affairs (DTA) aligned its plans and programmes with the DDM. The launch of the three pilots, namely, the OR Tambo district, eThekwini metro and Waterberg district exerted further impetus to the dedicated focus on the DDM by Departments.

Legally recognised traditional leadership exists in eight of the nine provinces. The province that does not have legally recognised traditional leaders is the Western Cape. Of the 52 Districts/Metros, there is a total of 32 Districts/ Metros that have legally recognised traditional leadership in the country.

The Department has to date, profiled and analysed 32 districts and metros with traditional leadership. The analysis is intended to contribute towards the development of One Plans for each of the 32 districts and metros which would be factored into the One Plans coordinated by the Department of Cooperative Governance for the respective district and metropolitan municipalities.

Participation of traditional leaders in Municipal Councils

Effective participation of traditional leadership in local government planning and service delivery is one of the factors that have the potential to strengthen the planning and implementation of the DDM. Participation of traditional leaders in municipal councils is regulated by Section 81 of the Municipal Structures Act (Act 117 of 1998). Section 81 of the Act provides for the participation of traditional leaders in the proceedings of a municipal council, further that the traditional leaders must be allowed to attend and participate in any meeting of the council. Whereas section 81(2) of the Act provides the systems and processes to be followed which should enable the participation of traditional leaders in municipal councils. The systems and processes include the gazetting of the names of the identified traditional leaders by the MEC for Local Government. In this regard, traditional leaders in all the eight provinces participate in municipal councils, although such participation is uneven. However, seven of the eight provinces gazetted the participation of traditional leadership in their Districts Councils. It is only in the Northern Cape, where such participation is not gazetted, and which has resulted in some of the traditional leaders not participating in the municipal councils. In some instances, such as in the City of Tshwane, though the participation is gazetted, traditional leaders are not attending council meetings but have delegated members of traditional councils to attend such meetings.

Section 81(3) of the Municipal Structures Act provides that the municipal council must give the traditional leaders who participate in municipal councils the opportunity to express their views before taking decisions on matters directly affecting the areas of traditional leadership. Some of the municipalities do allow traditional leaders to address councils during municipal council sittings/meetings. For instance, in most of the municipalities in the North West and Limpopo provinces, if the council has to take a decision affecting a particular traditional community, the traditional leader of that community is given an opportunity to address the council. This practice should be considered as a positive element towards strengthening relations between traditional leadership and municipalities and may enhance effective implementation of the DDM.

The analysis of the profiling further found that the participation of traditional leaders and their communities in municipal Integrated Development Planning (IDPs) is equally important. The participation of traditional leadership in municipal IDP processes serves as an enabler for the institution to influence municipal plans and the projects implemented in areas under the jurisdiction of traditional authorities. There are challenges which have hindered the effective participation of traditional leadership in municipal IDP processes. The challenges continue to exist despite the efforts of the DTA to improve and enhance harmonious and collaborative relations as envisaged through legislation. The DTA working with provinces shall pay focused attention to the participation of traditional leadership in these processes.

Legal Constitution of Traditional and Khoi-San Leadership Structures

The Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019), which was published in the Government Gazette on 28 November 2019, is of historic value as it is the first legislation that provides for the statutory recognition of the Khoi-San communities and leaders, provided they meet the criteria contained in the Act.

The TKLA commenced on 1 April 2021, giving rise to the establishment of the Commission on Khoi-San Matters. The Commision receive and investigate applications for recognition of Khoi-San communities and leaders. The Commission will make recommendations to the Minister in this regard and the Minister will have the power to recognise such communities and leaders. There is thus currently no legally recognised Khoi-San communities or leaders in South Africa. The Act makes provision for two Khoi-San leadership positions namely, senior Khoi-San leaders and branch heads.

Traditional leaders are legally recognised at all levels (kingship, queenship, principal traditional leadership, senior traditional leadership, and headmen/headwomen). However, although the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003) (Framework Act), made provision for the establishment of traditional leadership structures such as kingship or queenship councils, principal traditional councils and traditional councils, the timeframes within which these structures had to be legally constituted or reconstituted lapsed. Until such time that the relevant traditional leadership structures have been legally constituted or reconstituted, their legal status and standing will remain uncertain and could be challenged. This may also impact negatively on the statutory duties and responsibilities of such structures. The Traditional Leadership and Khoi-San Leadership Act provides enabling provision for their legal constitution.

Disestablishment of Community Authorities

In terms of the Framework Act community authorities had to be disestablished within certain time frames. Similar to the constitution of traditional leadership structures, the timeframes within which community authorities had to be disestablished lapsed. Very few were disestablished within the legislated timeframes.

There is a total of 56 community authorities in Limpopo, KwaZulu Natal, North West and Gauteng Provinces. Of the 56, five (5) are in KZN, twenty-six (26) in Limpopo, twenty-three (23) in the North West and two (2) are in Gauteng. All the five (5) community authorities in KZN are within the Ethekwini Metro. In Limpopo, nineteen (19), five (5), one (1) and (1) are in Vhembe, Capricorn, Waterberg and Greater Sekhukhune Districts, respectively. In the North West, seventeen (17) and six (6) community authorities are in Bojanala and Ngaka Modiri Molema Districts, respectively. With the promulgation of the TKLA, there is now a need for the community authorities to be disestablished within the prescribed timeframes.

Landless traditional leaders

There are currently some recognised traditional leaders and their communities without defined areas of jurisdiction. Provinces with landless traditional leaders are KwaZulu-Natal, Mpumalanga and the Free State. This situation was as a result of apartheid legislation, which provided for the recognition of traditional leaders and their communities without the concomitant need to establish a "tribal authority" and define an area of jurisdiction of the "tribal authority".

In Mpumalanga there are nine landless traditional leaders, of which seven (7) are in the Gert Sibande District and two (2) in the Enhlanzeni District. In KZN, there are twenty-eight landless traditional leaders, of which seven (7) are in Zululand District, four (4) are in Amajuba District, five (5) in Uthukela District, four (4) in iLembe District, seven (7) in Umgungundlovu District and one (1) in King Cetshwayo DM. Initially there were two landless traditional communities in the FS province, one in Phumelela and the other in Maluti -A- Phofund (M-A-P) The one in M-A-P was given land outside of Harrismith.

Provinces should have an intervention to address this challenge to enable traditional leadership to support implementation of the DDM.

Traditional Leadership Disputes and Claims

Analyses of the profiles discovered a number of traditional leadership disputes and claims that may hinder DDM planning and implementation in almost all the areas of jurisdiction of traditional leadership. The disputes include both boundary (jurisdictional) and succession/leadership disputes.

The Department together with its provincial counterparts and structures of traditional leadership are required to implement the DDM. In this regard, the Department participates in the teams established by the Ministry to fast track the DDM implementation. Both the DDM and the MTSF, including other priorities informed the Strategic Plans and Annual Performance Plans of the Department for 2020/2025 and 2021/2022, respectively. The draft 2020/2025 Strategic Plan and the 2021/2022 Annual Performance Plan of the Department were submitted to DPME before end of October for consideration as a requirement based on the Revised Framework for Strategic Plans and APP, 2019 and were tabled in Parliament.

Towards the middle of March 2020, the COVID-19 pandemic had the South African Government making preparations for precautionary measures that had to be applied to reduce the rate of infections in order to flatten the curve and to prepare for the capacity of the health system to be enabled to manage the need for COVID-19 related health services. The President announced the nation-wide lockdown effectively from 26 March 2020 in order to save the lives of South Africans from the disastrous COVID-19 pandemic. This was followed by the announcement of different levels of the national lockdown, which is level 5 to 1, which had placed varied restrictions on movement of people, business operations, Government services, social aspects of life and many other activities.

As a result, the operations of the Department too were affected by the restrictions, which saw a reduced staff complement being able to work from the central workplace location and the rest working from home. In order for the Department to be able to cope with the situation, arrangements were made to provide staff with masks, gloves and sanitizers. The Department complied with the necessary COVID-19 protocols as prescribed by the Department of Labour, Public Service and Administration and other Departments, which are responsible for COVID-19 regulations in line with the National Disaster Management Act.

Notwithstanding the interventions put in place, the Department continued to experience the following challenges among others, during the year under review.

The persistent challenges pertaining to the cultural initiation practice

The cultural initiation practice takes place in all the provinces and in some provinces, initiation takes place in winter, in others in summer, while in others initiation takes place both during the summer and winter seasons. This cultural practice is faced with a number of challenges in some provinces while others are doing fairly very well. In this regard, there are some provinces, such as Limpopo, that are considered best practice on initiation matters, given the minimal challenges faced. The following are the challenges faced in relation to initiation:

- Unregistered /illegal schools;
- Abduction of boys;
- Bogus and Inexperienced traditional surgeons;
- Non-screening of initiates for health status;
- Lack of/ minimal involvement of parents, traditional leaders and community members in some areas;
- Physical abuse of initiates, including assault and deprivation of water;
- Poor monitoring of initiation schools;
- Increased number of deaths of initiates.
- Cross-provincial border challenges, e.g. GP/MP, GP/LP, GP/FS, GP/NW, NW/LP, NC/FS/, EC/ WC/, KZN/EC;
- Injuries of initiates (including amputations); and
- Deaths of initiates.

Most of these challenges are prevalent in the Eastern Cape Province. In an effort to address the increased number of deaths and other initiation related causalities, the following are some of the interventions made:

- Outreach programmes to ensure community participation
- Awareness campaigns
- Active involvement of the law enforcement agencies
- Prosecution of the owners of unregistered initiation schools
- Compulsory pre-medical examination/screening
- Working closely with other role players in ensuring that monitoring teams are well resourced
- Involvement of the Institution of Traditional Leadership to monitor initiation on daily basis within the area of jurisdiction of each Traditional Leader
- Strengthened partnership with various government departments, in particular the Department of Health and other organisations, for medical interventions on sites

Meaningful participation and involvement of traditional leadership in government structures

The TKLA, some policies and sections of the local government legislation, such as the White Paper on Local Government, the Structures Act and the Systems Act, promote cooperative relations between traditional leadership and local government. The TKLA is precise about the role of the traditional leadership in relation to all the spheres of government. The roles include the facilitative and advisory ones and support as well as participation in government development programmes. The participation of traditional leadership in government development programmes occurs in governance structures. Often, traditional leadership is not part of some of the structures. It is in light of the above that the DTA considers the meaningful participation and involvement of traditional leadership in government development programmes as work in progress.

The Systems Act provides for the participation of traditional leadership in the development and amendment of the IDP. The same Act further allows traditional leadership to be part of the performance review of municipalities. The TKLA on the other hand empowers traditional leaders to be part of the government developmental agenda by participating, supporting, advising, and by being part of initiatives that are aimed at monitoring, reviewing or evaluating government programmes in traditional communities.

Despite all of the above legislative prescripts, challenges pertaining to traditional leadership's meaningful participation in government development programmes continue to exist. The DTA shall contribute to improve their meaningful participation in government development programmes during the 2022-2023 financial year and beyond.

Challenges related to the implementation of socio-economic development in traditional communities

Some of the legislated roles of structures of traditional leadership are effective participation and involvement in socio-economic development programmes of municipalities, provincial and national spheres of government; and to support municipalities in the documentation and realisation of community needs. Notwithstanding that some of the structures of traditional leadership are able to perform these roles and there are successful traditional leadership projects for socio-economic and rural development at community level, best partnerships for community development between traditional leadership, private and government institutions, many structures are still not able to perform these roles. Some of the challenges in this regard are capacity and financial challenges within structures of traditional leadership.

The Department has revisited its capacity building initiatives for the sector and has, in partnership with the Local Government Sector Education and Training Authority developed a new induction programme. This was carried out in line with the TKLA provisions. This will remain part of the focus of the Department in the coming years.

2.2 Service Delivery Improvement Plan

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

Main services and standards

Main services	Beneficiaries	Actual standard of service	Desired standard of service	Actual achievement
Resolution of kingships and queenships' disputes and claims	Traditional leadership, Royal Families and communities	The Department processes litigations on disputes and claims finalised by the courts by preparing and submitting documentation to the President to gazette and recognise the kingships, queenships and kings or queens in order to restore their dignity within fifteen days after the court ruling	The Department processes litigations on disputes and claims finalised by the courts by preparing and submitting documentation to the President to gazette and recognise the kingships, queenships and kings or queens in order to restore their dignity within seven days after the court ruling	The Department has facilitated implementation of court decisions on kingship claims by preparing and submitting documentation to the President to gazette and recognise the kingships and kings in order to be within seven days after the court ruling
		The Department provides support to all kingships and queenships without disputes to develop their customary laws of succession and genealogies in order to reduce traditional leadership disputes and claims within their royal families	The Department provides support to all kingships and queenships without disputes to develop the customary laws of succession and genealogies in order to reduce traditional leadership disputes and claims within their royal families	Draft Guidelines for Kingships/queenship Royal Families on the Documentation of Customary Laws of Succession were developed Draft TKLA Regulations for the same purpose were also developed to address challenges on traditional leadership disputes and claims 9 Kingships/ queenships were workshopped on the Guidelines
		The Department has a National Framework for Resolution of Traditional Leadership Disputes and Claims to guide provinces to set up systems for the management of traditional leadership disputes and claims for traditional leadership below kingship and queenship so that they can support the royal families thereof to manage their disputes and claims	The Department convenes monthly meetings with Provinces on the implementation of the National Framework to guide provinces to set up systems for the management of traditional leadership disputes and claims for traditional leadership below kingship and queenship so that they can support the royal families thereof to manage their disputes and claims	The National Framework was developed as an interim measure prior to the commencement of the TKLA. This service was therefore discontinued due to the coming into effect of the TKLA. The Guidelines indicated above relates to implementation of the relevant provisions of the TKLA for the same purpose. Draft TKLA Regulations for the same purpose have been developed.

Main services	Beneficiaries	Actual standard of service	Desired standard of service	Actual achievement
		The Department has in place a system to manage and respond to enquiries on traditional leadership disputes and claims efficiently within a month of receipt	The Department has in place a system to record, manage and respond to enquiries on traditional leadership disputes and claims efficiently and within two weeks of receipt	The Department has in place a system to record, manage and respond to enquiries on traditional leadership disputes and claims efficiently and within two weeks of receipt

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

Current/actual arrangements	Desired arrangements	Actual achievements
Briefing sessions with affected claimants.	Sessions with affected claimants.	Standard Operating Procedures on the processing of TKLA section 3(1) kingships/queenships applications An application form for kingship/queenship was developed and referred to the claimants.
Facilitating public hearings/interviews with claimants prior to development of a report to the relevant authority.	Public hearings/ interviews with claimants prior to development of a report to the relevant authority.	The Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003) has been repealed by the TKLA which commenced on 01 April 2021. Therefore, this Batho-Pele arrangement is no longer applicable. The TKLA established the Commission on Khoi-San Matters which is mandated by the Act to receive and process Khoi-San leadership and communities' applications for recognition. The Commission commenced on 01 Sept 2021 and has started receiving applications for Khoi-San leadership and communities' recognition.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Claimants are taken through the qualification criteria for lodgement of disputes and claims and for the recognition of different levels of traditional leadership as outlined in the Traditional Leadership Governance Framework Act.	Qualification criteria for lodgement of disputes and claims and for the recognition of different levels of traditional leadership.	This was done whilst the Commission was still in operation. This is no longer applicable because the Framework Act was repealed by the TKLA. However, the Commission on Khoi-San Matters which is established by the TKLA launched awareness campaigns on the application process in March 2021. The awareness campaign among others informs members of the public on the qualification criteria for recognition of different levels of Khoi-San communities and leaders as outlined in the TKLA

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
When a claimant is aggrieved by the results or outcome of the investigation or reports by the CTLDC regarding his/her claim or dispute, he/she can approach the courts.	When a claimant is aggrieved by the results or outcome of the investigation or reports by the CTLDC regarding his/her claim or dispute, he/she can approach the courts.	This is no longer applicable because the Framework Act was repealed by the TKLA. However, applicants for recognition as Khoi-San communities and leaders may lodge their grievances with the Secretariat of the Commission on Khoi-San Matters.

2.3 Organisational environment

The Department has performed significantly above average and achieved all its set targets. There were significant developments that affected the Department during the period under review relating to the persistent pressure to deliver owing to capacity challenges experienced and challenges brought by coronavirus pandemic.

The District Development Model (DDM) has been the focus of emphasis for development and implementation, as Government as a whole, including the Department of Traditional Affairs. The DDM launches in various districts exerted further impetus to the dedicated focus on the DDM. The Department and Traditional Leaders participating in their districts undertook to contribute towards the development of the One Plans for each district.

The Traditional and Khoi-San Leadership Act (TKLA) was proclaimed by the President with the date of commencement as 1 April 2021. The Department has commenced with the implementation of the Act.

The Customary Initiation Act was proclaimed by the President with the date of commencement as 1 September 2021. The Department has commenced with the implementation of the Act.

The capacity of the Department in terms of human and financial resources remains a critical challenge with high risk. The Department has commenced with the review of the organisational structure and is also pursuing various means to address the financial constrains faced.

2.4 Key policy developments and legislative changes

The key policy developments and legislative changes relates to the enactment and proclamation for commencement of the TKLA and CIA which commenced on 1 April and 1 September 2021 respectively.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department has the following five outcomes:

- Effective governance of the Department
- Safe initiation practices
- Functional institution of traditional and Khoi-San leadership
- Transformed institution of traditional leadership
- Developed communities in areas of traditional leadership

Progress made towards the achievement of the 5-year targets

Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
1	Effective governance of the Department	Number of unqualified audit outcomes over the MTSF period	5	The Department obtained an unqualified audit opinion in 2021/22 financial year and thus, it has managed to achieve the five-year target of the MTSF.
2	Safe initiation practices	% of initiation schools complying with the Customary Initiation Act (CIA) Provisions	75%	The Customary Initiation Act has been enacted and proclaimed for commencement by 1 September 2021. The act makes provision for the establishment of NIOC and PICCs. The work of the NIOC and PICC is to regulate the customary initiation practice to ensure that initiation schools complies with the CIA provisions.
3	Functional institution of traditional and Khoi-San leadership	Number of provinces implementing (and complying with) the Handbook for Traditional Leadership	9	The Handbook has been developed and consulted upon with relevant stakeholders and it was continued because it is now at the level of Minister's Budget Forum and therefore it is finalised at the level of the Department. A total of 8 out of 9 Provinces are implementing the 2013 minimum norms and standards for the provisions of tools and trade and other enabling resources for traditional leadership, though the level of implementation differs from one Province to another. The Handbook is meant to bring about some level of standardization and will replace the 2013 minimum norms and standards once approved. Compliance with the Handbook will only be monitored once it is approved for implementation.
4		% of local houses of traditional and Khoi-San leaders performing their roles and functions as provided for in the Framework on roles and functions of Traditional Leaders	75%	There are 32 Local Houses of Traditional Leaders (LHTL) in 8 Provinces with traditional leadership. The new Traditional and Khoi-San Leadership Act (TKLA) provides for the roles and functions of LHTL. The enactment of the Act provided an enabling provision for the performance of roles and functions by LHTL in terms of section 50 and section 81 of the Municipal Structures Act of the TKLA. The Department will monitor and support the LHTL to ensure the performance of their roles and functions as provided for by the TKLA.
5		% of traditional and Khoi-San Councils constituted in compliance with the TKLA provisions	75%	The TKLA, in section 16 provides for the constitution of traditional councils. All traditional councils have been provided with a time frame of 2 years to have been constituted in line with the recently enacted TKLA which also aligned the terms of offices of the constituted councils with that of the NHTL. It is expected that 100% of the councils will be constituted by end of 2022/23.
6		Number of Traditional Leaders trained through new programmes	829	A total of 829 recognised traditional leaders will be trained with new programmes to understand their roles and functions. The training of members will be commencing during the 2021/2022 financial year and all 829 traditional leaders would be trained by end of 2022/23 financial year. To date, a total of 441 traditional leaders were trained on the Traditional and Khoi-San Act, No 3/2019.

Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
7		Percentage of Traditional Councils trained through new programmes	50%	A total of 829 recognised traditional councils will be trained on new programmes to understand their roles and functions when carrying out their council work. The training of traditional councils commenced during the 2021/2022 financial year and the 50% target would be achieved by end of 2022/23 financial year. Traditional Councils are yet to be reconstituted in line with the TKLA. The department has further developed a training manual on Customary Initiation Act (CIA) which is being rolled out to structures of the Institution of Traditional Leadership during 2022/23 financial.
8	Transformed institution of traditional leadership	% of received Khoi-San applications for recognition processed and recommended to the Minister for a decision	75%	The enactment of the TKLA and its commencement by 1 April 2021 is a step closer towards the recognition of the Khoi-San communities and leaders. The Commission for the Khoi-San Matters is receiving applications for recognition and the applications are processed and will be recommended to the Minister for recognition during the term of office of the Commission.
9	Developed communities in areas of traditional leadership	Number of projects implemented based on a re-modelled Agrarian Revolution Programme	60	The Department, working with the Department of Cooperative Governance (DCoG), worked on the remodeling of the Agrarian Revolution programme during the previous financial year. The remaining MTSF will see 60 agrarian revolution projects implemented in line with the remodeled approach.
10	Transformed institution of traditional leadership	% of local houses participating in the District Development Model	100%	The Department has profiled all 32 districts and metros with traditional leadership as a key component for the District Development Model (DDM). The Department further developed a Guide to support the participation of traditional leadership in the DDM processes. The Guide dealt with the "how factor" for traditional leadership when participating in the DDM. The Guide deals with the roles of the Traditional Leaders from the various traditional leadership structures. The initiative of the Department sought to facilitate the involvement and participation of the institution in DDM. The Department monitored the participation of the 32 Local Houses of Traditional leaders in the DDM activities during the 2021-2022 financial year. In addition to monitoring the participation of the Local Houses of traditional leaders in the DDM processes, the Department was able to identify challenges hindering effective participation in DDM processes, where such existed, and proposed possible solutions.
11		% of Houses of Traditional Leaders participating in social cohesion programmes (as custodians of culture)	100%	The Department has developed a Social Cohesion Strategy for traditional leadership during the previous year. The task ahead is about capacitating Houses of Traditional Leaders on the Strategy. From the 2022/2023 financial year onward, 100% of Houses will be required to implement the provisions of the Social Cohesion Strategy and that will form the basis of their monitoring to ascertain the percentage of their participation.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Programme 2: Research, Policy and Legislation

Purpose

To provide research and traditional leadership information management systems as well as to develop, implement, monitor and review traditional affairs policies and legislation.

Description

The two sub-programmes of the Research, Policy and Legislation Programme in addition to RPL Management, are:

Policy and Legislation: To develop, manage implementation of, monitor and review traditional affairs policies and legislation. The sub-programme also supports provinces in the development, implementation and alignment of provincial and national traditional affairs policies and legislation.

Research and Information Management: To provide research, establish and manage information on traditional and Khoisan leadership, institutions and communities and establish systems for the management of traditional and khoi-san leadership disputes and claims

Outcomes that the Programme Contributes towards

- Transformed institution of traditional leadership
- Functional institution of traditional and Khoi-San leadership

Table 2.4.4.1:

This table provides a report against the originally tabled Annual Performance Plan which covers the first and second quarters of the 2021/2022 financial year

Programme 2: Research, Policy and Legislation									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2019/2020**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2021/2022**	***Actual Achievement 2021/2022 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2021/2022**	**Reasons for deviation**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Functional institution of Traditional Leadership	Kingships and Queenships Royal Families monitored on implementation of the TKLA and the Framework on Resolution of Traditional Leadership Disputes and Claims	Number of Kingships and Queenships Royal Families monitored on implementation of the TKLA and the Framework on Resolution of Traditional Leadership Disputes and Claims	Framework on Resolution of Traditional Leadership Disputes and Claims reviewed	8 Provinces namely: (Kwa-Zulu Natal, Free State, Eastern Cape, Limpopo, Gauteng, North-West, Northern Cape and Mpumalanga were monitored on implementation of the National Framework for Resolution of Traditional Leadership Dispute and Claims	3 Kingships and Queenships Royal Families monitored on implementation of the TKLA and the Framework on Resolution of Traditional Leadership Disputes and Claims	**Achieved** **(Q1)** Analytical report of the institution of traditional leadership on issues related to sections 3-14 of the TKLA was developed **Achieved** **(Q1)** Functionality Criteria and monitoring tool for assessing the functionality of Royal Families i.r.t. implementation of the TKLA and the Framework on Resolution of Traditional Leadership Disputes and Claims was developed	N/A	N/A	Since the TKLA was proclaimed it was necessary to empower and monitor a higher number of kingships / queenships that did not have disputes and litigations on the Act. Therefore, the output was included as part of the new target on 9 kingships and queenships Royal Families monitored on implementation of the TKLA

Programme 2: Research, Policy and Legislation									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022 until date of re-tabling	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviation	Reasons for revisions to the Outputs / Output indicators / Annual Targets
						Achieved **(Q2)** The Bapedi Kingship was monitored on implementation of the TKLA and the Framework on Resolution of Traditional Leadership Disputes and Claims			
	Research Report on Local Houses of Traditional and Khoi-San Leaders i.r.t. issues in section 50 of the TKLA	Number of research studies conducted for the development of TKLA Regulations	-	-	1 (Research on Local Houses of Traditional and Khoi-San Leaders i.r.t. issues in section 50 of the TKLA conducted)	**Achieved** **(Q1)** Research Proposal on Local Houses of Traditional and Khoi-San Leaders i.r.t. issues in section 50 of the TKLA was developed and approved by the Director-General	None		The indicator was included as part of the new indicator on number of projects in the TKLA Five-Year Implementation Schedule implemented.

Programme 3: Institutional Support and Coordination

Purpose

To promote institutional development and capacity building for the institution of traditional leadership and facilitate partnerships between the institution of traditional leadership and all spheres of government, civil society and private sector.

Description

The sub-programmes within the Institutional Support and Coordination Programme are:

Secretariat of the NHTKL: To provide secretariat, administrative and research support to the NHTKL. In collaboration with the NHTL and the Department, the Secretariat provides planning, performance reporting services to the House and assists the House to implement the House Strategic Plans and APPs. The Secretariat also supports the House to comply with financial, planning, performance reporting and corporate governance prescripts.

Institutional Development and Capacity Building: To ensure that structures of traditional leadership are empowered by reviewing, developing, implementing and monitoring national institutional support programmes.

Partnerships: To promote and integrate the role and place of the institution of traditional leadership, including Khoi-San leadership and structures in the South African governance system by establishing collaborative relations between the institution and other governance structures across the three spheres of government.

Institutional outcomes the programme contributes towards according to the Annual Performance Plan

- Developed communities in areas of traditional leadership
- Transformed institution of traditional leadership
- Safe initiation practices

Programme: Institutional Support and Coordination									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022 until date of re-tabling	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviation	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Transformed institution of traditional leadership	Implementation of the social cohesion programme	Number of Provincial Houses of Traditional Leaders monitored on the implementation of the Social Cohesion programme	-	8 Provinces monitored on the implementation of the Social Cohesion programme: • Funerals and cultural events adhering to COVID -19 regulations • Awareness programmes on the COVID -19 stigmatization	7	**Achieved** **(Q1)** 2 Provincial Houses of Traditional Leaders implemented Social Cohesion programme in relation to the empowerment of women in traditional leadership on food security, GBVF and substance abuse **Achieved** **(Q2)** 4 Provincial Houses of traditional leaders implemented the Social Cohesion programmes effectively, namely, Free State, Limpopo, Northern Cape and Gauteng	N/A	N/A	This output indicator was discontinued as the National House of Traditional and Khoi-San Leaders has its own APP

Programme: Institutional Support and Coordination									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2019/2020**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2021/2022**	***Actual Achievement 2021/2022 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2021/2022**	**Reasons for deviation**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Safe initiation practices	Awareness campaigns on the customary initiation practice conducted	Number of awareness campaigns conducted on the customary initiation practice	-	9 awareness campaigns on the customary initiation practice conducted	9	**Achieved (Q1)** 6 Provincial awareness campaign were conducted on customary initiation practice	N/A	N/A	This output indicator was discontinued as the National House of Traditional and Khoi-San Leaders has its own APP
	Provinces monitored on adherence to initiation policy guidelines	Number of Provinces monitored on adherence to initiation policy guidelines	-	-	9	**Achieved (Q1)** 6 Provinces were monitored on adherence to initiation policy guidelines	N/A	N/A	This output indicator was discontinued as the National House of Traditional and Khoi-San Leaders has its own APP
Developed communities in areas of traditional leadership	Provinces monitored on the implementation of section 24 of the TKLA	Number of provinces monitored on the implementation of section 24 of the TKLA	-	-	8 provinces monitored on the implementation of section 24 of the TKLA	**Achieved (Q1)** Draft Guidelines on the implementation of section 24 of the TKLA were developed **Achieved (Q2)** 8 Provinces consulted on guidelines on the implementation of section 24 of the TKLA	N/A	N/A	The output was revised to focus on consultation to empower Provinces on section 24 instead of commencing with monitoring implementation.

5. PERFORMANCE INFORMATION BY PROGRAMME

Programme 1: Administration

Purpose

The purpose of the Administration Programme is to provide strategic leadership, effective administration, executive support, monitoring and evaluation of Traditional Affairs' performance, corporate and financial services.

Description

The sub-programmes within the Administration Programme are:

Department Management (Office of the Director-General)

Promotes effective strategic management and governance of the Department, corporate planning, integrated and aligned planning within traditional affairs, risk management, corporate secretariat, strategic communication and Parliament and Cabinet support services. The sub-programme's focus is to improve operational efficiency, and oversee the implementation of Departmental programmes and policies through monitoring and evaluation. It also ensures that adequate support is provided to Traditional Affairs entities.

Corporate and Financial Services.

This sub-programme provides human resource management and development, information and communication technologies, legal, records management, supply chain management and financial management support services to line function programmes within the Department.

Internal Audit.

This is an independent and objective appraisal function, which provides assurance to the Director-General and senior management concerning adequacy and efficiency of the Department's internal controls and governance system.

Institutional outcomes that the programme contributes towards according to the Annual Performance Plan:

Effective governance of the Department

Table 2.4.4.2:

Table 2.4.4.2 indicates a report on all performance information (outcomes, outputs, output indicators and targets) in the final re-tabled APP.

Programme: Administration								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2019/2020**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2021/2022**	****Actual Achievement 2021/2022**	**Deviation from planned target to Actual Achievement 2021/2022**	**Reasons for deviations**
Effective governance of the Department	Performance against Organisational performance Information Compliance Management Plan	% Performance against organisational performance information Compliance Management Plan	80% of actions in the organisational performance information Compliance Management Plan were implemented	80% performance against organisational performance information Compliance Management Plan	80% performance against organisational performance information Compliance Management Plan	**Achieved** 97% of actions in the organisational performance Information Compliance Management Plan were implemented	The Department achieved additional 17% resulting in 97% over achievement	The Department strived for full compliance with actions in the organisational performance information compliance management plan
	Actions in the Corporate and Financial Management (CFM) Compliance Management Plan implemented	% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan implemented	80% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan were implemented	80% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan were implemented	80% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan implemented	**Achieved** 100% of actions in the CFM Compliance Management Plan were implemented	The Department achieved additional 20% resulting in 100% over achievement	The Department strived for full compliance with actions in the CFM Compliance Management Plan

Programme 2: Research, Policy, and Legislation

Purpose

To provide research and traditional leadership information management systems as well as to develop, implement, monitor and review traditional affairs policies and legislation.

Description

The two sub-programmes of the Research, Policy and Legislation Programme in addition to RPL Management, are:

Policy and Legislation: To develop, manage implementation of, monitor and review traditional affairs policies and legislation. The sub-programme also supports provinces in the development, implementation and alignment of provincial and national traditional affairs policies and legislation.

Research and Information Management: To provide research, establish and manage information on traditional and Khoisan leadership, institutions and communities and establish systems for the management of traditional and khoi-san leadership disputes and claims

Outcomes that the Programme Contributes towards

- Transformed institution of traditional leadership
- Functional institution of traditional and Khoi-San leadership

Programme: Research, Policy and Legislation								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2019/2020**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2021/2022**	****Actual Achievement 2021/2022**	**Deviation from planned target to Actual Achievement 2021/2022**	**Reasons for deviations**
Transformed institution of traditional leadership	Kingships/ Queenships Royal Families monitored on implementation of the TKLA	Number of Kingships/ Queenships Royal Families monitored on implementation of the TKLA	-	-	9 Kingships/ Queenships Royal Families monitored on implementation of the TKLA	**Achieved** Nine (9) Kingships/ Queenships Royal Families were monitored on implementation of the TKLA	N/A	N/A
	Draft set of regulations on identified sections of the TKLA	Number of draft sets of regulations on identified sections of the TKLA developed	-	-	1 draft set of regulations on identified sections of the TKLA developed	**Achieved** One set of regulations was developed	N/A	N/A
	2021/2022 Report on implementation of the TKLA Five Year Schedule	Number of 2021/2022 projects/actions in the TKLA Five Year Implementation Schedule implemented	-	-	Four (4) 2021/22 projects/ actions in the TKLA Five-Year Implementation Schedule implemented	**Achieved** Five (5) 2021/22 projects/actions in the TKLA Five- Year Implementation Schedule were implemented	Five (5) instead of four (4) 2021/22 projects/ actions in the TKLA Five- Year Implementation Schedule were implemented	The reason for the overachievement is due to an increase in capacity (human resources) which resulted in the implementation of more projects/ actions

Programme: Research, Policy and Legislation								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2019/2020**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2021/2022**	****Actual Achievement 2021/2022**	**Deviation from planned target to Actual Achievement 2021/2022**	**Reasons for deviations**
Transformed institution of traditional leadership	2021/22 Report on implementation of the CIA Five-Year Implementation Schedule	Number of 2021/22 Projects/actions in the CIA Five-Year Implementation Schedule Implemented	-	-	Three (3) of 2021/22 projects/ actions in the CIA Five-Year Implementation Schedule implemented	**Achieved** Five (5) 2021/22 projects/actions in the CIA Five- Year Implementation Schedule were implemented	Five (5) instead of three (3) 2021/22 projects/ actions in the CIA Five- Year Implementation Schedule were implemented	The reason for the overachievement is due to an increase in capacity (human resources) which resulted in the implementation of more projects/ actions
	Research report on struggles of women and people with disabilities in traditional leadership	Number of research studies in the Traditional Affairs Research Agenda on transformation and human rights related matters within the institution of traditional leadership conducted.	2	1	1 (Research on struggles of women and people with disabilities in the institution of traditional leadership and traditional communities).	**Achieved** Research report on struggles of women and people with disabilities in the institution of traditional leadership and traditional communities was conducted	N/A	N/A
Developed communities in areas of traditional leadership	Research report on culture and heritage economy in traditional communities	Number of research studies in the Traditional Affairs Research Agenda on Socio-economic development related matters of traditional communities conducted	-	-	1 (Research on culture and heritage economy in traditional communities)	**Achieved** Research report on culture and heritage economy in traditional communities was conducted.	N/A	N/A

Programme 3: Institutional Support and Coordination

Purpose

To promote institutional development and capacity building for the institution of traditional leadership and facilitate partnerships between the institution of traditional leadership and all spheres of government, civil society and private sector.

Description

The sub-programmes within the Institutional Support and Coordination Programme are:

Secretariat of the NHTKL: To provide secretariat, administrative and research support to the NHTKL. In collaboration with the NHTL and the Department, the Secretariat provides planning, performance reporting services to the House and assists the House to implement the House Strategic Plans and APPs. The Secretariat also supports the House to comply with financial, planning, performance reporting and corporate governance prescripts.

Institutional Development and Capacity Building: To ensure that structures of traditional leadership are empowered by reviewing, developing, implementing and monitoring national institutional support programmes.

Partnerships: To promote and integrate the role and place of the institution of traditional leadership, including Khoi-San leadership and structures in the South African governance system by establishing collaborative relations between the institution and other governance structures across the three spheres of government.

Institutional outcomes the programme contributes towards according to the Annual Performance Plan

- Developed communities in areas of traditional leadership
- Transformed institution of traditional leadership
- Safe initiation practices

Programme: Institutional Support and Coordination								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Transformed institution of traditional leadership	Monitoring reports on the implementation of social cohesion programme by provinces	Number of Provinces monitored on the implementation of social cohesion programme	-	8	8 Provinces consulted on the Social Cohesion Programme Approved Social Cohesion Programme	**Achieved** 8 provinces were consulted on the Social Cohesion Programme **Achieved** The social Cohesion Programme was approved	N/A	N/A
	South African indigenous promotion plan developed	Number of South African indigenous languages promotion plan developed	-	-	1 South African indigenous language promotion plan developed	**Achieved** The indigenous language promotion plan was developed and approved	N/A	N/A
Safe initiation practices	Structures of traditional leaders trained on CIA	Number of structures of traditional leaders trained on CIA	-	-	CIA training manual developed	**Achieved** Draft CIA manual developed.	N/A	N/A

Programme: Institutional Support and Coordination								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2019/2020**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2021/2022**	****Actual Achievement 2021/2022**	**Deviation from planned target to Actual Achievement 2021/2022**	**Reasons for deviations**
Developed communities in areas of traditional leadership	Participation of Local Houses in government development programmes in terms of the DDM monitored	Number of Provinces monitored on the participation of Local Houses of Traditional Leaders in government development programmes in terms of the DDM	Cooperative Governance Framework for traditional leadership in governance developed 28 districts profiles on the institution of traditional leadership with regard to institutional development, capacity building and partnerships	30 Local Houses monitored on the participation in the District Development Model	7 Provinces monitored on the participation of Local Houses in government development programmes in terms of the DDM	**Achieved** 7 Provinces Monitored on the participation of Local Houses of Traditional Leaders in government development plans in terms of the DDM	N/A	N/A
	Provinces monitored on the implementation of section 24 of the TKLA	Number of provinces consulted on guidelines on the implementation of section 24 of the TKLA	-	-	8 provinces consulted on guidelines on the implementation of section 24 of the TKLA	**Achieved** 8 provinces were consulted on guidelines on the implementation of section 24 of the TKLA	N/A	N/A

Programme: Institutional Support and Coordination								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Developed communities in areas of traditional leadership	Implementation of the remodelled Agrarian Revolution Programme in traditional communities monitored	Number of provinces monitored on the implementation of Agrarian Revolution programme in traditional communities	Number of provinces monitored on the implementation of traditional leaders in Agrarian Revolution projects	Concept document on the remodelling of the Agrarian Revolution Programme developed	8 provinces monitored on the implementation of Agrarian Revolution programme in traditional communities	**Achieved** 8 provinces were monitored on the implementation of the Agrarian revolution programme in traditional communities	N/A	N/A
	Provincial Houses of Traditional Leaders consulted on the Communal Land Tenure Policy	Number of Provincial Houses of Traditional Leaders consulted on the Communal Land Tenure Policy	-	-	7	**Achieved** 7 Provincial Houses of Traditional Leaders were consulted on the Communal Land Tenure Policy	N/A	N/A

Programme: Institutional Support and Coordination								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2019/2020**	**Audited Actual Performance 2020/2021**	**Planned Annual Target 2021/2022**	****Actual Achievement 2021/2022**	**Deviation from planned target to Actual Achievement 2021/2022**	**Reasons for deviations**
Functional institution of traditional and Khoi-San leadership	Provinces monitored on the functionality of the LHTLs	Number of provinces monitored on the functionality of the LHTLs.	-	-	8	**Achieved** 8 Provinces were monitored on the functionality of the LHTLs.	N/A	N/A
	Interventions in the Integrated Traditional Leadership support programme implemented	Number of interventions in the Integrated traditional Leadership support programme implemented.	Curriculum in traditional leadership consulted and approved	Integrated Traditional and Khoi-San Leadership support programme developed and approved	1 Intervention in the Integrated Traditional and Khoi-San support programmes implemented: • 8 Houses trained on Gender Based Violence and Femicide (GBVF)	**Achieved** 1 Intervention in the Integrated Traditional and Khoi-San support Programmes was implemented: • 8 Houses trained on GBVF.	N/A	N/A

Narrative on significant achievements of targets for the outputs and output indicators for each programme

Administration Branch

In terms of the Administration branch which comprise of the Chief Directorate: Office of the Director General, the Chief Directorate: Corporate and Financial Services and the Internal Audit Unit, the Annual Performance Target was a compliance management plan that consolidated all the necessary compliance requirements in relation to performance information and corporate and financial services. The successful implementation of the compliance plans implied that the annual target has been achieved.

The Department obtained unqualified audit opinion for the 2020/21 financial year. Should the Department obtain an unqualified audit opinion in 2021/22 financial year, the Department would be on course to achieve its outcome of effective governance of the Department and the five-year target of the MTSF.

Overall, the staff complement of the Department comprises 58% of women with 50% appointed at SMS level. 17% of the Department constitutes youth, with 4% of persons with disabilities appointed in the department. To ensure that the department achieves its target on appointment of women at SMS level, the department prioritised filling of vacant and funded positions at SMS level for appointment of women in line with the departments' employment equity plan.

The following represents interventions by the Branch that were implemented during the year under review:

- The Department has in place the Employment Equity Policy, Employment Equity Plan and Disability Management Strategy.
- The Departmental Men's Forum is in place to educate men about Gender Based Violence and Femicide.
- Hosted the annual Women in SMS management meeting with the Accounting Officer to institutionalise the HOD's 8 principal action plan.
- The Department hosted a workshop on with the Youth of the Department to nudge and facilitate their empowerment.

Research, Policy and Legislation Branch

The major achievements of the Branch are:

The TKLA was enacted, and its implementation commenced during the year under review, on 01 April 2021. The commencement of this Act has paved a way for the legal constitution of traditional councils, kingship/ queenship councils and principal traditional leadership councils. A major achievement recorded in respect of implementation of the TKLA in the 2021/22 is the establishment of the Commission on Khoi-San Matters by the Minister. The Commission is mandated to give effect to the legal recognition of the Khoi-San communities and leaders. The Commission must receive applications for recognition of Khoi-San communities and leaders, conduct research and investigations on the applications and submit recommendations to the Minister in this regard. The Commission started with awareness campaigns on the application processes during the year under review.

The sector is inundated with traditional leadership disputes and claims which have rendered the institution of traditional leadership dysfunctional, instability within communities and high legal fees for government. As part of implementation of the TKLA, the Programme developed draft regulations to among others manage leadership succession disputes. Consultations on the regulations will commence during the 2022/23 financial year.

Furthermore, to ensure effective implementation of the TKLA at kingship/queenship level, 9 kingships were capacitated and monitored on implementation of the Act, and on the adaptation/transformation of their customary laws of succession to comply with the Bill of Rights.

For many decades, there was no regulatory mechanism for customary initiation practices at national government level. This resulted in many challenges experienced from customary initiation practices, such as deaths and injuries of initiates, abductions and commercialisation of the practice. During the year under review, the Customary Initiation Act (Act No. 2 of 2021) was enacted and commenced on 1 September 2021. Following the passing of the Act, the National Initiation Oversight Committee (statutory structure established by the CIA) was established and started its operations. Three provinces also established their Provincial Initiation Oversight Committees. The establishment of these statutory structures is a critical milestone in the regulation of the customary initiation practice.

The coming into effect of the two pieces of legislation will contribute immensely to the advancement of the developmental role of the traditional affairs sector and government programmes on social cohesion.

The Branch identified priorities in terms of implementation of the two laws and started monitoring their implementation and compliance thereof by role players. This resulted in the Gazetting of the formula for determining the number of members of traditional councils as well as a National Plan for the Constitution of Traditional Councils.

The CIA applies to both male and female customary initiation practices, schools and structures and makes provision for the National Initiation Oversight Committee (NIOC) and Provincial Initiation Coordinating Committees PICC). The NIOC consists of 10 members, of which 6 are females and 4 are males. The PICCs also required to ensure gender representativity in their structures.

Historically, traditional leadership positions and structures were male-dominated. The enactment of the 1996-Constitution however introduced new guiding principles, including one of equality. The Constitution also states that traditional leadership, including customs and customary law, is subject to the Constitutional principles.

In compliance with the Constitutional principles, the Traditional and Khoi-San Leadership Act, 2019 which will commence on 1 April 2021 makes provision for the various traditional leadership positions to be filled by male or female traditional leaders.

The Act requires that at least one-third of the members of traditional leadership structures must be women. This applies to kingship and queenship councils, principal traditional councils, traditional councils and traditional sub-councils. This principle also applies to the various houses of traditional leadership. Through these provisions, the representation of women in traditional leadership structures is guaranteed.

The Act further provides that ***"traditional communities must transform and adapt customary law and customs to comply with the relevant principles of the Bill of Rights***, in particular by:

a) Preventing unfair discrimination;

b) Promoting equality; and

c) Seeking to progressively advance gender representation in the succession to traditional leadership positions".

Most of the customary laws of succession for traditional communities and royal families are based on the principle of male primogeniture. The Branch has a project on documenting customary laws of succession for kingships and queenships. Previously, the project was focused on the documentation of customary laws of succession and genealogies of kingships only.

To implement the afore-mentioned legislative provision, in the current Medium Term Expenditure Framework (MTSF), the project will entail documentation as well as supporting the kingships and queenships to adapt their customary laws of succession to progressively advance gender representation in the succession to traditional leadership. For those kingships and queenships that already have documented customary laws of succession, the focus will be to adapt and transform accordingly.

The Branch has achieved all its targets during the year under review.

Institutional Support and Coordination Branch

During the year under review the branch had ten (10) targets all of which were achieved. This was in response to the departmental strategic outcomes focusing on:

a) Developed Communities in areas of traditional leadership

b) Transformed institution of traditional leadership

c) Safe initiation practices

d) Functional institution of traditional leadership

In line with the output indicators for the branch aligned to that of the department the following was achieved:

a) The Customary Initiation Act, Act 2 of 2021, came into effect on 1 September 2021, which necessitated the department to revise its Annual Performance Plan. The mandate of the department is to support the Institution of Traditional and Khoi-San Leadership, to render its function in an effective and efficient manner. In response to that the department developed a manual on the Customary Initiation Act, which will be used by traditional leaders in performing their role in ensuring the implementation or the Act.

b) Gender Based Violence and Femicide (GBVF) has become one of the pandemics in the country, which targets women, youth and the elderly in both urban and rural areas. In partnership with the Commission on Gender Equality (CGE), the department embarked on the process of training all Provincial Houses of Traditional Leaders on gender based violence and femicide. The purpose was to equip them with knowledge and information, to assist affected people in their respective communities.

c) Through partnership with LG SETA, Deloitte was engaged to undertake the Reconstitution Advisory Induction and Training (RAIT) of Traditional leaders. Four hundred and forty four (444) traditional leaders were capacitated on Traditional and Khoi-San Leadership Act, Act 3 of 2019.

d) Section 24 of the Traditional and Khoi-San Leadership Act, Act 3 or 2019 makes provision for traditional councils to enter into partnership and agreement with municipalities, government departments, any other body or institutions. In response to that the department developed guidelines on Section 24 for provinces to provide support to traditional councils when they enter into partnership with other institutions.

e) In an effort to promote participation of traditional communities in the implementation of socio-economic development programmes in their respective areas, the department and the National House of Traditional and Khoi-San Leaders continued to work with the Solidarity Fund on the implementation of the input voucher project.

f) Furthermore, the department and the National House of Traditional and Khoi-San Leaders signed a Memorandum of Understanding (MoU) with German Co-operative Raiffeisen Confederation (DGRV) for training of cooperatives in traditional communities.

g) Traditional Leaders continue to play an important role in the implementation of government's programmes and projects. The department monitored participation of traditional leaders in the District Development Model (DDM). This has ensured that development of programmes and projects are part of One Plans in their respective areas.

Through the National House of Traditional and Khoi-San Leaders, the Branch further achieved the following:

- Workshopping of Provincial Houses and Kingships on the Invest Rural Master Plan.
- Launch of the national traditional men's parliament and provincial chapters
- The election of the first female and youngest members as Chairperson and Deputy Chairperson of the National House of Traditional and Khoi-San, respectively.
- Launch of the National Traditional Men's Parliament, which was followed by the launch in all provinces.

Strategy to overcome areas of under performance

Not applicable

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

Not applicable

Reporting on the Institutional Response to the COVID-19 Pandemic

Sub-programme expenditure

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (Where Possible)	Immediate outcomes
Administration	Procurement of PPEs	National	100 Officials	54% Females 46% Males	83	21	N/A	Containment of coronavirus
ISC	Procurement of PPEs	National	100 Officials and 21 NHTL Members	54% Females 46% Males 24% Females 76% Males	83	21	N/A	Containment of coronavirus

The Department procured PPEs that were allocated to staff, members of the National and Khoi-San Leaders and members of the Commission on Khoi-San Matters to fight the spread of COVID-19.

Linking performance with budgets

Programme 1: Administration

Sub- Programme Name	2021/2022			2020/2021		
	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
Ministry	11,018	9,346	1,672	10,411	8,818	1,593
Management	14,518	13,157	1,361	14,893	11,710	3,183
Corporate Services	27,237	21,350	5,887	20,986	16,974	4,012
Internal Audit	3,938	3,792	146	4,395	3,599	796
Total	**56,711**	**47,645**	**9,066**	**50,685**	**41,101**	**9,584**

The Administration Programme has spent R47, 6 million out of R56,7 million. Even though the programme has underspent on its allocated budget, the programme has achieved satisfactory performance on its APP and Annual Operational Plan targets. The underspending is attributed to restrictions due to Covid-19 pandemic which affected the mode of delivery.

Programme 2: Research, Policy and Legislation

Sub- Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	7 337	6 424	913	3 988	3 715	273
Research, Policy & Legislation	5 543	5 033	510	4 186	3 478	708
Research & Information Management	9 483	8 841	642	8 755	7 807	948
Total	**22 363**	**20 298**	**2 065**	**16 929**	**15 000**	**1,929**

The Research, Policy and Legislation Programme has spent R 20,2 million out of R22,3 million. Even though the programme has underspent on its allocated budget, the programme has achieved satisfactory performance on its APP and Annual Operational Plan targets. The underspending is attributed to restrictions due to Covid-19 pandemic which affected the mode of delivery.

Programme 3: Institutional Support and Coordination

Sub- Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	8 783	7 419	1 364	5 496	4 088	1,408
Institutional Development and Capacity Building	7 691	6 212	1 479	6 999	5 885	1,114
Intergovernmental Relations & Partnerships	8 572	7 266	1 306	7 918	6 805	1,113
National House of Traditional Leaders	22 538	19 785	2 753	21 249	16 976	4,273
Commission for the Promotion and Protection of the Rights of Culture, Religion	46 032	46 032	-	46 046	46 046	-
Disputes & Claims Resolutions	-	-	-	6 363	1 622	4,741
Total	**93 616**	**86 714**	**6 902**	**94 071**	**81 422**	**12,649**

The Research, Policy and Legislation Programme has spent R 86,7 million out of R93,6 million. Even though the programme has underspent on its allocated budget, the programme has achieved satisfactory performance on its APP and Annual Operational Plan targets. The underspending is attributed to restrictions due to Covid-19 pandemic which affected the mode of delivery.

6. TRANSFER PAYMENTS

6.1 Transfer payments to public entities

The Commission for the Promotion and Protection of the Rights of Culture and Linguistic Community (CRL Rights Commission) is a Constitutional Institution listed under Schedule 1 of the PFMA. The Commission does not report to the Minister, but it reports directly to Parliament, however, it receives its budget through the Department as a transfer payment. For the period under review, the CRL Rights Commission's adjusted budget amounted to R46,046 million.

Name of Public Entity	Key outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Commission for the Promotion and Protection of the Rights of Culture and Linguistic Communities	None	R 46,032	R 46,032	The Commission has achieved significantly above average in terms of its annual performance plan targets.

6.2 Transfer payments to all organisations other than public entities

Not applicable

7. CONDITIONAL GRANTS

7.1 Conditional grants and earmarked funds paid

Not Applicable

Conditional Grant 2:

7.2 Conditional grants and earmarked funds received

The Department did not receive any conditional grants or earmarked funds during the period under review.

8. DONOR FUNDS

8.1 Donor Funds Received

The Department did not receive any Donor Funding during the period under review:

9. CAPITAL INVESTMENT

9.1 Capital investment, maintenance and asset management plan

Not applicable during the period under review

PART C:

GOVERNANCE

1. INTRODUCTION

The Department is committed to ensure good governance within the organisation. In this regard, the Department has established fully functional governance structures. Performance on annual and strategic objectives was monitored quarterly through the Management Committee over and above other Departmental assurances. Interventions on areas of under-performance were implemented to ensure achievement of the Department's objectives. The Accounting Officer maintained an effective, efficient and transparent system of financial and risk management and internal control as required by section 38(1)(a)(i) of the PFMA.

2. RISK MANAGEMENT

The Department has developed the risk management policy and strategy and it was approved for the financial year 2020/21 to 2021/22. The risk management implementation plan is reviewed annually to ensure that it remains relevant. The implementation plan was reviewed and approved in the first quarter of 2021/22 financial year.

The Strategic Risk Assessment for 2021/22 has been conducted and a risk assessment report was approved by the Accounting Officer. New and emerging risks were identified associated to the strategic outcome and annual targets/ performance indicators. The risk register was used to direct the Internal Audit efforts and priorities. This risk assessment is conducted annually for both strategic and operational levels as required by the departmental risk management strategy. However, during the second quarter due to Traditional and Khoi-San Leadership Act (TKLA) and Customary Initiation Act (CIA) coming to effect on the 01 April and 01 September 2021 respectively the APP targets were revised, and consequentially the Risk registers had to be revised as well.

Progress of Branches and Chief-Directorate's risk registers is communicated to various programmes in the Departmental quarterly review meetings (MANCO, Risk Management Committee, and Audit Committee to ensure that risk treatment plans are monitored regularly.

The Risk Management Committee was appointed for 2019/20 to 2021/22 financial years. The Committee comprises programme managers and two external members, one of whom is the Chairperson. Its roles and responsibilities are outlined in the Risk Management Committee Charter terms of reference. The Committee was established in accordance with the Public Sector Risk Management Framework to oversee the implementation of the system of risk management in the Department. The Committee meets quarterly according to the terms of reference to review the effectiveness of the system of risk management and recommend improvements to the Accounting Officer.

The Chairperson of the Risk Management Committee and the Chief Risk Officer quarterly present the status of risk management and progress report on the implementation of risk treatment plans to the Audit Committee. The reporting includes the Chairperson of the Risk Management Committee's report to the Accounting Officer.

The Audit Committee is an independent Committee responsible for oversight of DTA control, governance and risk management.

The responsibilities of the Audit Committee include:

- Providing an independent and objective view of Department's risk management effectiveness;
- Ensuring that management identifies, manages and monitors all the key risks that could negatively affect the achievement of Department's objectives; and
- Ensuring that the internal audit plans are aligned to the risk profile of the Department.

The recommendations of the Audit Committee are discussed in the Risk Management Committee as a standing agenda item. All advises by the Audit Committee are incorporated on the agenda of the Risk Management Committee for monitoring to ensure that they are implemented.

There is alignment relating to performance on the Annual Performance Planned targets and the implementation of risk treatment plans for the financial year 2021/22.

The Department's performance on risk is improving steadily. This is on the basis of the perceived risk maturity as embedded in the work of programmes and sub-programmes, whereby risk management is being institutionalized. Risk Management is a key component of the performance agreements of senior management and middle management of the Department.

3. FRAUD AND CORRUPTION

The Department has an approved Fraud Prevention Plan. These documents were implemented to prevent, detect and address acts of corruption. A fraud and corruption risk assessment was conducted and action plans were identified and monitored quarterly. There was regular communication in a form of workshops and information sharing on prevention, detection and reporting of fraud and corruption within the Department.

The Department has an approved Fraud Prevention Policy and Fraud Prevention Plan. The Department also has an approved Whistleblowing Policy as a mechanism and guide to report events or suspicions of fraud and corruption.

Furthermore, the Department has implemented the Whistle-Blowing Policy which indicates the procedure in reporting fraud and corruption incidents. This policy outlines the process and steps to be taken to reporting incidents of fraud and corruption anonymously. This has been communicated to all employees. Fraud reporting boxes are placed within the building and the hotline number for reporting of instances of possible fraud or corruption is indicated on each box.

There were no cases or incidents of fraud that were identified or reported during the period under review.

4. MINIMISING CONFLICT OF INTEREST

To minimise potential conflict of interest, the DPSA's Guide on Managing Other Remunerative Work in the Public Service was developed to enhance the value systems that guides professional conduct of employees in the department. The policy also serves as a resource to employees applying for permission to undertake other remunerative work outside their employment.

Annually, the department issues a circular to all SMS and other designated employees informing them of the requirements to disclose their interest. Furthermore, a directive on ***"Other remunerative work outside the employee's employment"*** was issued to all employees outlining the process to seek permission to perform other remunerative work that also included categories of other remunerative work. Employees with Directorships of dormant registered businesses with a potential of having conflict of interest are also advised to seek permission to reduce the risk of conflict of interest. Applications for permission to perform other remunerative work are assessed to determine any conflict of interest before permission is granted. Applications perceived to have any conflict of interest are declined and applicants notified in writing on reasons for declining applications. Disciplinary action was taken against four (4) employees with potential conflict of interest for non-compliance with Section 30 of the Public Service Act, 1994.

5. CODE OF CONDUCT

The Department adheres to and implements the Public Service Code of Conduct. To enforce compliance, maintain and improve compliance with the code of conduct, on the first day of assumption of duty, new employees are taken through the code and provided with a copy of the code of conduct. Disciplinary action was taken against a total of 8 employees for non-compliance with regulation 19 of the PSR, 2016, regulation 81.1 of PSR, 2016 and Section 30 of the PSA, 1994. Awareness session on the Code of Conduct for Public Service employees was held in collaboration with the Office of the Public Service Commission.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department has established and appointed an Occupational Health and Safety (OHS) Committee in line with the OHS Act. Training of the OHS Committee members has taken place.

In compliance with COVID-19 Regulations on containment of COVID-19 in the workplace, measures were put in place to manage and contain the risk of the virus in the workplace. The department appointed a COVID-19 compliance to ensure compliance with OHS Act. COVID-19 Protocols and guidelines were developed and implemented to mitigate the risk.

7. PORTFOLIO COMMITTEES

Date of the meeting	Subject	Matters raised by the Portfolio/ Select Committee	Response to address the matter/ actions by the Department
08 April 2021 Portfolio Committee on Cooperative Governance and Traditional Affairs (Virtual meeting).	Briefing by the Department of Traditional Affairs on the implementation of the Traditional and Khoi San Leadership Act, as well as progress on the implementation of the resolutions of the 2017 Traditional Indaba	The Committee registered its dissatisfaction on implementation of the resolution of the 2017 Traditional Leader's Indaba. The Department was supposed to have provided an action plan on the 2017 resolutions, yet this had not happened. The Committee was concerned that out of the 9 Provinces, only the North-West and KZN provinces responded indicating their state of readiness to be workshopped on implementation of the Traditional & Khoi-San Leadership Act (TKLA). As a result, the Committee raised a concern relating to progress in this regard.	Response by the Department: The action plan remained a living document which required coordination or inputs from various role players. The four thematic areas that had been identified, such as land, the economy, social cohesion, and legislation, required inputs from other Departments. The Department has availed itself to workshop Provinces on the TKLA and dates are scheduled as per the request from Provinces. As at the time, the Department has workshopped the following Provinces on the implementation of the TKLA: Northern Cape, Limpopo, Gauteng, Western Cape and Kwa-Zulu Natal. North West was subsequently workshopped.

Date of the meeting	Subject	Matters raised by the Portfolio/ Select Committee	Response to address the matter/ actions by the Department
21 April 2021 Portfolio Committee on Cooperative Governance and Traditional Affairs (Virtual meeting).	Briefing by the Department of Traditional Affairs on its 2021/22 Annual Performance Plan	The Committee welcomed the emphasis that the Department put on the pertinent challenges that vulnerable groups faced, which included: gender-based violence, femicide, hate crimes against the LGBTI community, and the lack of women's empowerment within traditional leadership structures and communities. However, the meeting expressed their dismay at the increase in traditional leadership disputes and called on the Department to account. The committee welcomed the research that the department will undertake in the coming year to document the genealogy of royal families and the customary laws of succession. This research will help to resolve any disputes between the heirs of king and queens, as they arise	No action was required. The Department agreed that the disputes were increasing, but it should be noted that the disputes are to do more with infighting within the royal families as to who is supposed to ascend to a traditional leadership position. The Department pointed out that section 59 of the TKLA contains a provision that spells out a dispute resolution mechanism. It is hoped that this enabling provision would assist in resolving traditional leadership disputes.
22 April 2021: Portfolio Committee on Cooperative Governance and Traditional Affairs (Virtual meeting)	Briefing: 2017 Traditional Leadership Indaba resolutions: DTA progress & NHTL response- This meeting was a follow-up to the 08 April 2021 meeting. Due to time constraints, the Committee could not deal with all the matters that were raised.	The Committee indicated that it understands that the implementation of many of the 2017 Indaba resolutions are the responsibility of other departments such as the resolution on Traditional Courts Bill. However, the Department of Traditional Affairs (DTA) has a duty to see to it that those Departments fulfill their commitments to those resolutions. The Committee pointed out that the DTA must strive to minimise the impression that it is shifting responsibilities away from itself.	In preparation for the land summit, it was agreed that consultation sessions with Houses of Traditional Leaders be held and between May and June 2021, the following Houses were consulted: a) National House of Traditional Leaders wherein the representatives of NKC and CONTRALESA were in attendance. b) Chairpersons and Deputy Chairpersons of Provincial Houses. c) Northwest House of Traditional Leaders

Date of the meeting	Subject	Matters raised by the Portfolio/ Select Committee	Response to address the matter/ actions by the Department
		The Committee committed to holding meetings of a similar nature in July, October and January to assess progress regarding the implementation of the 2017 Traditional Leadership Indaba resolutions. The Committee alluded to the Provincial Land Summits promised to the traditional leaders in 2017 which would have taken place prior to the National Land Summit and which the President of the Republic also committed to when he opened the National House of Traditional Leaders this year (2021). The Committee requested DTA to coordinate and make sure that these summits happen in the provinces.	d) Limpopo House of Traditional Leaders e) KZN Provincial House Consultations could not be done during July 2021, due to the resurgence of the virus whereby the country was placed on Level 4 of the lockdown. The remaining provinces were consulted during August 2021.
11 May 2021: Select Committee on Cooperative Governance and Traditional Affairs, Water and Sanitation and Human Settlements (Virtual meeting)	Department of Traditional Affairs and the Municipal Infrastructure Support Agency to receive briefings on their 2021/2022 Annual Performance Plans and budget allocation	The Select Committee indicated that in terms of the Customary Initiation Act (CIA), when it was passed by the Committee the previous year, there were a lot of concerns. One of the issues that was raised at the time was the need to publicise and teach the communities about the Act. The Committee was also concerned about the implementation of the Traditional and Khoi-San Leadership Act (TKLA). The Committee pointed out that there are a lot of issues in the traditional affairs sector and thus the Committee should have an engagement with the Department on a regular basis.	On publicising the CIA, the Department outlined that the issue was that it has not been signed into law yet, and the Department is putting the publicising work on hold until the Act has been signed into law by the President. The Department in its response, indicated that Deputy Minister Bapela in his outreach programme is attempting to address the needs of the sector now that the TKLA has come into operation.

Date of the meeting	Subject	Matters raised by the Portfolio/ Select Committee	Response to address the matter/ actions by the Department
		In addition, the Committee pointed out that it is going to look at all the presentations from the DCOG, DTA and MISA and isolate issues that they think are priorities and develop their own plans as the Select Committee and engage further with the departments. The Committee indicated that it would do this as part of their function of oversight, holding the Departments accountable in terms of their plans, budget and impact the Department has made in addressing all the issues.	
05 August 2021: Portfolio Committee on Cooperative Governance and Traditional Affairs (Virtual meeting)	Follow-up meeting with the Eastern Cape Provincial COGTA on 2020 initiation fatalities	The Committee raised a concern that the report that had been submitted by the Eastern Cape Provincial COGTA to the Portfolio Committee did not include consequence management processes for the 2020 initiation season deaths. The Committee indicated that the President of the Republic had requested the Committee to host an Initiation Indaba. The Committee resolved that the Department should brief the Committee about the state of readiness regarding the implementation of the Customary Initiation Act (CIA)	No action was required from the Department. The Eastern Cape COGTA noted the Committee's concern. No action was required from the Department. The Department is awaiting an invitation in this regard from the Portfolio Committee.

Date of the meeting	Subject	Matters raised by the Portfolio/ Select Committee	Response to address the matter/ actions by the Department
18 August 2021: Portfolio Committee on Cooperative Governance and Traditional Affairs (Virtual meeting	Briefing by the Department of Traditional Affairs to present a progress report on the implementation of the Traditional and Khoi-San leadership Act, 2019 (Act 3 of 2019)	The Committee raised the issue of the lack of the Terms of Reference (ToRs) and the timeframe for the Commission on Khoisan Matters. The Committee outlined that when Commissions fail to finish their work within the prescribed timeframe, they apply for more time depending on the number of applications that were coming in. This was why the Committee was interested in the ToRs and timeframe for the Commission. The Committee requested to be provided with the administrative processes in detail as slide eight of the Department's presentation indicated that all the administrative processes on the establishment of the Commission on Khoisan Matters have been finalised. The Committee noted that the Department during its presentation indicated that there were certain compliance activities (e.g., the submission by Provinces of project plans regarding the legal constitution of Traditional councils) that Premiers should undertake but that has not been done. The Committee wanted to know what the reason for the non-compliance was and what has the Department done in this regard?	The Department indicated that the issue of the Department coming up with ToRs for the Commission will be illegal since the Commission's work is informed and regulated by the Act, and thus, the Department cannot come up with ToRs because it will be interfering with the work of the Commission. The timeframes for the Commission are also in the Act and government cannot come up with its own because this will be against the law. The Department explained in detail the administrative processes towards the establishment of the Commission. The Department responded by indicating that letters were forwarded to the Premiers, but some Provinces have not yet submitted their project plans. However, the Department will continue to follow-up with those Provinces. To date the following seven Provinces submitted their project plans: Free State Gauteng KZN Mpumalanga Northern Cape North -West Limpopo The Eastern Cape Province is the only province that has yet to submit. The necessary follow-up will be made.
09 November 2021: Portfolio Committee on Cooperative Governance and Traditional Affairs (Virtual meeting)	Briefing by the Department of Cooperative Governance (DCOG), Municipal Infrastructure Support Agent (MISA) and the Department of Traditional Affairs (DTA) to the Portfolio Committee on their Annual Reports for the 2020/2021 financial year.	The Committee noted that the Department submitted financial statements that did not contain any material misstatements and the DTA was commended by both the AGSA and the Committee for receiving and maintaining an unqualified audit opinion (clean audit).	No action was required from the Department.

Date of the meeting	Subject	Matters raised by the Portfolio/ Select Committee	Response to address the matter/ actions by the Department
23 November 2021: Steering Committee of the Multiparty Women's Caucus: (Virtual meeting)	Briefings on Implementation of Pillar 2: Prevention, Rebuilding, and Social Cohesion in terms of the Gender-Based Violence and Femicide (GBVF) National Strategic Plan.	The Committee noted its disappointment at COGTA not addressing the issue of children suffering abuse at initiation schools. It asked what the Department was prepared to do to ensure the abuse at initiation schools is prevented as nothing is being said about these sensitive issues. The Committee applauded the Department for involving Traditional Leaders in GBVF related issues.	The Department indicated that traditional leaders have an overall role regarding initiation in their respective areas. The Customary Initiation Act 2 of 2021 provides for the establishment of the National Initiation Oversight Committee, which is appointed by the Minister of CoGTA, and will be working closely with the Provincial Initiation Coordinating Committees, in ensuring that such issues related to initiation are being dealt with. No action was required from the Department.
22 March 2022: Portfolio Committee on Cooperative Governance and Traditional Affairs (Virtual meeting)	Briefing by the Department of Cooperative Governance (DCoG), the Municipal Infrastructure Support Agent (MISA) and the Department of Traditional Affairs (DTA): Third quarter performance reports	The DTA had mentioned discriminatory practices. Who was monitoring this, since there was a high number of discriminatory practices which some are linked to female values to virginity, where men are not treated in the same manner? The government recognised a king in KwaZulu-Natal, whereas the families are in a dispute, what is the Department's stance on this?	The Portfolio Committee requested the Department to provide the Committee with information/ responses on these matters. The Department is currently collating the requested information and it will be submitted to the Committee in due course.

8. SCOPA RESOLUTIONS

The Department did not appear before SCOPA during the period under review.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
N/A	N/A	N/A	N/A	N/A

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

None

10. INTERNAL CONTROL UNIT

The current organisational structure of the Department does not cater for Internal control unit. The functions of internal control are performed across various programmes as part of combined assurance.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The Internal Audit unit supported the Accounting Officer to ensure that the Department maintained an effective, efficient and transparent system of financial and risk management and internal control as required by section 38 of the PFMA. This was done through the provision of assurance (audits) and advisory (participation in governance structures) services.

The Internal Audit unit conducted the following audits in line with its approved audit plan:

- Quarterly review of performance information against the approved APP;
- Review of Interim and Annual Financial Statements;
- Quarterly review of the Integrated Governance Management Plan (Internal Audit and AGSA findings);
- Quarterly review of Compliance with Departmental Legislation;
- Review of Risk Management process;
- Review of Asset Management;
- Review of Leave Management;
- Review of Supply Chain Management processes;
- Review of OHS compliance;
- Consulting review on the Shared service arrangement between DTA and DCoG; and
- Review of Planning and Performance Management processes.

Internal audit reported quarterly to the Audit Committee on its performance against the approved audit plan. Furthermore, it assisted the Department to co-ordinate information in managing key risks through combined assurance.

The primary purpose of the Audit Committee is to play an oversight role in assisting the Department to maintain an effective, efficient and transparent system of financial, risk management, governance, and internal control. The Audit Committee is also expected to obtain reasonable assurance from management that the Department is carrying out its responsibilities relating to:

- Financial management and other reporting practices;
- Internal controls and management of risks;
- Compliance with laws, regulations and ethics;
- Safeguarding of assets; and
- Information Technology management and risks surrounding it.

Furthermore, the Audit Committee has the responsibility to ensure that the independence of the Internal Audit Unit is enhanced and they are functioning effectively through reviewing the scope, performance and results of audits undertaken. In addition, the Audit Committee is expected to review the plan and results of the work performed by the Auditor General to ensure that it covers critical risk areas, and that unsolved accounting and auditing problems are resolved.

The Audit Committee met quarterly during the reported financial period as required by their approved charter. The table below discloses relevant information on the committee members:

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

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr T Boltman	B-Tech: Internal Audit Post Graduate Diploma: Certified Internal Auditing Professional Designations: Certified Internal Auditor Certified Government Auditing Professional Certification in Control Self Assessment	External	n/a	1 July 2020	n/a	5
Ms NP Lubanga	BCOMM: Internal Auditing National Diploma in Internal Auditing	External	n/a	1 July 2020	n/a	5
Ms NNJ Sizani	B COMM: Accounting B COMPT HONS/CTA (Certificate in Theory of Accounting) Post Graduate Diploma in Management Senior Secondary Teachers Diploma	External	n/a	1 July 2020	n/a	5

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2022.

Audit Committee Responsibility

The Audit Committee is satisfied that it has complied with its responsibilities as outlined in Section 38 (1) (a) of the Public Finance Management Act and Treasury Regulation 3.1.3.

The Audit Committee also reports that it has adopted and reviewed formal terms of reference as its Audit Committee Charter and has discharged all its responsibilities as contained therein. DTA also implemented the Integrated Governance Management Plan with regards to all findings raised through external audit and progress on the implementation of these recommendations are monitored by the Audit Committee on a quarterly basis.

Audit Committee Members and Attendance:

The Committee comprises of three (3) Independent Members and is chaired by Mr. Trevor Boltman. The Committee is required to meet at least four times per annum as per its approved terms of reference. Six (6) meetings were held for the financial year ended 31 March 2022.

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr T Boltman (Chairperson)	B-Tech: Internal Audit Post Graduate Diploma: Certified Internal Auditing Professional Designations: Certified Internal Auditor Certified Government Auditing Professional Certification in Control Self Assessment	External	n/a	1 July 2020	n/a	6
Ms NP Lubanga	Postgraduate Diploma: General Management Postgraduate Diploma: Internal Auditing Executive Development Program (EDP) BCOMM: Internal Auditing National Diploma in Internal Auditing	External	n/a	1 July 2020	n/a	6
Ms NNJ Sizani	B COMM: Accounting B COMPT HONS/CTA (Certificate in Theory of Accounting) Post Graduate Diploma in Management Senior Secondary Teachers Diploma Professional Designations: Associate General Accountant (AGA) SA Certified Director (Cert. Dir.)	External	n/a	1 July 2020	n/a	6

The Effectiveness of Internal Controls

The PFMA requires the Accounting Officer to ensure that the entity has and maintains effective, efficient and transparent systems of financial, risk management and internal control, whilst it's the Committee's role to review the effectiveness of internal controls and oversee risk management. Reviews on the effectiveness of the internal controls were conducted and they covered financial, operational, compliance and risk assessment.

In line with the PFMA, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Department, revealed certain weaknesses, which were then raised with the management of the Department. Through our analysis of the audit reports and engagement with the Department we can report that there were areas identified for improvement in the system of internal controls.

Risk Management

The Strategic Risk Assessment for 2021/22 has been conducted and the Risk Assessment report including the risk register approved by the Accounting Officer. The risk register was used to direct internal audit efforts and priority. Progress on Branch Risk registers are being communicated to various programmes during quarterly review meetings to ensure that risks are being monitored on a regular basis.

DTA has a functional Risk Management Committee, which is chaired by an external member. Members were formally appointed by the Accounting Officer and do comply with the approved terms of reference. The Risk Management Committee meet on a quarterly basis to evaluate and monitor risks identified and advise for improvements. In strengthening the process of monitoring risks and improving governance, DTA have appointed Risk Champions for each programme to assist the Risk owners in monitoring the implementation of mitigation (action) plans within various programmes. Risk Management reports are also discussed at management meetings to ensure that timeous mitigation of risks was implemented to improve organisational performance.

The Committee is responsible for the oversight of risk management. Based on the quarterly reviews performed, it can be concluded that the department's risk management processes are adequate and effective.

Effectiveness of Internal Audit

Internal Audit Unit is responsible for reviewing and providing assurance regarding the adequacy of the internal control environment across all the significant areas of the Department and its operations.

The Committee is responsible for ensuring that the Department's internal audit function is independent and has the necessary resources, skills, standing and authority within the entity to enable it to discharge its responsibilities effectively. The Internal Auditors have unrestricted access to the Committee.

The Committee reviews and approves the Internal Audit Plan annually. Internal Audit's activities are measured against the approved internal audit plan and the Chief Audit Executive tables progress reports in this regard to the Committee.

The Committee is satisfied with the performance of the Internal Audit activity for the year under review. Internal Audit also reported independently regarding the progress by management in implementing the Integrated Governance Management Plan to secure remedial actions. An approved three-year risk based strategic plan and an annual operation plan were successfully implemented by Internal Audit.

In the year under review, the Internal Audit Unit developed and implemented a risk based strategic and operational audit coverage plan that encompassed the following areas:

No.	Auditable Area	Opinion by Internal Audit
1	Review of Performance Management Information (Quarterly and Annually)	Adequate
2	Review of Interim and Annual Financial statements	Adequate
3	Quarterly Review of Integrated Governance Management plan (IGMP)	Inadequate
4	Quarterly compliance review with Legislation	Adequate
5	Supply Chain Management processes	Adequate
6	Risk Management processes	Needs Improvement
7	Asset Management	Adequate
8	Leave Management	Inadequate
9	OHS Compliance	Inadequate
10	Consulting audit (review of Shared service arrangement between DTA and DCoG)	No opinion given, DCoG provides support services to DTA as per the service arrangement.
11	Review of Planning and Performance Management	Needs Improvement

The overall opinion on the control environment, is determined based on the audit results for the period under review and is depicted as follows:

No	Area	Opinion
1.	Governance	**Adequate** Internal Audit participated in all the governance structures of the Department for the period under review. Meetings were held regularly to review Departmental performance regarding predetermined objectives and spending against the allocated budget.
2.	Risk Management	**Needs improvement** The Internal Audit did perform a risk management review and identified areas requiring improvement. The shortcomings are being addressed by the Risk Officer and is monitored quarterly through the IGMP of the Department.
3.	Controls	**Needs improvement** The above opinion was determined by the ratings given to the areas audited during the period under review.
4.	Internal Financial Controls (IFC's)	**Adequate** Internal Financial Controls were tested during Internal Audit's review of quarterly Interim and annual Financial Statements and through monitoring the progress of findings in the Integrated Governance Management Plan (IGMP).

Quality of Management and Monthly / Quarterly Reports submitted in terms of the Act and the Division of Revenue Act

The Department presented and reviewed the financial management and performance (predetermined objectives) reports at its Quarterly Review Meetings. These reports were also discussed at the Audit Committee meetings and issues were raised with the Department.

The Department has reported to the National Treasury as required by the PFMA and the Department of Monitoring and Evaluation on a quarterly basis.

Evaluation of Financial Statements

The Committee reviewed the draft Annual Financial Statements of the Department and is satisfied that it complies with GRAP Standards and that the accounting policies used are appropriate. The Annual Financial Statements were reviewed with the following focus:

- Significant financial reporting judgements and estimates contained therein;
- Clarity and completeness of disclosure and whether disclosures made have been set properly in context;
- Changes in the Accounting Policies and Practices;
- Significant adjustments resulting from the Audit;
- Compliance with accounting standards and legal requirements;
- Explanation for the accounting treatment adopted;
- Reasons for year-on-year fluctuations; and
- Asset valuations and revaluations.

The review of the Draft Annual Financial Statements and Draft Annual Report for the 2021/2022 Financial Year was done at the Committee's meeting held on 24 May 2022.

Auditor General South Africa

The Committee, in consultation with the Accounting Officer, agreed to the terms of the Auditor General South Africa's engagement letter, audit strategy and audit fees in respect of the 2021/2022 financial year. The Committee also had in committee meetings with the Auditor General of South Africa.

The Committee also monitored the implementation of the action plan to address matters arising from the Management Report issued by the Auditor-General South Africa in respect of the 2020/2021 Financial Year and concluded that this plan is adequate as all matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the Auditor General South Africa on the Annual Financial Statements and is of the opinion that the audited annual financial statements be accepted and read together with the audit report of the Auditor General South Africa.

General

The Audit Committee strongly recommends that the Department continues to prioritize the implementation and frequent monitoring of the audit action plans for both internal and external audit in order to achieve the required effectiveness in governance, accountability and maintain a clean administration of the Department.

Conclusion

The Audit Committee wishes to extend its appreciation to the Executive Authority, Accounting Officer and Management, Internal Auditors and the Auditor General South Africa for their tireless efforts, commitment and support throughout the year.

We also commend and congratulate the Department with its 6th successive clean (unqualified with no findings) audit opinion expressed by the Auditor General South Africa.

Signed on behalf of the Audit Committee by:

Chairperson of the Audit Committee

Department of Traditional Affairs

31 July 2022

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion (include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	The Department does not issue licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	Yes	The Department has developed and implemented Supply Chain Management Policy which is aligned to all applicable legislations including Preferential Procurement Policy Framework Act. This includes the application of 80/20 and 90/10 preferential point system for all procurement contracts above R30,000
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The Department did not have any sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	N/A	The Department did not enter into any Private Partnership during the period under review
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The Department did not have any award or incentives, grants and investment scheme in support of BBBEE

PART D:

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

The human resources play a vital role in the achievement of the departmental goals. In a bid to achieve its objectives, the department developed an HR Plan for the capacitation of critical areas. The human resource priorities and achievement for the year under review includes the following:

- Reduction of vacancy rate to 10% or below to ensure adequate human resource capacity to achieve departmental goals and objectives. The department reduced its vacancy rate to 3.6%.
- Develop a workplace skills plan with 70% of training interventions implemented to improve workplace performance.
- 100% submission of financial disclosures by designated employees to mitigate against conflict of interest.
- The department achieved its target for appointment of women at SMS level with the status at 50% of women appointed at SMS level.

Workforce is planned in line with the departmental strategic objectives and available budget on compensation of employees. Positions are prioritised in terms of their importance and advertised nationally on the public service vacancy circular and national media to attract a large of pool of suitable candidates. To improve the quality of appointment at SMS level, all shortlisted candidates for SMS posts undertakes a pre-entry practical exercise as part of the technical interview process on the technical requirements of the post. The practical exercise is conducted in the form of formal presentation on topical issues that tests the candidate's ability in to perform successfully in the post including a written practical exercise. Furthermore, SMS members recommended for appointment goes undertakes a competency assessment to determine their strengths, weaknesses, learning opportunities, current level of work and to identify developmental gaps. The gaps identified from the outcome of the assessment are incorporate in the SMS members personal developmental plans to improve on them.

All employees are required to enter into performance agreements within three months of appointment and on a yearly basis go through formal performance assessment twice a year. 98.5% of employees were able to comply with the provisions of the performance management and development system directives. However, 100% of SMS members complied with the PMDS directive.

The department implements health and wellness programmes to encourage a healthy lifestyle which includes HIV and AIDS voluntary counselling and testing and wellness screening. In light of the COVID-19 threat, measures were put in place to manage and contain the risk of virus in the workplace. Employees identified as high risk of being infected with the virus were allowed to perform their work remotely. Work arrangement of employees affected by the impact of the virus were also revised to allow for flexi-work arrangements. All COVID-19 reported cases were managed in line with guidelines issued by the Department of Health and reports submitted to the Department of Public Service & Administration.

Achievements for the reporting includes the following:

- The department exceeded the 2% target for appointment of persons with disabilities as set out by Cabinet and achieved 4%. This was achieved through targeted recruitment processes.
- Furthermore, the department achieved its target for appointment of women at SMS level with the status at 50% of women appointed at SMS level.
- 100% of designated employees disclosed their financial interest for the reporting period.
- COVID-19 protocols developed and implemented to reduce the risk of employee infection. The measures put in place reduced the risk of infections of employees.

The following challenges were identified:

- Misalignment between the organisational structure and the Department's broader mandate and strategy which has an impact on service delivery. Appointment of persons additional to the establishment has a negative impact on institutional memory loss in cases where employee contracts terminates. The department is in the process of reviewing the current organisational structure to align it to the strategic plan and mandate of the department.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2021 and 31 March 2022

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	34 554	34 188	366	0	40.3	322.5
Institutional Support & Coordination	32 563	32 468	95	0	38.3	306.3
Research, Policy & Legislation	17 690	15 092	9	2 589	17.7	142.4
Total	**84 807**	**81 748**	**470**	**2 589**	**96.3**	**771.2**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Skilled (Levels 3-5)	1 113	1.36	4	278.25
Highly skilled production (Levels 6-8)	9 884	12.09	27	366
Highly skilled supervision (Levels 9-12)	20 599	25.19	27	762.9
Senior management (Levels 13-16)	39 623	48.46	30	1 320.7
Contract (Levels 1-2)	157	0.19	1	157
Contract (Levels 3-5)	985	1.2	5	197
Contract (Levels 6-8)	1 402	1.7	3	467
Contract (Levels 9-12)	3 945	4.8	5	789
Contract other	4 040	4,94	4	1 010
Periodical Remuneration	0	0	0	0
Total	**81 748**	**99.9**	**106**	**771**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	38 825	87	214	0.5	418	0.9	837	1.9
Institutional Support & Coordination	10 546	71.2	0	0	217	1.5	348	2.3
Research, Policy & Legislation	19 966	83.2	5	0	914	3.8	306	1.3
Total	**69 337**	**83.1**	**219**	**0.3**	**1 548**	**1.9**	**1 492**	**1.8**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (Levels 3-5)	870	77.3	28	2.5	71	6.3	50	4.4
Highly skilled production (Levels 6-8)	7 755	76.6	125	1.2	417	4.1	717	7.1
Highly skilled supervision (Levels 9-12)	17 835	84.3	63	0.3	330	1.6	469	2.2
Senior management (Levels 13-16)	34 071	86.3	0	0	730	1.8	256	0.6
Contract (Levels 1-2)	157	100	0	0	0	0	0	0
Contract (Levels 3-5)	973	97.9	0	0	0	0	0	0
Contract (Levels 6-8)	1 393	98	0	0	0	0	0	0
Contract (Levels 9-12)	3 943	96.9	3	0.1	0	0	0	0
Contract Other	2 340	99.9	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
Total	**69 337**	**84.8**	**219**	**0.3**	**1 548**	**1.9**	**1 492**	**1.8**

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations

The Departments identified critical occupations that need to be monitored.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	51	49	1.8%	11
Research, Policy & Legislation	21	20	0.9%	4
Institutional Support & Coordination	38	37	0.9%	2
Total	**110**	**106**	**3.6%**	**17**

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skilled (3-5)	4	4	0	0
Highly skilled production (6-8)	28	28	0	0
Highly skilled supervision (9-12)	30	26	3.6%	0
Senior management (13-16)	30	30	0	1
Other	4	4	0	4
Contract (Levels 1-2)	1	1	0	1
Contract (Levels 3-5)	5	5	0	3
Contract (Levels 6-8)	3	3	0	3
Contract (Levels 9-12)	5	5	0	5
Total	**110**	**106**	**3.6%**	**17**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	31	27	3.6%	5
FINANCIAL AND RELATED PROFESSIONALS, Permanent	3	3	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	2	2	0	0
FOOD SERVICES AIDS AND WAITERS, Permanent	1	1	0	1
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	1	1	0	0
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS, Permanent	2	2	0	2
HUMAN RESOURCES RELATED, Permanent	2	2	0	0
LIGHT VEHICLE DRIVERS, Permanent	5	5	0	1
LOGISTICAL SUPPORT PERSONNEL, Permanent	3	3	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	1	1	0	0
OTHER OCCUPATIONS, Permanent	7	7	0	4
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	24	24	0	3
SENIOR MANAGERS, Permanent	28	28	0	1
Total	**110**	**106**	**3.6%**	**17**

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	3.6	0	0
Salary Level 15	2	2	7.1	0	0
Salary Level 14	7	7	25	0	0
Salary Level 13	18	18	64.2	0	0
Total	**28**	**28**	**100**	**0**	**0%**

Table 3.3.2 SMS post information as on 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General	1	1	3.57	0	0
Salary Level 15	2	2	7.14	0	0
Salary Level 14	7	7	25	0	0
Salary Level 13	18	17	60.7	1	3.6
Total	**28**	**27**	**96.4%**	**1**	**3.6%**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General	0	0	0
Salary Level 15	0	0	0
Salary Level 14	2	1	0
Salary Level 13	2	0	0
Total	**4**	**1**	**0**

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within twelve months
No suitable candidate found for advertised positions

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
None

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Skilled (Levels 3-5)	4	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	28	2	7.1%	0	0	2	7.1%
Highly skilled supervision (Levels 9-12)	30	2	6.7%	0	0	0	0
Senior Management Service Band A	19	0	0	0	0	0	0
Senior Management Service Band B	7	0	0	0	0	0	0

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Senior Management Service Band C	2	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
Other	4	0	0	0	0	0	0
Contract (Levels 1-2)	1	0	0	0	0	0	0
Contract (Levels 3-5)	5	0	0	0	0	0	0
Contract (Levels 6-8)	3	0	0	0	0	0	0
Contract (Levels 9-12)	5	0	0	0	0	0	0
Total	**110**	**4**	**3.6%**	**0**	**0**	**2**	**50%**

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2021 and 31 March 2022

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

Employees with a disability	0

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2021 and 31 March 2022

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
ADMINISTRATIVE RELATED, Permanent	2	5	6	Post downgraded
SENIOR MANAGERS, Permanent	1	13	14	Transfer from another department.
Total number of employees whose salaries exceeded the level determined by job evaluation				**3**
Percentage of total employed				2.8%

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	1	0	0	0	0
Male	2	0	0	0	0
Total	**3**	**0**	**0**	**0**	**0**

Employees with a disability	None

3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of employees at beginning of period-1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Skilled (Levels3-5)	4	0	0	0
Highly skilled production (Levels 6-8)	25	3	0	0
Highly skilled supervision (Levels 9-12)	25	4	2	8
Senior Management Service Bands A	14	2	1	7.14
Senior Management Service Bands B	6	1	0	0
Senior Management Service Bands C	2	0	0	0
Senior Management Service Bands D	2	0	0	0
Other	0	4	0	0
Contract (Levels 1-2)	1	0	0	0
Contract (Levels 3-5)	5	1	1	20
Contract (Levels 6-8)	4	6	2	50
Contract (Levels 9-12)	5	4	4	80
Total	**93**	**25**	**10**	**10.8%**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2022

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	24	6	5	16.7
FINANCIAL AND RELATED PROFESSIONALS Permanent	3	0	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	2	0	0	0
FOOD SERVICES AIDS AND WAITERS Permanent	1	0	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	1	0	0	0
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS Permanent	2	0	0	0
HUMAN RESOURCES RELATED Permanent	2	1	0	0
LIGHT VEHICLE DRIVERS Permanent	5	1	1	20
LOGISTICAL SUPPORT PERSONNEL Permanent	3	1	1	33.3
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	1	0	0	0
OTHER OCCUPATIONS Permanent	3	5	1	33.3
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	23	8	2	8.7
SENIOR MANAGERS Permanent	23	3	0	0
TOTAL	**93**	**25**	**10**	**10.8**

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2021 and 31 March 2022

Termination Type	Number	% of Total Resignations
Death	1	10
Resignation	2	20
Expiry of contract	7	70
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	0	0
Transfer to other Public Service Departments	0	0
Other	0	0
Total	**10**	**100**
Total number of employees who left as a % of total employment	**9.4**	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 and 31 March 2022

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	24	0	0	28	116.7
FINANCIAL AND RELATED PROFESSIONALS	3	0	0	3	100
FINANCIAL CLERKS AND CREDIT CONTROLLERS	2	0	0	2	100
FOOD SERVICES AIDS AND WAITERS	1	0	0	1	100
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	1	0	0	1	100
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	2	0	0	2	100
HUMAN RESOURCES RELATED	2	1	50	4	200
LIGHT VEHICLE DRIVERS	5	0	0	4	80
LOGISTICAL SUPPORT PERSONNEL	3	0	0	2	66.7
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	1	0	0	1	100
OTHER OCCUPATIONS	3	1	33.3	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	23	0	0	24	104.3
SENIOR MANAGERS	23	3	13	26	113
TOTAL	**93**	**5**	**5.4**	**98**	**105.4**

Table 3.5.5 Promotions by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Employees 1 April 2021	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Skilled (Levels3-5)	4	0	0	4	100
Highly skilled production (Levels 6-8)	25	0	0	25	100
Highly skilled supervision (Levels 9-12)	25	1	4	29	116
Senior Management (Level 13-16)	24	4	16.7	28	116.7
Contract (Levels 1-2)	1	0	0	1	100
Contract (Levels 3-5)	5	0	0	4	80
Contract (Levels 6-8)	4	0	0	3	75
Contract (Levels 9-12)	5	0	0	4	80
Total	**93**	**5**	**5.4**	**98**	**105.4**

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	13	0	0	2	12	0	3	0	**30**
Professionals	0	0	0	0	1	0	0	0	**1**
Technicians and associate professionals	15	1	0	1	17	0	0	0	**34**
Clerks	7	0	0	0	20	0	0	0	**27**
Service and sales workers	0	0	0	0	2	0	0	0	**2**
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	**0**
Craft and related trades workers	0	0	0	0	0	0	0	0	**0**
Plant and machine operators and assemblers	5	0	0	0	0	0	0	0	**5**
Elementary occupations	1	0	0	0	2	0	0	0	**3**
Other Occupations	0	2	0	0	1	1	0	0	**4**
Total	**41**	**3**	**0**	**3**	**55**	**1**	**3**	**0**	**106**
Employees with disabilities	1	0	0	0	2	1	0	0	**4**

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	2	0	0	0	**4**
Senior Management	11	0	0	2	10	0	3	0	**26**
Professionally qualified and experienced specialists and mid-management	14	0	0	1	12	0	0	0	**27**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	0	0	0	21	0	0	0	**27**
Semi-skilled and discretionary decision making	3	0	0	0	1	0	0	0	**4**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
Other	0	2	0	0	1	1	0	0	**4**
Contract (Professionally Qualified)	1	1	0	0	3	0	0	0	**5**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Contract (Skilled Technical)	1	0	0	0	2	0	0	0	**3**
Contract (Semi-Skilled)	3	0	0	0	2	0	0	0	**5**
Contract (Unskilled)	0	0	0	0	1	0	0	0	**1**
Total	**41**	**3**	**0**	**3**	**55**	**1**	**3**	**0**	**106**

Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	**0**
Senior Management	1	0	0	0	1	0	1	0	**3**
Professionally qualified and experienced specialists and mid-management	3	0	0	0	1	0	0	0	**4**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	3	0	0	0	**3**
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	**0**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
Other	0	2	0	0	1	1	0	0	**4**
Contract (Professionally Qualified)	1	0	0	0	3	0	0	0	**4**
Contract (Skilled Technical)	2	0	0	0	4	0	0	0	**6**
Contract (Semi-Skilled)	1	0	0	0	0	0	0	0	**1**
Contract (Unskilled)	0	0	0	0	0	0	0	0	**0**
Total	**8**	**2**	**0**	**0**	**13**	**1**	**1**	**0**	**25**
Employees with disabilities	0	0	0	0	2	1	0	0	**3**

Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	2	0	0	0	**3**
Senior Management	11	0	0	2	10	0	3	0	**26**
Professionally qualified and experienced specialists and mid-management	14	0	0	1	12	0	0	0	**27**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	0	0	0	19	0	0	0	**25**
Semi-skilled and discretionary decision making	3	0	0	0	1	0	0	0	**4**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
Contract (Professionally qualified)	1	1	0	0	2	0	0	0	**4**
Contract (Skilled technical)	1	0	0	0	2	0	0	0	**3**
Contract (Semi-skilled)	2	0	0	0	2	0	0	0	**4**
Contract (Unskilled)	0	0	0	0	1	0	0	0	**1**
Total	**39**	**1**	**0**	**3**	**51**	**0**	**3**	**0**	**97**
Employees with disabilities	1	0	0	0	0	0	0	0	**1**

Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	**0**
Senior Management	1	0	0	0	0	0	0	0	**1**
Professionally qualified and experienced specialists and mid-management	1	0	0	0	1	0	0	0	**2**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	**0**
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	**0**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
Contract (Senior Management)	0	0	0	0	0	0	0	0	**0**
Contract (Professionally qualified)	2	0	0	0	2	0	0	0	**4**
Contract (Skilled technical)	1				1				**2**
Contract (Semi-skilled)	1	0	0	0	0	0	0	0	**1**
Total	**6**	**0**	**0**	**0**	**4**	**0**	**0**	**0**	**10**
Employees with Disabilities	0	0	0	0	0	0	0	0	**0**

Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Final Written warning	2	0	0	0	1	0	0	0	**3**
Written warning	3	0	0	0	2	0	0	0	**5**

Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	17	0	0	5	16	0	6	0	**44**
Professionals	12	1	0	2	11	0	0	0	**26**
Technicians and associate professionals	3	0	0	0	18	0	0	0	**21**
Clerks	10	0	0	0	16	0	0	0	**26**
Service and sales workers	0	0	0	0	0	0	0	0	**0**
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	**0**
Craft and related trades workers	0	0	0	0	0	0	0	0	**0**
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	**0**
Elementary occupations	0	0	0	0	0	0	0	0	**0**
Total	**42**	**1**	**0**	**7**	**61**	**0**	**6**	**0**	**117**
Employees with disabilities	2	0	0	0	0	0	0	0	**0**

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2021

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General	1	1	1	4
Salary Level 15	2	2	2	9
Salary Level 14	7	6	6	26
Salary Level 13	16	14	14	61
Total	**26**	**23**	**23**	**100**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2021

Reasons
N/A

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2021

Reasons
N/A

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	10	41	24.4	154	15 363
Female	13	55	23.6	224	17 226
Asian					
Male	0	0	0	0	0
Female	0	3	0	0	0
Coloured					
Male	0	3	0	0	0
Female	0	1	0	0	0
White					
Male	1	3	33.3	69	69 432
Female	0	0	0	0	0
Total	**24**	**106**	**22.6**	**447**	**18 652**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Skilled (level 3-5)	2	4	50	12.59	6 247	6.0
Highly skilled production (level 6-8)	10	27	37	86.47	8 647	41.6
Highly skilled supervision (level 9-12)	8	27	29.6	108.36	13 545	52.2
Other	0	4	0	0	0	0
Contract (Levels 1-2)	0	1	0	0	0	0
Contract (Levels 3-5)	0	5	0	0	0	0
Contract (Levels 6-8)	0	3	0	0	0	0
Contract (Levels 9-12)	0	5	0	0	0	0
Total	**20**	**76**	**26.3**	**207**	**10 371**	**100**

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	2	2	100	13	6
LOGISTICAL SUPPORT PERSONNEL	2	3	66.7	12	6
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	0	2	0	0	0
OTHER OCCUPATIONS	0	7	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	3	3	100	59	20
ADMINISTRATIVE RELATED	5	25	20	91	18
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	6	29	20.7	23	3
HUMAN RESOURCES RELATED	2	4	50	9	5
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	0	1	0	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	0	1	0	0	0
SENIOR MANAGERS	4	23	17.4	240	60
LIGHT VEHICLE DRIVERS	0	5	0	0.00	0
FOOD SERVICES AIDS AND WAITERS	0	1	0	0.00	0
Total	**24**	**106**	**22.6**	**447.00**	**18 625**

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total SMS personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	3	17	17.6	170	57	0.5
Band B	1	7	14.3	69	69	0.2
Band C	0	2	0	0	0	0
Band D	0	2	0	0	0	0
Total	**4**	**28**	**14.3**	**240**	**60**	**0.6**

3.9 Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2021 and 31 March 2022

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 and 31 March 2022

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
n/a	n/a		n/a		n/a	

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	1	100	1	1.8	1	1
Highly skilled production (levels 6-8)	126	84.9	18	31.6	7	178
Highly skilled supervision (levels 9 -12)	107	86.9	13	22.8	8	268
Top and Senior management (levels 13-16)	204	94.6	16	28.1	13	1 004
Contract (Levels 3-5)	14	85.7	5	8.8	3	13
Contract (Levels 6-8)	2	0	1	1.8	2	2
Contract (Levels 9-12)	19	63.2	3	5.3	6	45
Total	**473**	**88.4**	**57**	**100**	**8**	**1 511**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	5	100	2	100	3	30
Total	**5**	**100**	**2**	**100**	**3**	**30**

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

Table 3.10.3 Annual Leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled (Levels 3-5)	74	19	4
Highly skilled production (Levels 6-8)	592	24	25
Highly skilled supervision(Levels 9-12)	627	23	27
Senior management (Levels 13-16)	652	23	28
Contract (Levels 1-2)	12	12	1
Contract (Levels 3-5)	86	7	12

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 6-8)	52	10	5
Contract (Levels 9-12)	90	15	6
Total	**2 185**	**20**	**108**

Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2021
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	21
Highly skilled supervision(Levels 9-12)	0	0	0	44
Senior management (Levels 13-16)	0	0	0	26
Total	**0**	**0**	**0**	**31**

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

Table 3.10.5 Leave payouts for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2021/22 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2021/22	2	1	2
Leave discounting with resignation for 2021/2022	16	2	8
Leave gratuity: retirement/death/contract expiry for 2021/2022	143	5	29
Total	**161**	**7**	**-**

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Employees with classified COVID-19 comorbidities	Employees allowed to work remotely during the COVID-19 national lockdown
Employees aged 60 years and above	Employees allowed to work on a rotational basis during the COVID-19 national lockdown.

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	x		Ms Lorato Motlhala Director: Human Resource Management
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	x		Human Resource Management Directorate is responsible for the promotion of health and well-being of employees. The department does not have a budget allocated for health and well-being of employees.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	x		Voluntary health and wellness screening for the following: • Body cholesterol levels • Blood Pressure (BP) testing • Blood Glucose level • HIV & Aid Counselling & Testing The department provided reasonable accommodation to affected employees during the COVID-19 lockdown.
4. Has the department established (a) committee(s) as contemplated in Regulation 55 (d) 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.	x		The Department had established an Employee Wellness Committee with representative from various Chief Directorate, however the committee is not effective.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	x		The Department's Employment Equity policy articulates issues on fair labour practices.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	x		The Department has a policy in place that provides for non-discrimination of persons affected and infected by HIV.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	x		• The Department collaborates with GEMS and NGO's by providing on site health screening and voluntary HIV testing.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		Utilisation of health and wellness services: • Number of employees attending wellness events • Sick leave utilisation

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2021 and 31 March 2022

Total number of Collective agreements	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	5	62.5
Final written warning	3	37.5
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	**8**	**100%**

Notes

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

Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 and 31 March 2022

Type of misconduct	Number	% of total
N/A	N/A	N/A
Total		

Table 3.12.4 Grievances logged for the period 1 April 2021 and 31 March 2022

Grievances	Number	% of Total
Number of grievances resolved	3	75%
Number of grievances not resolved	1	25%
Total number of grievances lodged	**4**	**100%**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2021 and 31 March 2022

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	1	100%
Total number of disputes lodged	**1**	**100%**

Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022

Total number of persons working days lost	None
Total costs working days lost	N/A
Amount recovered as a result of no work no pay (R'000)	N/A

Table 3.12.7 Precautionary suspensions for the period 1 April 2021 and 31 March 2022

Number of people suspended	None
Number of people who's suspension exceeded 30 days	N/A
Average number of days suspended	N/A
Cost of suspension(R'000)	N/A

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	12	0	12	0	12
	Male	7	0	7	0	7
Professionals	Female	10	0	10	0	10
	Male	12	0	12	0	12
Technicians and associate professionals	Female	27	0	27	0	27
	Male	8	0	8	0	8
Clerks	Female	13	0	13	0	13
	Male	8	0	8	0	8
Service and sales workers	Female	2	0	2	0	2
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	2	0	2	0	2
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	64	0	64	0	64
	Male	37	0	37	0	37
Total		**101**	**0**	**101**	**0**	**101**

Table 3.13.2 Training provided for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	22	0	9	13	22
	Male	22	0	6	16	22
Professionals	Female	11	0	2	9	11
	Male	15	0	3	12	15
Technicians and associate professionals	Female	18	0	4	14	18
	Male	3	0	1	2	3
Clerks	Female	16	0	10	6	16
	Male	10	0	5	5	10
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	67	0	25	42	67
	Male	50	0	15	35	50
Total		**117**	**0**	**40**	**77**	**117**

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2021 and 31 March 2022

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

3.15 Utilisation of Consultants

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

(a) The rendering of expert advice;

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2021 and 31 March 2022

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Appointment of the Ad-Hoc Panel for implementation of the Court Judgement on the VhaTsonga Kingship application/claim	3	116	R1 329 808.00
Appointment of the AmaZulu Kingship Disputes Mediation Panel	3	91	R1 259 440.00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
2	6	207	R2 589 248.00

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of the Ad-Hoc Panel for implementation of the Court Judgement on the VhaTsonga Kingship application/claim	33.3%	33.3%	1
Appointment of the AmaZulu Kingship Disputes Mediation Panel	33.3%	33.3%	1

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2021 and 31 March 2022

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	N/A	N/A	N/A

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2021 and 31 March 2022

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

PART E:

FINANCIAL INFORMATION

Report of the Auditor-General to Parliament on Vote no 15: Department of Traditional Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Traditional Affairs set out on pages 110 to 160, which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Traditional Affairs as at 31 March 2022 , and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards (MCS) prescribed by National Treasury and requirements of the Public Finance Management Act 1 of 1999 (PFMA).

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 auditor-general's responsibilities 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 on pages 161 to 167 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them

Responsibilities of the accounting officer for the financial statements

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 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.

Auditor-general's responsibilities 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.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the departments's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2022:

Programmes	Pages in the annual performance report
Programme 2- Research, Policy and Legislation	37 – 39, 45 – 47

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

- Programme 2- Research, Policy and Legislation

Other matter

17. I draw attention to the matter below.

Achievement of planned targets

18. Refer to the annual performance report on pages 38 to 47 for information on the achievement of planned targets for the year and management's explanations provided for the over achievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

19. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

20. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

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

22. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or otherwise appears to be materially misstated.

24. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

25. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor- General

Pretoria

Date of signing

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

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Department of Traditional Affairs

Vote: 15

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Appropriation per programme									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	53 060	-	3 651	56 711	47 645	9 066	84.0%	50 685	41 101
2. Research, Policy & Legislation	18 159	-	4 204	22 363	20 298	2 065	90.8%	16 929	15 000
3. Institutional Support & Coordination	101 471	-	(7 855)	93 616	86 714	6 902	92.6%	94 071	81 422
TOTAL	**172 690**	**-**	**-**	**172 690**	**154 657**	**18 033**	**89.6%**	**161 685**	**137 523**

	2021/22			2020/21	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)				**161 685**	**137 523**
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	106			59	
NRF Receipts				-	
Aid assistance				-	
Actual amounts per statement of financial performance (total revenue)	172 796			161 744	
ADD					
Aid assistance					-
Prior year unauthorised expenditure approved without funding					-
Actual amounts per statement of financial performance (total expenditure)		**154 657**			**137 523**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**123 634**	**-**	**(338)**	**123 296**	**106 360**	**16 936**	**86.3%**	**111 173**	**88 444**
Compensation of employees	**84 269**	**-**	**-**	**84 269**	**81 747**	**2 522**	**97.0%**	**79 776**	**72 757**
Salaries and wages	76 082	(3 518)	-	72 564	70 771	1 793	97.5%	71 542	65 585
Social contributions	8 187	3 518	-	11 705	10 976	729	93.8%	8 234	7 172
Goods and services	**39 365**	**-**	**(338)**	**39 027**	**24 613**	**14 414**	**63.1%**	**31 397**	**15 687**
Administrative fees	1 335	(35)	-	1 300	713	587	54.8%	1 131	402
Advertising	422	(325)	-	97	39	58	40.2%	417	145
Minor assets	383	265	-	648	249	399	38.4%	249	31
Audit costs: External	2 450	140	-	2 590	2 591	(1)	100.0%	2 566	2 218
Bursaries: Employees	429	(394)	-	35	-	35	-	156	52
Catering: Departmental activities	827	278	-	1 105	450	655	40.7%	312	76
Communication	2 065	(453)	-	1 612	1 205	407	74.8%	1 922	1 079
Computer services	280	6	-	286	228	58	79.7%	275	240
Consultants: Business and advisory services	3 829	(1664)	3000	5 165	4 356	809	84.3%	3 868	3 701
Laboratory services	-	2	-	2	2	-	100.0%	123	107
Legal services	7 583	165	(3 000)	4 748	1 843	2 905	38.8%	6 423	1 622
Contractors	5	88	-	93	86	7	92.5%	16	11
Fleet services	492	401	-	893	411	482	46.0%	386	200
Consumable supplies	182	171	-	353	145	208	41.1%	677	546

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing, and office supplies	1 402	115	-	1 517	805	712	53.1%	759	202
Operating leases	394	-	-	394	245	149	62.2%	400	128
Property Payments	-	689	-	689	689	-	100.0%	-	-
Travel and subsistence	14 879	855	-	15 734	9 982	5 752	63.4%	9 987	4 678
Training and development	353	291	(174)	470	218	252	46.4%	256	44
Operating payments	679	(65)	(164)	450	356	94	79.1%	799	205
Venues and facilities	1 376	(530)	-	846	-	846	-	675	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**46 044**	**-**	**165**	**46 209**	**46 205**	**4**	**100.0%**	**47 657**	**47 654**
Provinces and municipalities	**10**	**-**	**-**	**10**	**7**	**3**	**70.0%**	**10**	**8**
Municipalities	10	-	-	10	7	3	70.0%	10	8
Municipal bank accounts	10	-	-	10	7	3	70.0%	10	8
Departmental agencies and accounts	**46 034**	**-**	**-**	**46 034**	**46 033**	**1**	**100.0%**	**46 048**	**46 047**
Departmental agencies and accounts	46 034	-	-	46 034	46 033	1	100.0%	46 048	46 047
Households	**-**	**-**	**165**	**165**	**165**	**-**	**100.0%**	**1 599**	**1 599**
Social benefits	-	-	165	165	165	-	100.0%	1 599	1 599
Payments for capital assets	**3 012**	**-**	**-**	**3 012**	**1 922**	**1 090**	**63.8%**	**2 855**	**1 425**
Machinery and equipment	**3 012**	**-**	**-**	**3 012**	**1 922**	**1 090**	**63.8%**	**2 855**	**1 425**
Transport equipment	-	-	-	-	-	-	-	9	9

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other machinery and equipment	3 012	-	-	3 012	1 922	1 090	63.8%	2 846	1 416
Payments for financial assets	**-**	**-**	**173**	**173**	**170**	**3**	**98.3%**	**-**	**-**
Total	**172 690**	**-**	**-**	**172 690**	**154 657**	**18 033**	**89.6%**	**161 685**	**137 523**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 1: Administration									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Ministry	11 528	(526)	16	11 018	9 346	1 672	84.8%	10 411	8 818
2. Management of Trad. Affairs	14 529	(68)	57	14 518	13 157	1 361	90.6%	14 893	11 710
3. Corporate Services	22 585	1 074	3 578	27 237	21 350	5 887	78.4%	20 986	16 974
4. Internal Audit	4 418	(480)	-	3 938	3 792	146	96.3%	4 395	3 599
Total for sub programmes	**53 060**	**-**	**3 651**	**56 711**	**47 645**	**9 066**	**84.0%**	**50 685**	**41 101**
Economic classification									
Current payments	**50 036**	**-**	**3 545**	**53 581**	**45 612**	**7 969**	**85.1%**	**47 747**	**39 596**
Compensation of employees	**36 522**	**-**	**(700)**	**35 822**	**34 188**	**1 634**	**95.4%**	**35 122**	**33 449**
Salaries and wages	32 847	(46)	(700)	32 101	30 801	1 300	96.0	31 601	30 146
Social contributions	3 675	46	-	3 721	3 387	334	91.0%	3 521	3 303
Goods and services	**13 514**	**-**	**4 245**	**17 759**	**11 424**	**6 335**	**64.3%**	**12 625**	**6 147**
Administrative fees	619	(93)	-	526	286	240	54.4%	567	175
Advertising	422	(325)	-	97	39	58	40.2%	377	106
Minor assets	116	208	-	324	215	109	66.4%	198	23
Audit costs: External	2 450	140	-	2 590	2 591	(1)	100.0%	2 566	2 218
Bursaries: Employees	429	(394)	-	35	-	35	-	156	52
Catering: Departmental activities	125	128	-	253	144	109	56.9%	145	-
Communication	1 027	(114)	-	913	689	224	75.5%	1 244	583
Computer services	280	6	-	286	228	58	79.7%	275	240
Consultants: Business and advisory services	919	(429)	-	490	439	51	89.6%	803	636

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 1: Administration									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Laboratory services	-	2	-	2	2	-	100.0%	123	107
Legal services	-	165	4 583	4 748	1 843	2 905	38.8%	-	-
Contractors	-	21	-	21	20	1	95.2%	11	11
Fleet services	204	401	-	605	411	194	67.9%	386	200
Consumable supplies	153	127	-	280	125	155	44.6%	174	53
Consumable: Stationery, printing, and office supplies	465	(55)	-	410	278	132	67.8%	376	147
Operating leases	394	-	-	394	245	149	62.2%	400	128
Property Payments	-	689	-	689	689	-	100.0%	-	-
Travel and subsistence	4 590	(114)	-	4 476	2 821	1 655	63.0%	3 562	1 282
Training and development	249	291	(174)	366	218	148	59.6%	166	44
Operating payments	669	(274)	(164)	231	141	90	61.0%	676	142
Venues and facilities	403	(380)	-	23	-	23	-	420	-
Transfers and subsidies	**12**	**-**	**74**	**86**	**82**	**4**	**95.3%**	**83**	**80**
Provinces and municipalities	**10**	**-**	**-**	**10**	**7**	**3**	**70.0%**	**10**	**8**
Municipalities	10	-	-	10	7	3	70.0%	10	8
Municipal bank accounts	10	-	-	10	7	3	70.0%	10	8
Departmental agencies and accounts	**2**	**-**	**-**	**2**	**1**	**1**	**50.0%**	**2**	**1**
Public corporations and private enterprises	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Public corporations	-	-	-	-	-	-	-	-	-
Households	**-**	**-**	**74**	**74**	**74**	**-**	**100.0%**	**71**	**71**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 1: Administration									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social benefits	-	-	74	74	74	-	100.0%	71	71
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	**3 012**	**-**	**-**	**3 012**	**1 922**	**1 090**	**63.8%**	**2 855**	**1 425**
Machinery and equipment	3 012	-	-	3 012	1 922	1 090	63.8%	2 855	1 425
Transport equipment	-	-	-	-	-	-	-	9	9
Other machinery and equipment	3 012	-	-	3 012	1 922	1 090	63.8%	2 846	1 416
Payments for financial assets	**-**	**-**	**32**	**32**	**29**	**3**	**90.6%**	**-**	**-**
Total	**53 060**	**-**	**3 651**	**56 711**	**47 645**	**9 066**	**84.0%**	**50 865**	**41 101**
Payments for financial assets									

APPROPRIATION STATEMENT

for the year ended 31 March 2022

1.1 Ministry									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**11 528**	**(526)**	**-**	**11 002**	**9 330**	**1 672**	**84.8%**	**10 411**	**8 818**
Compensation of employees	8 904	-	-	8 378	7 171	1 207	85.6%	8 058	7 632
Goods and services	2 624	-	-	2 624	2 159	465	82.3%	2 353	1 186
Transfers and subsidies	**-**	**-**	**4**	**4**	**4**	**-**	**100.0%**	**-**	**-**
Households	-	-	4	4	4	-	100.0%	-	-
Households	-	--	12	12	12	-	100.0%	-	-
Payments for financial assets									
Total	**11 528**	**(526)**	**16**	**11 018**	**9 346**	**1 672**	**84.8%**	**10 411**	**8 818**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

1.2 Management of Traditional Affairs									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**14 529**	**(68)**	**-**	**14 461**	**13 100**	**1 361**	**90.6%**	**14 831**	**11 648**
Compensation of employees	10 900	608	-	11 508	11 418	90	99.2%	11 567	10 867
Goods and services	3 629	(676)	-	2 953	1 682	1 271	57.0%	3 264	781
Transfers and subsidies	**-**	**-**	**57**	**57**	**57**	**-**	**100.0%**	**62**	**62**
Households	-	-	57	57	57	-	100.0%	62	62
Total	**14 529**	**(68)**	**57**	**14 518**	**13 157**	**1 361**	**90.6%**	**14 893**	**11 710**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

1.3 Corporate Services									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**19 561**	**1 074**	**3 545**	**24 180**	**19 390**	**4 790**	**80.2%**	**18 119**	**15 540**
Compensation of employees	13 607	(255)	(700)	12 652	12 315	337	97.3%	12 226	12 027
Goods and services	5 954	1 329	4 245	11 528	7 075	4 453	61.4%	5 893	3 513
Transfers and subsidies	**12**	**-**	**13**	**25**	**21**	**4**	**84.0%**	**12**	**9**
Provinces and municipalities	10	-	-	10	7	3	70.0%	10	8
Departmental agencies and accounts	2	-	-	2	1	1	50%	2	1
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	13	13	13	-	100.0%	-	-
Payments for capital assets	**3 012**	**-**	**-**	**3 012**	**1 922**	**1 090**	**63.8%**	**2 855**	**1 425**
Machinery and equipment	3 012	-	-	3 012	1 922	1 090	63.8%	2 855	1 425
Payments for financial assets	**-**	**-**	**20**	**20**	**17**	**3**	**85.0%**	**-**	**-**
Total	**22 585**	**1 074**	**3 578**	**27 237**	**21 350**	**5 887**	**78.4%**	**20 986**	**16 974**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

1.4 Internal Audit									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**4 418**	**(480)**	**-**	**3 938**	**3 792**	**146**	**96.3%**	**4 386**	**3 590**
Compensation of employees	3 111	173	-	3 284	3 284	-	100.0%	3 271	2 923
Goods and services	1 307	(653)	-	654	508	146	77.7%	1 115	667
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9**	**9**
Households	-	-	-	-	-	-	-	9	9
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Total	**4 418**	**(480)**	**-**	**3 938**	**3 792**	**146**	**96.3%**	**4 395**	**3 599**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 2: Research, Policy and Legislation									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management	3 200	(65)	4 202	7 337	6 424	913	87.6%	3 988	3 715
2. Policy and Legislation	5 227	316	-	5 543	5 033	510	90.8%	4 186	3 478
3. Research and Info. Management	9 732	(251)	2	9 483	8 841	642	93.2%	8 755	7 807
Total for sub programmes	**18 159**	**-**	**4 204**	**22 363**	**20 298**	**2 065**	**90.8%**	**16 929**	**15 000**
Economic classification									
Current payments	**18 159**	**-**	**4 202**	**22 361**	**20 296**	**2 065**	**90.8%**	**16 436**	**14 507**
Compensation of employees	**14 107**	**-**	**1 202**	**15 309**	**15 092**	**217**	**98.6%**	**13 748**	**11 831**
Salaries and wages	12 611	381	1 100	14 092	13 906	186	98.7%	12 306	10 748
Social contributions	1 496	(381)	102	1 217	1 186	31	97.5%	1 442	1 083
Goods and services	**4 052**	**-**	**3 000**	**7 052**	**5 204**	**1 848**	**73.8%**	**2 688**	**2 676**
Administrative fees	71	58	-	129	93	36	72.1%	9	8
Advertising	-	-	-	-	-	-	-	40	39
Minor assets	209	47	-	256	32	224	12.5%	-	-
Catering: Departmental activities	10	150	-	160	135	25	84.4%	-	-
Communication	263	6	-	269	184	85	68.4%	153	154
Consultants: Business and advisory services	1 613	(1 249)	3 000	3 364	2 606	758	77.5%	2 292	2 292
Contractors	-	67	-	67	66	1	98.5%	-	-
Consumable supplies	-	34	-	34	17	17	50.0%	-	-

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 2: Research, Policy and Legislation									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	457	170	-	627	478	149	76.2%	35	35
Travel and subsistence	1 115	827	-	1 942	1 553	389	80.0%	148	147
Training and development	9	-	-	9	-	9	-	10	-
Operating payments	4	40	-	44	40	4	90.9%	1	1
Venues and facilities	301	(150)	-	151	-	151	-	-	-
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**493**	**493**
Households	-	-	-	-	-	-	-	493	493
Payments for financial assets	**-**	**-**	**2**	**2**	**2**	**-**	**100.0%**	**-**	**-**
Total	**18 159**	**-**	**4 204**	**22 363**	**20 298**	**2 065**	**90.8%**	**16 929**	**15 000**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

2.1 Management									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**3 200**	**(65)**	**4 202**	**7 337**	**6 424**	**913**	**87.6%**	**3 988**	**3 715**
Compensation of employees	2 071	1 143	1 202	4 416	4 416	-	100.0%	2 209	1 947
Goods and services	1 129	(1 208)	3 000	2 921	2 008	913	68.7%	1 779	1 768
Total	**3 200**	**(65)**	**4 202**	**7 337**	**6 424**	**913**	**87.6%**	**3 988**	**3 715**

2.2 Policy and Legislation									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**5 227**	**316**	**-**	**5 543**	**5 033**	**510**	**90.8%**	**4 186**	**3 478**
Compensation of employees	4 436	338	-	4 774	4 645	129	97.3%	4 126	3 419
Goods and services	791	(22)	-	769	388	381	50.5%	60	59
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**5 227**	**316**	**-**	**5 543**	**5 033**	**510**	**90.8%**	**4 186**	**3 478**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

2.3 Research and Information Management									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**9 732**	**(251)**	**-**	**9 481**	**8 839**	**642**	**93.2%**	**8 262**	**7 314**
Compensation of employees	7 600	(1 481)	-	6 119	6 031	88	98.6%	7 413	6 465
Goods and services	2 132	1 230	-	3 362	2 808	554	83.5%	849	849
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**493**	**493**
Households	-	-	-	-	-	-	-	493	493
Payments for financial assets	-	-	2	2	2	-	100.0%	-	-
Total	**9 732**	**(251)**	**2**	**9 483**	**8 841**	**642**	**93.2%**	**8 755**	**7 807**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 3: Institutional Support and Coordination									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Management	9 819	(581)	(455)	8 783	7 419	1 364	84.5%	5 496	4 088
2. Institutional Development and Capacity Building	7 427	263	1	7 691	6 212	1 479	80.8%	6 999	5 885
3. Intergovernmental Relations and Partners	8 215	357	-	8 572	7 266	1 306	84.8%	7 918	6 805
4. National House of Traditional Leaders	22 395	(39)	182	22 538	19 785	2 753	87.8%	21 249	16 976
5. Commission for the Promotion and Protection of the Rights of Culture, Religious and Linguistic	46 032	-	-	46 032	46 032	-	100.0%	46 046	46 046
6. Commission on Traditional Leaders Disputes and Claims	7 583	-	(7 583)	-	-	-	-	6 363	1 662
Total for sub programmes	**101 471**	**-**	**(7 855)**	**93 616**	**86 714**	**6 902**	**92.6%**	**94 071**	**81 422**
Economic classification									
Current payments	**55 439**	**-**	**(8 085)**	**47 354**	**40 452**	**6 902**	**85.4%**	**46 990**	**34 341**
Compensation of employees	**33 640**	**-**	**(502)**	**33 138**	**32 467**	**671**	**98.0%**	**30 906**	**27 477**
Salaries and wages	30 624	(3 853)	(400)	26 371	26 064	307	98.8%	27 635	24 691
Social contributions	3 016	3 853	(102)	6 767	6 403	364	94.6%	3 271	2 786
Goods and services	**21 799**	**-**	**(7 583)**	**14 216**	**7 985**	**6 231**	**56.2%**	**16 084**	**6 864**
Administrative fees	645	-	-	645	334	311	51.8%	555	219
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	58	10	-	68	2	66	2.9%	51	8

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 3: Institutional Support and Coordination									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	692	-	-	692	171	521	24.7%	167	76
Communication	775	(345)	-	430	332	98	77.2%	525	342
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	1 297	14	-	1 311	1 311	-	100.0%	773	773
Legal services	7 583	-	(7 583)	-	-	-	-	6 423	1 622
Contractors	5	-	-	5	-	5	-	5	-
Fleet services	288	-	-	288	-	288	-	-	-
Consumable supplies	29	10	-	39	3	36	7.7%	503	493
Consumable: Stationery, printing and office supplies	480	-	-	480	49	431	10.2%	348	20
Travel and subsistence	9 174	142	-	9 316	5 608	3 708	60.2%	6 277	3 249
Training and development	95	-	-	95	-	95	-	80	-
Operating payments	6	169	-	175	175	-	100.0%	122	62
Venues and facilities	672	-	-	672	-	672	-	255	-
Transfers and subsidies	**46 032**	**-**	**91**	**46 123**	**46 123**	**-**	**100.0%**	**47 081**	**47 081**
Departmental agencies and accounts	**46 032**	**-**	**-**	**46 032**	**46 032**	**-**	**100.0%**	**46 046**	**46 046**
Departmental agencies	46 032	-	-	46 032	46 032	-	100.0%	46 046	46 046
Households	**-**	**-**	**91**	**91**	**91**	**-**	**100.0%**	**1 035**	**1 035**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Programme 3: Institutional Support and Coordination									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social benefits	-	-	91	91	91	-	100.0%	1 035	1 035
Payments for financial assets	**-**	**-**	**139**	**139**	**139**	**-**	**100.0%**	**-**	**-**
Total	**101 471**	**-**	**(7 855)**	**93 616**	**86 714**	**6 902**	**92.6%**	**94 071**	**81 422**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

3.1 Management									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments	**9 819**	**(581)**	**(502)**	**8 736**	**7 372**	**1 364**	**84.4%**	**5 486**	**4 078**
Compensation of Employees	8 266	(581)	(502)	7 183	7 008	175	97.6%	4 026	3 689
Goods and services	1 553	-	-	1 553	364	1 189	23.4%	1 460	389
Transfers and subsidies	**-**	**-**	**4**	**4**	**4**	**-**	**100.0%**	**10**	**10**
Households	-	-	4	4	4	-	100.0%	10	10
Payment for financial assets	**-**	**-**	**43**	**43**	**43**	**-**	**100.0%**	**-**	**-**
Total	**9 819**	**(581)**	**(455)**	**8 783**	**7 419**	**1 364**	**84.5%**	**5 496**	**4 088**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

3.2 Institutional Development and Capacity Building									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments	**7 427**	**263**	**-**	**7 690**	**6 211**	**1 479**	**80.8%**	**6 999**	**5 885**
Compensation of Employees	5 752	263	-	6 015	5 960	55	99.1%	6 109	5 755
Goods and Services	1 675	-	-	1 675	251	1 424	15.0%	890	130
Payment for financial assets	**-**	**-**	**1**	**1**	**1**	**-**	**100.0%**	**-**	**-**
Total	**7 427**	**263**	**1**	**7 691**	**6 212**	**1 479**	**80.8%**	**6 999**	**5 885**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

3.3 Intergovernmental Relations and Partnerships									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**8 215**	**357**	**-**	**8 572**	**7 266**	**1 306**	**84.8%**	**7 918**	**6 805**
Compensation of Employees	6 570	357	-	6 927	6 906	21	99.7%	6 968	6 652
Goods and services	1 645	-	-	1 645	360	1 285	21.9%	950	153
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**8 215**	**357**	**-**	**8 572**	**7 266**	**1 306**	**84.8%**	**7 918**	**6 805**

2.4 National House of Traditional Leaders									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**22 395**	**(39)**	**-**	**22 356**	**19 603**	**2 753**	**87.7%**	**20 224**	**15 951**
Compensation of Employees	13 052	(39)	-	13 013	12 593	420	96.8%	13 803	11 381
Goods and services	9 343	-	-	9 343	7 010	2 333	75.0%	6 421	4 570
Transfers and subsidies	**-**	**-**	**87**	**87**	**87**	**-**	**100.0%**	**1 025**	**1 025**
Households	-	-	87	87	87	-	100.0%	1 025	1 025
Payment for financial assets	**-**	**-**	**95**	**95**	**95**	**-**	**100.0%**	**-**	**-**
Total	**22 395**	**(39)**	**182**	**22 538**	**19 785**	**2 753**	**87.8%**	**21 249**	**16 976**

APPROPRIATION STATEMENT

for the year ended 31 March 2022

2.5 CRL Rights Commission									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	**46 032**	**-**	**-**	**46 032**	**46 032**	**-**	**100.0%**	**46 046**	**46 046**
Departmental agencies and accounts	46 032	-	-	46 032	46 032	-	100.0%	46 046	46 046
Total	**46 032**	**-**	**-**	**46 032**	**46 032**	**-**	**100.0%**	**46 046**	**46 046**

2.5 Commission on Traditional Leadership Disputes & Claims									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**7 583**	**-**	**(7 583)**	**-**	**-**	**-**	**-**	**6 363**	**1 662**
Compensation of Employees	-	-	-	-	-	-	-	-	-
Goods and services	7 583	-	(7 583)	-	-	-	-	6 363	1 662
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**7 583**	**-**	**(7 583)**	**-**	**-**	**-**	**-**	**6 363**	**1 662**

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2022

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, disclosure notes and Annexure 1 (A-E) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	56 711	47 645	9 066	15.99%
Research, Policy & Legislation	22 363	20 298	2 065	9.23%
Institutional Support & Coordination	93 616	86 714	6 902	7.37%

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	**123 296**	**106 360**	**16 936**	**13.75%**
Compensation of employees	84 269	81 747	2 522	2.99%
Goods and services	39 027	24 596	14 431	36.98%
Transfers and subsidies	**46 209**	**46 205**	**4**	**100.0%**
Provinces and municipalities	10	7	3	30.0%
Departmental agencies and accounts	46 034	46 033	1	0.00%
Households	165	165	0	0.00
Payments for capital assets	**3 012**	**1 939**	**1 073**	**35.62%**
Machinery and equipment	3 012	1 939	1 073	35.62%
Payments for financial assets	**173**	**170**	**3**	**1.73%**

The under expenditure on Compensation of Employees is attributed to the delayed appointment of the Khoi-San Commissioners for implementation of the TKLA while on goods and services is due to the Covid-19 lockdown restrictions which had an impact on travelling, procurement of goods and services due to officials were working on a rotational basis and conducting virtual meetings instead of contact meetings and regular travelling. There were savings realised under Municipalities and Provinces budget for the renewal of motor vehicle licenses while underspending on Capital assets budget was due to challenges experienced with procurement of vehicles attributed to global shortage of semiconductors, which affected timeous delivery of vehicles.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000
REVENUE			
Annual appropriation	1	172 690	161 685
Departmental revenue	2	106	59
TOTAL REVENUE		**172 796**	**161 744**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	81 747	72 757
Goods and services	4	26 613	15 687
Total current expenditure		**106 360**	**88 444**
Transfers and subsidies			
Transfers and subsidies	5	46 204	47 654
Total transfers and subsidies		**46 204**	**47 654**
Expenditure for capital assets			
Tangible assets	6	1 922	1 425
Total expenditure for capital assets		**1 922**	**1 425**
Payments for financial assets	7	**171**	**-**
TOTAL EXPENDITURE		**154 657**	**137 523**
SURPLUS/(DEFICIT) FOR THE YEAR		**18 139**	**24 221**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		18 033	24 162
Annual appropriation		18 033	24 162
Conditional grants		-	-
Departmental revenue and NRF Receipts	13	106	59
Aid assistance		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		**18 139**	**24 221**

STATEMENT OF FINANCIAL POSITION

as at 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		**21 107**	**26 206**
Unauthorised expenditure	8	2 252	2 252
Cash and cash equivalents	9	18 594	23 729
Prepayments and advances	10	36	3
Receivables	11	225	222
Non-Current assets		**485**	**441**
Receivables	11	485	441
TOTAL ASSETS		**21 592**	**26 647**
LIABILITIES			
Current liabilities		**21 581**	**26 635**
Voted funds to be surrendered to the Revenue Fund	12	18 033	26 414
Payables	14	3 548	221
TOTAL LIABILITIES		**21 581**	**26 635**
NET ASSETS		**11**	**12**

	Note	2021/22 R'000	2020/21 R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		11	12
Retained funds		-	-
Revaluation reserve		-	-
TOTAL		**11**	**12**

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2022

	Note	2021/22	2020/21
		R'000	R'000
Recoverable revenue			
Opening balance		12	12
Transfers:		(1)	-
Debts recovered (included in departmental receipts)		(1)	-
Debts raised		-	-
Closing balance		11	12
TOTAL		**11**	**12**

CASH FLOW STATEMENT

for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		172 796	161 744
Annual appropriated funds received	1	172 690	161 685
Departmental revenue received	2	106	59
Net (increase)/decrease in working capital		3 291	(148)
Surrendered to Revenue Fund		(26 520)	(7 694)
Current payments		(106 360)	(88 444)
Payments for financial assets		(171)	-
Transfers and subsidies paid		(46 204)	(47 654)
Net cash flow available from operating activities		**(3 168)**	**17 804**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(1 922)	(1 425)
(Increase)/decrease in non-current receivables		(44)	(23)
Net cash flows from investing activities		**(1 966)**	**(1 448)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(1)	-
Net cash flows from financing activities		**(1)**	**-**
Net increase/(decrease) in cash and cash equivalents		(5 135)	16 356
Cash and cash equivalents at beginning of period		23 729	7 373
Cash and cash equivalents at end of period	9	**18 594**	**23 729**

ACCOUNTING POLICIES

for the year ended 31 March 2022

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.
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. 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.

ACCOUNTING POLICIES

for the year ended 31 March 2022

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. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy
8	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost 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. The operating lease commitments are recorded in the notes to the financial statements. Operating lease payments received are recognised as departmental revenue.

ACCOUNTING POLICIES

for the year ended 31 March 2022

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. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest. Finance lease payments received are recognised as departmental revenue.
9	**Aid Assistance**
9.1	**Aid assistance received** Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	**Aid assistance paid** Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10	**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.
11	**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. <Indicate when prepayments are expensed and under what circumstances.>
12	**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.
13	**Investments** Investments are recognised in the statement of financial position at cost.
14	**Financial assets**

ACCOUNTING POLICIES

for the year ended 31 March 2022

14.1	**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.
14.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	**Payables** Payables recognised in the statement of financial position are recognised at cost.
16	**Capital Assets**
16.1	**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.
16.2	**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. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	**Intangible 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.

ACCOUNTING POLICIES

for the year ended 31 March 2022

16.4	**Project Costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17	**Provisions and Contingents**
17.1	**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.
17.2	**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.
17.3	**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.
17.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
18	**Unauthorised expenditure** Unauthorised expenditure is recognised in the statement of financial position 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 is measured at the amount of the confirmed unauthorised expenditure.

ACCOUNTING POLICIES

for the year ended 31 March 2022

19	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
20	**Irregular expenditure** Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
21	**Changes in accounting policies, accounting estimates and errors** Changes in accounting policies that are effected by management have been applied retrospectively 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 change in policy. In such instances the department shall restate the opening balances of assets, liabilities, and net assets for the earliest period for which retrospective restatement is practicable. 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.
22	**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.
23	**Principal-Agent arrangements** The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets, and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24	**Departures from the MCS requirements** [Insert information on the following: that management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.]

ACCOUNTING POLICIES

for the year ended 31 March 2022

25	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National Revenue Fund when the underlying asset is disposed, and the related funds are received.
26	**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 Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27	**Related party transactions** A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.
28	**Inventories** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

1. Annual Appropriation

1.1 Annual Appropriation

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

	2021/22			2020/21	
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	53 060	53 060	-	50 685	50 685
Research, Policy & Legis.	18 159	18 159	-	16 929	16 929
Inst. Support. & Coord.	101 471	101 471	-	94 071	94 071
Total	**172 690**	**172 690**	**-**	**161 685**	**161 685**

During 2020/21 financial year, National Treasury implemented mandatory budget cuts across government to fight the spread of COVID-19 and this resulted in reduction of the budget of the Department in the previous year. If the mandatory budget reduction is discounted, the budget increase is insignificant. The entire appropriated budget of the current financial year was requested and received in full.

2. Departmental revenue

	Note	2021/22	2020/21
		R'000	R'000
Sales of goods and services other than capital assets	2.1	51	-
Transactions in financial assets and liabilities	2.2	55	59
Total revenue collected		106	59
Departmental revenue collected		**106**	**59**

a. Sales of goods and services other than capital assets

	Note	2021/22	2020/21
	2	R'000	R'000
Sales of goods and services produced by the department		51	59
Sales by market establishment		22	22
Other sales		29	37
Sales of scrap, waste and other used current goods		-	-
Total		**51**	**59**

The main source of this revenue category is parking fees and commission charged from third parties. The slight decrease is attributable to reduction on commission charged on third parties' deductions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

b. Transactions in financial assets and liabilities

	Note	2021/22	2020/21
	2	R'000	R'000
Other Receipts including Recoverable Revenue		55	-
Total		**55**	**-**

The amount received relates to recovery of previous year expenditure, no comparatives from prior year.

3. Compensation of employees

3.1 Salaries and Wages

	Note	2021/22	2020/21
		R'000	R'000
Basic salary		52 319	49 276
Performance award		446	342
Service Based		54	44
Compensative/circumstantial		596	395
Other non-pensionable allowances		17 355	15 529
Total		**70 770**	**65 586**

3.2 Social contributions

	Note	2021/22	2020/21
		R'000	R'000
Employer contributions			
Pension		9 457	5 689
Medical		1 509	1 472
Bargaining council		11	10
Total		**10 977**	**7 171**
Total compensation of employees		**81 74**	**72 757**
Average number of employees		106	100

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

4. Goods and services

	Note	2021/22	2020/21
		R'000	R'000
Administrative fees	4.1	712	403
Advertising		39	145
Minor assets	4.2	250	31
Bursaries (employees)		-	52
Catering	4.3	450	76
Communication	4.4	1 205	1 078
Computer services	4.5	229	240
Consultants: Business and advisory services	4.6	4 354	3 701
Laboratory services	4.7	2	107
Legal services	4.8	1 843	1 622
Contractors		87	11
Audit cost – external	4.9	2 590	2 218
Fleet services		412	200
Consumables		950	748
Operating leases		245	128
Property payments	4.10	689	-
Travel and subsistence	4.11	9 982	4 678
Training and development		218	44
Other operating expenditure	4.12	356	205
Total		**24 613**	**15 687**

4.1 Administrative fees

	Note	2021/22	2020/21
	4	R'000	R'000
Bank Charges		13	12
Travel Agency fee		699	391
Total		**712**	**403**

As compared to previous financial year, travelling increased as the nationwide lockdown restrictions were eased.

4.2 Minor assets

	Note	2021/22	2020/21
	4	R'000	R'000
Tangible assets		**250**	**31**
Machinery and equipment		250	31
Total		**250**	**31**

The increase on this line item is due to procurement for replacement of obsolete minor assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

4.3 Catering

	Note	2021/22	2020/21
	4	R'000	R'000
Catering services		450	76
Total		**450**	**76**

As lockdown restrictions were eased, physical meetings which included opening of the NHTKL and awareness campaigns for the newly established Commission on Khoi-San Matters were conducted and necessitated catering services.

4.4 Communication

	Note	2021/22	2020/21
	4	R'000	R'000
Com: Airtime and data		850	855
Com: Rent Private Bags & Post Box		2	2
Com: satellite signals		22	34
Com: Tele/Fax/Telegraph & Telex		331	187
Total		**1 205**	**1 078**

4.5 Consultants: Business and advisory services

	Note	2021/22	2020/21
	4	R'000	R'000
Consultants: Audit committee members		390	568
Consultants: Board & Committee members (NHTL)		1 311	773
Consultants: Human Resources services		42	68
Consultants: Research and advisory		2 589	2 292
Consultants: Qualification verification		6	-
Consultants: Translation and transcribing		16	-
Total		**4 354**	**3 701**

In this expenditure item there are sitting allowances for members of the NHTKL and the appointment of ad-hoc panels to address litigation on kingship disputes in compliance with court orders. This resulted in an increase on this line item.

4.6 Laboratory services

	Note	2021/22	2020/21
	4	R'000	R'000
Medical lab NHLS		-	2
Medical lab services other		2	105
Total		**2**	**107**

There is significant decrease as compared to prior year and this is attributed to utilisation of in-house cleaning services for the disinfection of workstations/offices after positive Covid-19 cases were reported.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

4.7 Legal Fees

	Note	2021/22	2020/21
	4	R'000	R'000
State Attorney		165	617
Private legal firms		1 678	1 005
Total		**1 843**	**1 622**

4.8 Audit cost – External

	Note	2021/22	2020/21
	4	R'000	R'000
Regularity audits		2 590	2 218
Total		**2 590**	**2 218**

4.9 Travel and subsistence

	Note	2021/22	2020/21
	4	R'000	R'000
Local		9 982	4 677
Foreign		-	1
Total		**9 982**	**4 678**

As compared to previous financial year, travelling increased as the nationwide lockdown restrictions were eased.

4.10 Other operating expenditure

	Note	2021/22	2020/21
	4	R'000	R'000
Professional bodies, membership and subscription fees		12	12
Resettlement costs		-	-
Other		344	193
Total		**356**	**205**

5. Transfers and subsidies

	Note	2021/22	2020/21
		R'000	R'000
Provinces and municipalities		7	8
Departmental agencies and accounts	Annex 1B	46 033	46 047
Households	Annex 1G	164	1 599
Total		**46 204**	**47 654**

The decreased on this line item is due to fewer payments for leave gratuity made during the period under review when compared to the previous year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

6. Expenditure for capital assets

	Note	2021/22	2020/21
		R'000	R'000
Tangible assets		1 922	1 425
Machinery and equipment		1 922	1 425
Intangible assets		-	-
Software		-	-
Total		**1 922**	**1 425**

6.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets			
Machinery and equipment	1 922	-	1 922
Total	**1 922**	**-**	**1 922**

6.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets			
Machinery and equipment	1 425	-	1 425
Total	**1 425**	**-**	**1 425**

6.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2021/22	2020/21
		R'000	R'000
Tangible assets			
Machinery and equipment		1 026	608
Total		**1 026**	**608**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

7. Payments for financial assets

	Note	2021/22	2020/21
		R'000	R'000
Debts written off	6.1	171	-
Total		**171**	**-**

7.1 Debts written off

	Note	2021/22	2020/21
	6	R'000	R'000
Other debt written off			
Disallowance: Damages to State Vehicle & No-shows		162	-
Total debt written off		**162**	**-**

Cases were written off after recommendation by the Loss control committee which led to the spending on this line item.

8. Unauthorised expenditure

8.1 Reconciliation of unauthorised expenditure

	Note	2021/22	2020/21
		R'000	R'000
Opening balance		2 252	2 252
Prior period error		-	-
As restated		2 252	2 252
Closing balance		**2 252**	**2 252**
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation		2 252	2 252
Total		**2 252**	**2 252**

8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	Note	2021/22	2020/21
		R'000	R'000
Current		2 252	2 252
Total		**2 252**	**2 252**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

8.3 Analysis of unauthorised expenditure awaiting authorisation per type

	Note	2021/22	2020/21
		R'000	R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote		2 252	2 252
Total		**2 252**	**2 252**

9. Cash and cash equivalents

	Note	2021/22	2020/21
		R'000	R'000
Consolidated Paymaster General Account		18 594	23 729
Total		**18 594**	**23 729**

The cash and cash equivalents comprise of cash in the Paymaster General account and outstanding payments, i.e., BAS and PERSAL transactions processed prior to cut-off date.

10. Prepayments and Advance (Not expensed)

	Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2022
		R'000	R'000	R'000	R'000	R'000
Goods and services		3	(17)	-	50	36
Total		**3**	**(17)**	**-**	**50**	**36**

11. Receivables

	Note	2021/22			2020/21		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	93	-	93	-	-	-
Recoverable expenditure	11.2	132	467	599	201	434	635
Staff debt	11.3	-	7	7	7	2	9
Other	11.4	-	11	11	14	5	19
Total		**225**	**485**	**710**	**222**	**441**	**663**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

11.1 Claims recoverable

	Note	2021/22	2020/21
	11	R'000	R'000
Inter-departmental claims		93	-
Total		**93**	**-**

11.2 Recoverable expenditure (disallowance accounts)

	Note	2021/22	2020/21
	11	R'000	R'000
Disallowance: Damages and Losses		593	516
Disallowance: Miscellaneous (No-Shows)		6	119
Total		**599**	**635**

11.3 Staff debt

	Note	2021/22	2020/21
	11	R'000	R'000
Salary reversal		7	7
Tax debt (ex-employee)		-	2
Total		**7**	**9**

11.4 Other debt

	Note	2021/22	2020/21
	11	R'000	R'000
Damages to motor vehicle (ex-employee)		-	5
Salary overpayment (ex-employee)		11	14
Total		**11**	**19**

12. Voted funds to be surrendered to the Revenue Fund

	Note	2021/22	2020/21
		R'000	R'000
Opening balance		26 414	9 887
Prior period error		-	-
As restated		26 414	9 887
Transfer from statement of financial performance (as restated)		18 033	24 162
Paid during the year		(26 414)	(7 635)
Closing balance		**18 033**	**26 414**

The closing balance represents the unspent funds for the year under review which will be surrendered to National Revenue Fund after the book of accounts have been closed. The increased spending led to the less amount to be surrendered.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

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

	Note	2021/22	2020/21
		R'000	R'000
Opening balance		-	-
Prior period error		-	-
As restated		-	-
Transfer from Statement of Financial Performance (as restated)		106	59
Paid during the year		(106)	(59)
Closing balance		**-**	**-**

The amount represents revenue collected and paid over to NRF.

14. Payables – current

	Note	2021/22	2020/21
		R'000	R'000
Clearing accounts	14.1	3 548	221
Total		**3 548**	**221**

14.1 Clearing accounts

	Note	2021/22	2020/21
	14	R'000	R'000
Sal: Income Tax		66	191
Payble: Adv: Pub Ent Adv Acc: CL		3 479	-
Sal: Pension Fund		3	30
Total		**3 548**	**221**

Pension payment liability relating to employees whose contracts expired led to the spike in this line item.

15. Net cash flow available from operating activities

	Note	2021/22	2020/21
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		18 139	24 221
Add back non-cash/cash movements not deemed operating activities		(21 307)	(6 417)
(Increase)/decrease in receivables		(3)	(102)
(Increase)/decrease in prepayments and advances		(33)	12
Increase/(decrease) in payables – current		3 327	(58)
Expenditure on capital assets		1 922	1 425
Surrenders to Revenue Fund		(26 520)	(7 694)
Net cash flow generated by operating activities		**(3 168)**	**17 804**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

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

	Note	2021/22	2020/21
		R'000	R'000
Consolidated Paymaster General account		18 594	23 729
Total		**18 594**	**23 729**

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

	Note	2021/22	2020/21
		R'000	R'000
Liable to Nature			
Intergovernmental payables (unconfirmed balances)	Annex 1D	55	1 666
Other	Annex 1E	4 280	3 320
Total		**4 335**	**4 986**

At the reporting period the department did not receive the supporting documents relating to inter-departmental claims which resulted in the decrease of the balance compared to previous year.

18. Accruals and payables not recognised

18.1 Accruals

	2021/22		2020/21	
Listed by economic classification	R'000		R'000	
	30 Days	Total	30 Days	Total
Goods and sServices	413	413	438	438
Other	-	-	-	-
Total	**413**	**413**	**438**	**438**

	Note	2021/22	2020/21
		R'000	R'000
Listed by programme level			
Administration		288	328
Research, Policy and Legislation		16	62
Institutional Support and Coordination		109	48
Total		**413**	**438**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

18.2 Payables not recognised

	2021/22			2020/21
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and SSservices	4	-	4	-
Total	**4**	**-**	**4**	**-**

	Note	2021/22	2020/21
		R'000	R'000
Administration		-	-
Research, Policy and Legislation		4	-
Institutional Support and Coordination		-	-
Total		**4**	**-**

19. Employee benefits

	Note	2021/22	2020/21
		R'000	R'000
Leave entitlement		2 706	4 437
Service bonus (Thirteenth cheque)		1 765	1 581
Performance awards		0	415
Capped leave commitments		1 617	1 576
Other		54	87
Total		**6 142**	**8 096**

Leave entitlement includes an amount of R7 928.44 in lieu of negative liability. Negative leave liability is incurred caused by employees utilising vacation leave in advance. The amount was set off for officials with negative leave credits at the end of the year. In terms of pro-rata leave calculation, employees are entitled to 5.49 leave days for employees with less than 10 years of service and 7.5 leave days for employees with 10 years' service accumulated from 1 January 2022 until 31 March 2022. The negative leave liability will update automatically during the 2022 leave cycle as leave credits accrues monthly. Furthermore, the benefits include an estimated amount of R1 617 thousand in lieu of capped leave commitments. The leave commitment is for leave accrued prior to 1 July 2000 payable in the event of death, retirement, or medical boarding.

A total amount of R54 493 (R54 thousand Rands) on "Other benefits" is for provision of long service recognition of three (3) employees that will complete 20- and 30- years' service in the Public Service.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

20. Lease commitments

20.1 Operating leases

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	106	106
Later than 1 year and not later than 5 years				169	169
Total lease commitments	**-**	**-**	**-**	**275**	**275**

2020/21	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	-	-	-	55	55
Later than 1 year and not later than 5 years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**55**	**55**

The increase in commitments is attributed to the new lease contract for photocopy machines during the year under review.

20.2 Finance leases

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	952	952
Later than 1 year and not later than 5 years	-	-	-	8	8
Total lease commitments	**-**	**-**	**-**	**960**	**960**

2020/21	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	-	-	-	1 010	1 010
Later than 1 year and not later than 5 years				859	859
Total lease commitments	**-**	**-**	**-**	**1 869**	**1 869**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Finance Lease commitments relate to the cellphone contract the Department has with Vodacom. The upgrades for cellphone contracts for members of NHTKL and other stakeholders increased the commitment amount

21. Related party transactions

Chapter 9 Body/ Entity/Department	Mandate	Relationship	Amount
CRL Rights Commission	The Commission is a Chapter 9 Constitutional Institution. It Promotes and protect cultural, religious and linguistic rights. The Commission focuses on conflict resolution, research, advocacy and community engagement on conflicts pertaining cultural, religious and linguist rights within communities.	The commission is a Constitutional Institution and receives its budget funding through a transfer payment from the Department.	R046 032.00
Department of Cooperative Governance (DCoG)	Develop and monitor the implementation of national policy and legislation seeking to transform and strength key institutions and mechanism of governance to fulfil their developmental role.	The relationship is that we report to one Minister and share a Vote. Due to inadequate funding and limited human capacity, DCoG performs some of the corporate functions for DTA.	R0.00
Municipal Infrastructure Support Agency (MISA)	Provide immediate support to Municipalities that are struggling with infrastructure delivery by facilitating the deployment of engineers, scientists and technicians to Municipalities and overseeing them.	There were no related party transactions with MISA, however, suffice to state that we share a Minister.	R0.00
Municipal Demarcation Board (MDB)	Is responsible for determining municipal boundaries, declare district management areas, delimit wards for local elections and assess the capacity of municipalities to perform their functions.	There were not related party transactions with MDB, however, suffice to state that we share one Minister	R0.00
South African Local Government Agency (SALGA)	Is an association of municipalities recognised by the organised local government Act (1997) as a representative of organised local government.	There were not related party transactions with SALGA, however, suffice to state that we share one Minister	R0.00

22. Key management personnel

	No. of Individuals	2021/22	2020/21
		R'000	R'000
Political office bearers (provide detail below)	1	2 000	1 978
Officials:			
Level 15-16	3	5 845	5 606
Level 14	8	10 896	11 168
Total		**18 741**	**18 752**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

23. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 March 2021					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**11 203**	**-**	**896**	**-**	**12 099**
Transport assets	4 179		-	-	4 179
Computer equipment	4 423	-	440	-	4 863
Furniture and office equipment	2 001	-	363	-	2 364
Other machinery and equipment	600	-	93	-	693
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**11 203**	**-**	**896**	**-**	**12 099**

Movable Tangible Capital Assets under investigation		
	Number	Value
		R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	6	100
Total Movable Tangible Capital Assets under Investigation	**6**	**100**

23.1 Movement for 2020/21

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 March 2021					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**10 386**		**817**	**-**	**11 203**
Transport assets	4 170	-	9	-	4 179
Computer equipment	3 681	-	742	-	4 423
Furniture and office equipment	2 001	-	-	-	2 001
Other machinery and equipment	534	-	66	-	600
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**10 386**	**-**	**817**	**-**	**11 203**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

23.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 March 2022						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	1 885	-	1 885
Value adjustment	-	-	-	-	-	-
Additions	-	-	-	250	-	250
TOTAL MINOR ASSETS	**-**	**-**	**-**	**2 135**	**-**	**2 135**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	1 098	-	1 098
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**1 098**	**-**	**1 098**

Minor Assets under investigation		
	Number	Value
		R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	1	2
Total Movable Tangible Capital Assets under Investigation	**1**	**2**

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 March 2021						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	1 854	-	1 854
Additions	-	-	-	31	-	31
TOTAL MINOR ASSETS	**-**	**-**	**-**	**1 885**	**-**	**1 885**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	1 007	-	1 007
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**1 007**	**-**	**1 007**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

24. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 March 2022					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	166	-	-	-	166
TOTAL INTANGIBLE CAPITAL ASSETS	**166**	**-**	**-**	**-**	**166**

25. 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.

26. COVID 19 Response Expenditure

	Note	2021/22	2020/21
	Annexure 11	R'000	R'000
Compensation of employees		-	-
Goods and services		22	566
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total		**22**	**566**

The expenditure on this line item is for the referral of employees to laboratories for Covid-19 testing and procurement of Personal Protective Equipment. The decrease is as result of reduced number of positive cases reported and utilisation of internal capacity for disinfection of work stations.

27. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	%
Tshwane Municipality	-	-	10	10	7	-	-
TOTAL	**-**	**-**	**10**	**10**	**7**	**-**	**-**

The expenditure amount relates to the payment for the motor vehicle licenses renewal for the official vehicles procured by the department.

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Tshwane Municipality	-	-	10	10	7	-	-	7	-	-	-	-	8
TOTAL	**-**	**-**	**10**	**10**	**7**	**-**	**-**	**7**	**-**	**-**	**-**	**-**	**8**

The expenditure amount relates to the payment for the motor vehicle licence renewal for the official vehicles procured and used by the department.

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
CRL Rights Commission	46 032	-	-	46 032	46 032	100%	46 047
SABC	2	-	-	2	1	50%	1
TOTAL	**46 034**	**-**	**-**	**46 034**	**46 033**	**100%**	**46 048**

The expenditure relates to transfer of budget funds to CRL Rights Commission (Constitutional Institution) and payment to SABC for the renewal of TV Licences.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave Gratuity	164	-	-	164	164	100%	1 599
Other transfers to Household	-	-	-	-	-	-	-
TOTAL	**164**	**-**	**-**	**164**	**164**	**100%**	**1 599**

The expenditure relates to leave gratuity payments to employees who resigned/retired.

ANNEXURE 1D

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2022	31/03/2022	31/03/2021	31/03/2022	31/03/2021	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Cooperative Governance	-	-	55	1 666	55	1 666	-	-
Department of Justice and Constitutional Development	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**55**	**1 666**	**55**	**1 666**	**-**	**-**

The balance (Interdepartmental Payables) relates to claims for the services rendered by Department of Cooperative Governance (DCoG). The reduction in the balance compared to prior year is due to non-submission of verifiable supporting documents by the claiming department (DCoG).

As at the reporting period, the department could not confirm any possibility of reimbursement.

ANNEXURE 1E

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

Nature of Liability	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
None	-	-	-	-	-
Subtotal	-	-	-	-	-
Other					
Legal Fees for the Claims on Traditional Leadership disputes	3 320	2 803	(1 843)	-	4 280
Subtotal	**3 320**	**2 803**	**(1 843)**	**-**	**4 280**
TOTAL	**3 320**	**2 803**	**(1 843)**	**-**	**4 280**

The amount disclosed under "Other Contingent Liabilities" relates to estimates on legal fees for the envisaged court cases on traditional leadership disputes.

ANNEXURE 1F

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2021/22					2020/21
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	**-**	**-**	**-**	**-**		**-**
Goods and services (List all applicable SCOA level 4 items)	**-**	**19**	**-**	**3**	**22**	**566**
Minor Assets	-		-	1	1	17
Laboratory Services	-	2	-	-	2	107
Consumables: Household Supplies	-	17	-	2	19	442
TOTAL COVID 19 RESPONSE EXPENDITURE	**-**	**19**	**-**	**3**	**22**	**566**

The expenditure on this line item is for the referral of employees to laboratories for Covid-19 testing and the procurement of household consumables such as sanitisers and facecloth masks, and temperature scanners to fight spread of Covid-19 virus amongst employees and traditional leaders.

NOTES

DEPARTMENT OF TRADITIONAL AFFAIRS

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