



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
CO-OPERATIVE GOVERNANCE,
HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS

ANNUAL REPORT

2024/2025 FINANCIAL YEAR

**DEPARTMENT OF
CoGHSTA
PROVINCE OF LIMPOPO
VOTE NO.11
ANNUAL REPORT
2024/2025 FINANCIAL YEAR**

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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee	GBVF	Gender Based Violence and Femicide
AFS	Annual Financial Statements	GEPF	Government Employees Pension Fund
AG	Auditor General	GITO	Government Information Technology Office
AGSA	Auditor General South Africa	HDA	Housing Development Agency
APP	Annual Performance Plan	HOD	Head of Department
B2B	Back to Basics	HR	Human Resource
BNG	Breaking New Ground	HSDG	Human Settlements Development Grant
CAC	Central Audit Committee	ICROP	Integrated Community Registration Outreach Programme
CFO	Chief Financial Officer	IESBA	International Ethics Standards Board for Accountants
CIDB	Construction Industry Development Board	ICT	Information Communication Technology
CLO	Community Liaison Officer	IDP	Integrated Development Plan
CoGHSTA	Cooperative Governance, Human Settlements and Traditional affairs	IGR	Intergovernmental Relations
Covid-19	Corona Virus Disease 19	IRPD	Integrate Reconstruction and Development Programme
COMAF	Communication of Audit Findings	ISHS	Integrated Sustainable Human Settlements
CRU	Community Residential Unit	ISUP	Informal Settlements Upgrading Programme
CSD	Central Supply Database	ISUPG	Informal Settlement Upgrading Programme Grant
CWP	Community Work Programme	ITMS	Information Technology Management System
DBSA	Development Bank of Southern Africa	LDP	Limpopo Development Plan
DCOG	Department of Cooperative Governance	LPT	Limpopo Provincial Treasury
DMPT	District Municipal Planning Tribunals	LUS	Land Use Scheme
DPSA	Department of Public Service and Administration	MEC	Member of Executive Council
DPWRI	Department of Public Works Roads and Infrastructure	MCS	Modified Cash Standard
DORA	Division of Revenue Act	MFMA	Municipal Financial Management Act
DPCI	Directorate for Priority Crime Investigation	MIG	Municipal Infrastructure Grant
DR	Disaster Recovery	MISA	Municipal Infrastructure Support Agency
DTI	Department of Trade and Industry	MMS	Middle Management Services
EPWP	Expanded Public Works Programme	MPAC	Municipal Public Accounts Committee
EXCO	Provincial Executive Committee	MPRA	Municipal Property Rate Act
FMB	Financial Misconduct Board	MSA	Municipal Systems/Structures Act
MSA	Municipal Systems/Structures Act	PSR	Public Service regulations

MTSF	Medium Term Strategic Framework	PRECCA	Prevention and Combating of Corrupt Activities Act
NDP	National Development Plan	SALGA	South African Local Government Association
NDMC	National Disaster Management Centre	SCM	Supply Chain Management
NSP	National Strategic Planning	SCOPA	Standing Committee on Public Accounts
NSG	National School of Government	SDF	Spatial Development Framework
NT	National Treasury	SIAS	Shared Internal Audit Service
NHBRC	National Home Builders Registration Council	SITA	State Information Technology Agency
OHS	Occupational Health and Safety	SOP	Standard Operating Procedure
PAA	Public Audit Act	SMS	Senior Management Services
PAG	Provincial Accountant General	SPLUMA	Spatial Planning and Land Use Management Act
PAIA	Promotion of Access to Information Act	TC	Traditional Councils
PDA	Priority Development Areas	UIFWe	Unauthorised, Irregular, Fruitless and Wasteful Expenditure
PGITO	Provincial Government Information Technology and Office	RMC	Risk Management Committee
PFMA	Public Finance Management Act	RWOPS	Remuneration Works Outside of Public Service
PMS	Performance Management System	WSP	Workplace Skills Plan
PPR	Preferential Procurement regulations		

3. FOREWORD BY THE MEC



Mr. R.B. Makamu

Member of Executive Council: Department of Cooperative Governance, Human Settlements and Traditional Affairs

In the tapestry of governance, where the threads of service, accountability, and transformation intertwine, we are reminded that leadership is not measured by intentions but by tangible change. The 2024/25 financial year has tested the resolve of our province, but it has also proven, beyond doubt, that when decisive leadership meets collective will, progress is inevitable.

We entered the 2024/25 financial year facing hard truths. Some municipalities were adrift, struggling under the weight of poor governance and systemic challenges. Yet, under the watchful eye and swift intervention of the Provincial Executive Council, we acted. The placement of Thabazimbi Municipality under Section 139(1)(c) administration was not merely an administrative correction; it was a bold political statement that dysfunction will not be tolerated, and constitutional order will be restored wherever it falters. The ongoing support to Makhado demonstrates that our duty does not end with intervention – it continues until every municipality stands firmly on the foundation of good governance.

Water remains the most urgent human right in our province. In response, we launched the Provincial Water and Sanitation Strategy, which is more than a plan; it is a lifeline. We are targeting the most underserved, bridging the urban-rural divide, and reinforcing infrastructure to guard against collapse. This is what it means to govern with foresight.

Our resolve for accountability has found clear expression in the audit outcomes. With two district municipalities achieving clean audits and 14 securing unqualified opinions, the culture of consequence is taking root. The elevation of Polokwane to a Level Six city status not only reflects administrative excellence; it signals that we are ready to reimagine our urban future on metropolitan terms.

Disaster preparedness, too, proved its worth in gold as the province was struck by climate-related tragedies. Yet our coordinated, swift response together with our partners in civil society demonstrated the power of unity in crisis. A potential devastation was turned into coordinated resilience.

Through the District Development Model, we are uniting all spheres of government and traditional leadership behind one development agenda. This is not just a technocratic approach. It is the embodiment of the principle that development must be people-centred, inclusive, and locally grounded.

Our work in human settlements stands as a moral commitment fulfilled. Surpassing our annual housing target by 10% is no small feat. But numbers alone do not tell the full story. Behind each unit delivered is a family

restored to dignity. With 62% of housing delivered in rural areas, we are undoing decades of structural neglect. The war on mud houses continues, and with accelerated implementation, we will close the chapter on unfit homes. To our military veterans, our housing provision is more than shelter; it is a nation's gratitude made concrete. Our asbestos roof replacement campaign, our biometric vetting of housing beneficiaries, and our commitment to site readiness all point to a department that is no longer reactive, but strategic.

Traditional leadership remains the cornerstone of cultural continuity and local governance. By modernising support systems and ensuring safer initiation practices, we are protecting tradition while embracing the demands of modern administration. The success of the 2024 initiation season with zero fatalities is a triumph of cultural stewardship and regulatory vigilance. This progress reflects our dual commitment to empowering traditional structures while ensuring the safety of cultural practices.

The road ahead is not without obstacles. But this report stands as testimony: we do not retreat in the face of challenge, we respond with action, policy, and impact. Let us march forward together, guided by the unshakable belief that no person, and no place, must be left behind.

To our dedicated officials, traditional leaders, municipal partners, and communities, your tireless efforts have made this turnaround possible. The CoGHSTA of 2025 stands as proof that through unity of purpose and unwavering commitment to service, no challenge is insurmountable.

Together, let us continue to build a Limpopo that works for all.



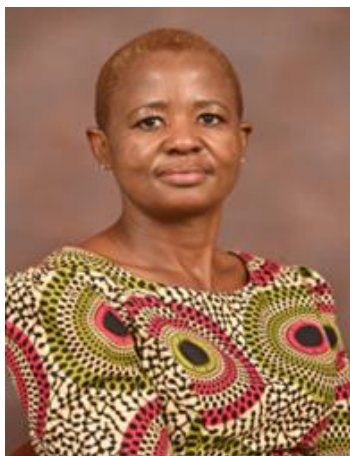
Mr R.B. Makamu

Member of the Executive Council

Department of Cooperative Governance, Human Settlements and Traditional Affairs

31 July 2025

4. REPORT OF THE ACCOUNTING OFFICER



Dr. M.M Malahlela

Head of Department: Department of Cooperative Governance, Human Settlements and Traditional Affairs

Overview of the operations of the department

During the year under review, the Department continued to discharge its mandate of human settlements, co-operative governance, and traditional institutional development. The mandates of the department include, amongst others, the following:

- To facilitate the provision of adequate housing in the province within the framework of national housing policy,
- Supporting and capacitating local government and;
- Provide for the recognition of traditional communities, establishment and recognition of traditional councils as well as providing for a statutory framework for leadership positions within institutions of traditional leadership, and establish mechanisms, processes, and procedures in terms of section 155 (6) of the Constitution.

The department started with the ad hoc process of reviewing the organisational structure that was approved in 2021 to build more capacity within Traditional Affairs and Co-operative Governance to effectively provide strategic support to municipalities and Traditional Leadership institutions. The department continues to fill vacant positions and to date, 94,9% of the vacant funded posts are filled; however, there is a shortage of personnel as 22% of the compensation of employees is allocated to cover allowances for traditional leaders.

During the 2024/25 financial year, the department delivered 5066 units against a target of 4 555 and 3 254 sites were delivered through the ISUP grant. During the period under review, the department conducted the structural integrity assessment on 3 630 incomplete houses, which were previously abandoned by poor-performing contractors with the assistance of NHBRC. 577 asbestos roofs have already been removed during the financial year, and a further assessed 11 823 roofs must still be removed.

The Department, through ISUPG, supports municipalities and Water Service Authorities in the provision of new bulk infrastructure and upgrading of the existing ones. The department has approved 26 multi-year projects across five districts. The engineering designs were completed for all 26 projects, and the Department will implement five of the projects in the 2025/26 financial year under the Mopani and Capricorn Districts

Our improved utilisation of allocated conditional grant funding has led to an additional R200 million being allocated for human settlements programmes from the national fiscus. This reflects our department's efficiency in planning and implementation.

The department, as the custodian of disaster management activities in the province, led intervention for disaster management. These include coordinating activities of the Provincial Command Councils on disasters with its support structure, both at provincial and local government levels.

Limpopo Province was included amongst other provinces in the Classification of National State of Disasters in a row between 12 January and 05 March 2025 by NDMC. This reveals that the magnitude of disasters experienced and the frequency of disaster incidents occurring in the province are unprecedented. In response, the provincial government has made available an amount of R500 000 000.00 from the Provincial Revenue Contingency Fund, which was allocated to four departments to repair public infrastructure.

Overview of the financial results of the department

Departmental receipts

Departmental receipts	2023/2024			2024/2025		
	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	1,278	1,271	7	1,323	1,145	178
Interest, dividends and rent on land	640	552	88	773	472	301
Sale of capital assets	984	984	0	1,183	-	1,183
Financial transactions in assets and liabilities	872	1,265	(393)	1,821	2,851	(1,030)
Total	3,774	4,072	(298)	5,100	4,468	632

The revenue budget estimate was R5.1 million (2024: R3.8 million), and actual collection amounted to R4.5 million (2024: R4.0 million), resulting in an under collection by R632 thousand (2024: R4.0 million- over collection). Under collection of revenue was caused late payment of interest, which was received after the financial year end, as well as the auction sales, which did no longer took place.

The department made use of transversal tariffs as determined and approved by the Provincial Treasury. There were no fee services rendered by the department that would have yielded significant revenue. Debts amounting to R469 thousand (2024: R1.2 million) were written off as irrecoverable during the year under review. The debts were written off in terms of the transversal debt management policy by the Provincial Treasury.

Programme Expenditure

Programme Name	2023/2024			2024/2025		
	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	374,901	345,138	29,763	389,572	366,287	23,285
Human Settlements	1,715,745	1,651,037	64,708	1,552,281	1,547,592	4,689
Co-operative Governance	298,408	293,465	4,943	363,696	341,614	22,082

Traditional institutional Development	631,661	558,963	72,698	576,137	557,654	18,483
Total	3,020,715	2,848,603	172,112	2,881,686	2,813,147	68,539

The Department had an adjusted appropriation of R2.9 billion (2024: R3.0 billion) during the year, and the total expenditure was R2.8 billion (2024: R2.8 billion), resulting in an underspending of R68.5 million (2024: R172 million). Adjustment budget was due to the approved rollover budget of R59.8 million (2024: R144 million) and an additional increase of R200 million (2024: R250 million) from the National Department of Human Settlements to cover the high performance of HSDG grants.

The underspending on the appropriation is a result of delays in filling vacant posts caused by changes in the organisational structure, retirement of staff, and resignations. In addition, the challenges in the construction of traditional councils' offices which was delayed by the availability of land, as well as delays in spending on the tools of trade of the traditional leaders.

Virements/roll overs

- Provincial Treasury approved virements submitted to address the writing-off of debts.
- An amount of R59.8 million (2024: R144 million) on conditional grants was received as rollover. During the period under review, no amount was incurred as unauthorised.

Strategic focus

The department is central to the coordination of services that improve the living conditions of the Limpopo citizenry. Given the specified deliverables, the departments' responsibility is to contribute to the development of communities by ensuring integrated sustainable human settlement through effective co-operative governance. This will be achieved by being an effective agent of change that delivers quality services to citizens of Limpopo through: Promoting developmental local governance, supporting municipalities and Traditional Leadership Institutions, and optimally delivering integrated and sustainable human settlements to transform spatial patterns.

In the 2019-2024 MTSF, the department is responsible for three priorities, namely: spatial integration, human settlements and local government; social cohesion and safe communities; and a capable, ethical and development state. These places put the department in a unique position to contribute significantly to the development of the province and the country at large. The department's success primarily depends on cooperation between various stakeholders to ensure that the envisaged impact is realized. As a rural province, it is required that the sectors think of transformation as a developmental agenda. Interventions focus on transformation that is alive to:

- Environmental and climate change,
- Promoting spatial integration in human settlements development,
- Municipalities maintain infrastructure to ensure the continued provision of basic services,
- Promoting active citizenry and leadership, and
- Improved governance and accountability to citizens by ensuring a functional and efficient Integrated Government

Strategic development and planning are essential for the departments to achieve its outcomes and effectively serve the public. A well-crafted strategy provides a roadmap for the department's activities, ensuring that resources are allocated efficiently, and that progress is monitored effectively. The Department conducted the first strategic planning session to robustly discuss the matters surrounding the imperatives for the 7th Administration. The Department followed its planning cycle framework in managing the process of developing the planning processes. Specifically, the process entailed a series of steps starting with the Executive

Management Committee (EXCO) considering the approach and steps that would be undertaken in developing the Strategic Plan and APP.

Public-Private Partnerships

- None

Discontinued key activities/activities to be discontinued

- None

New or proposed key activities

- None

Supply chain management

The Department did not have unsolicited bids for the year under review. The following control measures were put in place to assist in the detection and prevention of non-compliance with SCM transcripts.

- Bid Committee members are trained on their roles and responsibilities.
- Officials from Assistant Director level were trained and CIDB legal requirements and compliance
- Utilisation of transversal checklist by provincial treasury
- Developed the SCM Delegation of authority
- Departmental SOP's for Demand and Acquisition Management were developed
- Probity audit – to give assurance that procurement processes are compliant.
- The main challenges experienced was on vacancy at Director level and the Contract Management unit which is managed by one official. The Deputy Director: Contract Management was appointed and appointment of Director: Demand, Acquisition and Contract Management is at an advanced stage.

Gifts and Donations received in kind from non-related parties

- None

Exemptions and deviations received from the National Treasury

- There were no exemptions and deviations received from the National Treasury

Events after the reporting date

- None

Other

- None

Acknowledgement/s or Appreciation

As we close the chapter on the 2024/25 financial year, it is with immense pride and gratitude that I appreciate strides we have taken together as a department. This Annual Performance Report is not just a record of outputs and indicators it is a testament to the collective resilience, dedication, and unwavering service ethic that define CoGHSTA. Thus, I extend my heartfelt appreciation to all staff members. Your tireless efforts, often under challenging conditions, ensured that our strategic objectives were not only pursued, but achieved. It is because of your commitment that we were able to surpass housing targets, restore governance in municipalities, and honour our cultural custodians through improved support to traditional leadership.

Conclusion

Despite the challenges the department faced in the 2024/2025 financial year, our achievements over this reporting period affirm that when policy and purpose align, real impact follows. But we are not complacent. We are fully aware of the persistent inequalities, service delivery backlogs, and institutional capacity challenges that remain. The road ahead demands even greater focus, innovation, and discipline.

In the spirit of Batho Pele and guided by our Constitutional mandate, we will continue to strengthen systems, professionalise the public service, and deepen community engagement. Together, we must build a capable, ethical, and developmental state at the local level because the quality of people's lives depends on it.

The 2024/25 financial year report is both a record of our progress and a renewed call to action.

Mogajagi Helidah Malahlela

Dr M.M Malahlela

Accounting Officer

Department of Cooperative Governance, Human Settlements and Traditional Affairs

31 July 2025

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information, and the financial affairs of the department for the financial year ended 31 March 2025.

Yours faithfully

Dr M.M Malahlela

Accounting Officer: Department of Cooperative Governance, Human Settlements and Traditional Affairs

31 July 2025

6. STRATEGIC OVERVIEW

6.1. Vision

Integrated Sustainable Human Settlements.

6.2. Mission

To be an effective agent of change that delivers quality services to citizens of Limpopo through:

- Promoting developmental local governance,
- Supporting municipalities and Traditional Leadership Institutions, and
- Optimally deliver integrated and sustainable human settlements.

6.3. Values

Our values are underpinned by the Batho Pele Principles.

Service Excellence:

- We shall strive to attain recognised standards of service quality and maintain continuous improvement in service delivery.

Innovation:

- We shall toil in the pursuit of excellence and innovation on the use of information and communication technology to enhance public service delivery.

Integrity:

- We shall conduct our business with integrity at all times to inculcate a culture of honesty and accountability among all our employees.

Prudence:

- We shall exercise prudence and economy in running the business of the department and in pursuance of its goals and the objectives of the government.

Transparency:

- We shall always ensure transparency in everything we do to build trust and confidence with all our stakeholders.

Fairness and consistency:

- We shall treat all our beneficiaries, suppliers and employees with fairness and equity at all times.

Professionalism

- We shall ensure that employees demonstrate a high level of professionalism when interacting with all stakeholders.

Ethical

- We shall strive for high standard of professional ethics and conduct

7. LEGISLATIVE AND OTHER MANDATES

Constitutional mandate

Section of the Constitution	Direct responsibility in ensuring compliance
Chapter 2, section 26	This section directs the department to ensure that everyone has access to adequate housing, a responsibility carried out through the ISHS sub-department.
Chapter 6, Section 139	The MEC as per the directives of the Provincial Executives (EXCO) may intervene in the affairs of a municipality
Chapter 7, section 154	This section directs the provincial government to support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.
Chapter 12, Section 212	Departmental responsibility: To acknowledge the role for Traditional Leadership as an institution at local level on matters affecting local communities and to deal with matters relating to traditional leadership, the role of traditional leaders, customary law and customs of communities observing a system of customary law by the establishment of houses of traditional leaders.

Legislature and policy mandates

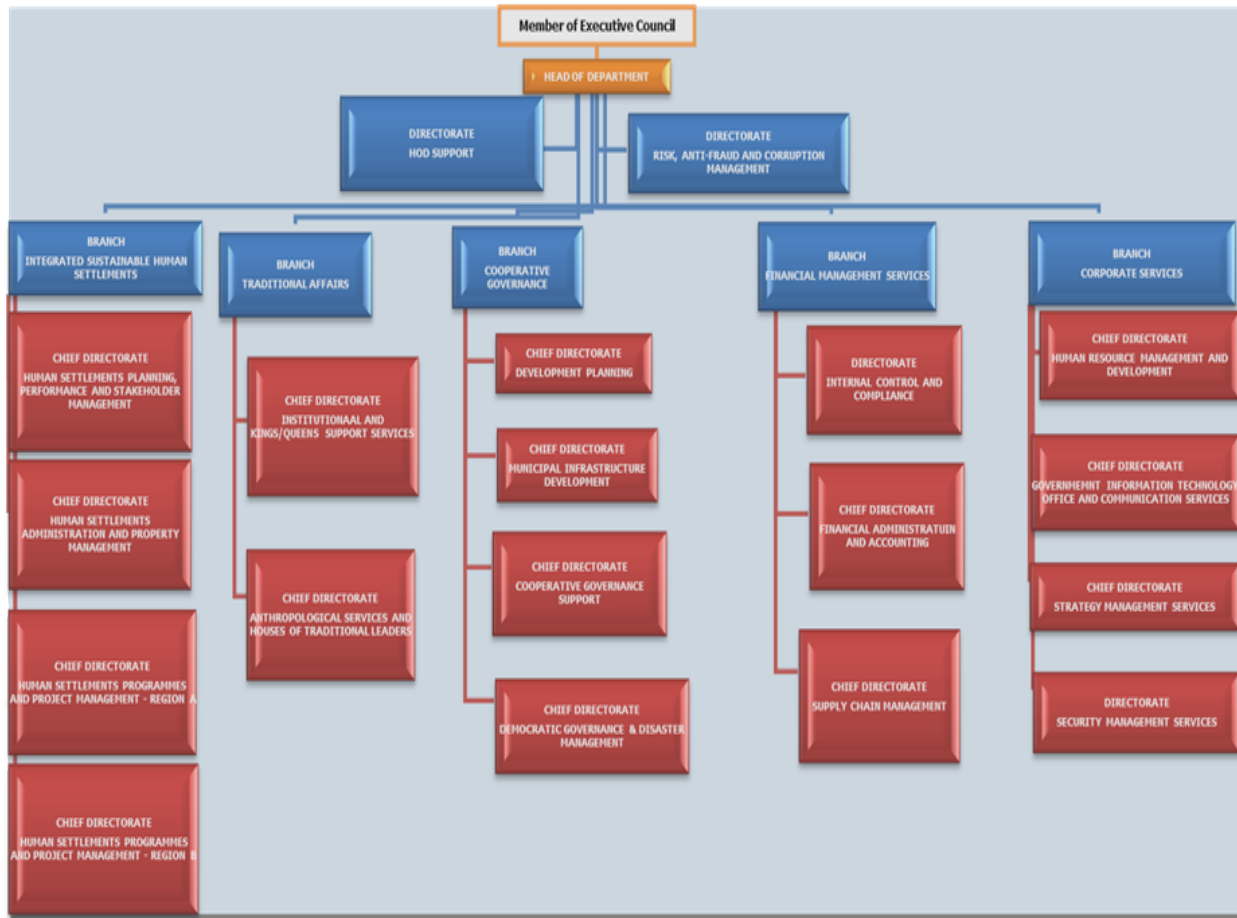
Relevant Act	Key Responsibilities
Public Service Act of 1994 (as amended) and Regulations	To provide for the organization and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service.
Public Finance Management Act 1 of 1999 (as amended) and Regulations	To regulate financial management in the national government and provincial government, to ensure all revenue, expenditure, assets and liabilities of the government are managed efficiently.
Municipal Finance Management Act of 2003 (as amended)	To secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government.
Division of Revenue Act of 2012 (as amended).	Section 214(1) of the Constitution requires that every year a Division of Revenue Act determine the equitable division of nationally raised revenue between national government, the nine provinces and 278 municipalities. This budget process takes into account the powers and functions assigned to each sphere of government. The division of revenue process fosters transparency and is at the heart of constitutional cooperative governance.
Housing Act of 1997	The Department in consultation with provincial organization must do everything in its power to promote and facilitate the provision of adequate housing in its province within the framework of the national housing policy.

Relevant Act	Key Responsibilities
Local Government Municipal Structures Act of 1998	The MEC for local government in a province, by notice in the Provincial Gazette, must establish a municipality in each municipal area which the Demarcation Board demarcates in terms of the Demarcation Act.
Local Government Municipal Systems Act of 2000	The MEC for local government in the province may, subject to any other law regulating provincial supervision of local government, assist a municipality with the planning, drafting, and adoption of mid-review of its 5-year integrated development plan.
Disaster Management Act 2002	To provide for an integrated and coordinated disaster management policy that focuses on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters, and post-disaster recovery. the establishment of national, provincial, and municipal disaster management centres; disaster management volunteers; and Matters incidental thereto.
Development Facilitation Act of 1995	To facilitate and speed up the implementation of reconstruction and development programmes and projects in relation to land, and in so doing, to lay down general principles governing land development throughout the Republic.
Local Government Municipal Property Rates Act No. 6 of 2004	The MEC to support municipalities with the process to impose rates on property; to assist municipalities to make provision to implement a transparent and fair system of exemptions, reductions, and rebates through their rating policies; to make provision for an objections and appeals process, and to provide for matters connected therewith.
Spatial Planning and Land Use Management Act, 2013	To provide a framework for spatial planning and land use management in the Republic, and to specify the relationship between the spatial planning and the land use management system and other kinds of planning.
Intergovernmental Relations Framework Act No.13 of 2005	The Act requires the department to acknowledge the framework for the three spheres of government, namely national, provincial and local government, to promote and facilitate intergovernmental relations between the three spheres of government, which are distinctive, interdependent and interrelated; to provide mechanisms and procedures to facilitate the settlement on intergovernmental disputes and matters incidental thereto.
Traditional and Khoi-San Leadership Act, 3 of 2019 (TKLA)	To provide for the recognition of traditional and Khoi-San communities, leadership positions and for the withdrawal of such recognition; to provide for the functions and roles of traditional and Khoi-San leaders; to provide for the recognition, establishment, functions, roles and administration of kingship or queenship councils, principal traditional councils, traditional councils, Khoi-San councils and traditional sub-councils, as well as the support to such councils; to provide for the establishment, composition and functioning of the National House of Traditional and Khoi-San Leaders; to provide for the establishment of

Relevant Act	Key Responsibilities
	provincial houses of traditional and Khoi-San leaders; to provide for the establishment and composition of local houses of traditional and Khoi-San leaders; to provide for the establishment and operation of the Commission on Khoi-San Matters; to provide for a code of conduct for members of the National House, provincial houses, local houses and all traditional and Khoi-San councils; to provide for regulatory powers of the Minister and Premiers; to provide for transitional arrangements; to amend certain Acts; to provide for the repeal of legislation; and to provide for matters connected therewith.
The Customary Initiation Act 2 of 2021	To provide for the effective regulation of customary initiation practices; to provide for the establishment of a National Initiation Oversight Committee and Provincial Initiation Coordinating Committees and their functions; to provide for the responsibilities, roles and functions of the various role-players involved in initiation practices as such or in the governance aspects thereof; to provide for the effective regulation of initiation schools; to provide for regulatory powers of the Minister and Premiers; to provide for the monitoring of the implementation of this Act; to provide for provincial peculiarities; and to provide for matters connected therewith.

Policy	Key Responsibility
National Development Plan	The NDP, which outlines a plan to address issues in the country, provides a road map to where the government would like South Africa to be in 2030.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MINISTER/MEC

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

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Housing Development Agency (HDA)	Housing Development Agency Act 23 of 2008	Services rendered are paid by the Department	To address land acquisition and assembly, provide project management support, and housing development services
Limpopo Rental Housing Tribunal	Rental Housing Act No. 50 of 1999	Appointed by the MEC and paid by the Department	Advise MEC on rental-related matters
The MEC Advisory Panel	Housing Act No. 2 of 2006	Appointed by the MEC and paid by the Department	Advise the MEC on housing-related matters

PART B: PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently 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 management report, 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 198 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

2.1.1 Human Settlement

A significant portion of Limpopo's population, approximately 88%, resides in rural areas, which correlates with traditional authority areas. This has led to a trend of investment in building more substantial housing units in these rural settings. The department made a remarkable contribution within the reporting year by achieving 5066 housing units against the target of 4555, which translates to 111%. Considering the rural nature of the province, 75% of these houses are in rural areas. Approximately 12% of the province's population resides in urban areas, with Polokwane being the main urban center, followed by the Mopani and Waterberg districts. This implies that there is a great need for accessible basic services from relevant local authorities for Human Settlements to deliver adequate housing.

There is a challenge with bulk services, particularly on projects identified by municipalities. As a result, the department is providing support to the municipalities through the implementation of bulk infrastructure projects across the five districts to unlock the servicing of sites.

Spatial integration remains a challenge, with many communities still located far from urban amenities and key economic corridors. However, an incremental intervention through the allocation of projects in priority development areas, which are meant to facilitate spatial transformation, has made a remarkable contribution to the achievement of investment of 30% of the total conditional grant budget.

The overall programme's performance has improved in the year under review, particularly in the construction of housing units and the upgrading of informal settlements, which are prevalent within mining town municipalities. The rental tribunal managed to resolve 97% of the 188 cases for the year under review regarding rental disputes between landlords and tenants. In addition to all the cases concluded, there was no case referred to the High Court for review. To promote this cost-effective method of contractual dispute resolution, as established by the Rental Housing Act of 1999 and its amendments, stakeholder engagement has been strengthened by conducting awareness campaigns in collaboration with municipalities.

First Home Finance, previously known as FLISP, has had a slow uptake because of applicants with adverse credit records and a lack of awareness of the programme. However, the implementation of the marketing strategy, which includes media road shows and other marketing media, has had a positive impact in the year under review, with a slight overachievement of the target.

A new phenomenon has infiltrated the human settlements and housing infrastructure development environment: business forums. These entities impose themselves on projects and disrupt activities by demanding subcontracting work with unreasonable payment rates and conditions. Following an investigation into this phenomenon, the Department has developed a research paper and an implementation framework to guide stakeholder engagement and solicit support from all project stakeholders. In extreme situations, contractors are encouraged to report criminal activities to law enforcement agencies.

2.1.2 Cooperative Governance

Support provided on infrastructure projects shows signs of slight recovery from previous financial years, based on expenditure analysis reports. The Provincial MIG allocation for 2024\2025 was adjusted downwards by R38.261 million from R3,435,629,000 to R3,397,368,000 during the DoRA adjustment. As of the end of March 2025, R2.318 billion was spent, translating to 68.2% of the total allocation. This expenditure is below the straight-line projection of 75% and is the same as of March 2024.

At the same period, 16 municipalities spent above the straight-line projection, while 5 municipalities are of concern, i.e., Sekhukhune (58.7%), Thabazimbi (25.6%), Musina (58.3%), Mopani (55.3%), and Ba-Phalaborwa (51.2%). As a result, a close monitoring approach will continue to be applied in the 2025\2026 implementation plans and progress. In totality, support is provided through the one-on-one meetings,

In the province, all 22 local municipalities provide free basic services to their respective communities in line with their indigent policy. Indigent registers are updated regularly as households' economic situations change in line with the policy. The province has 447 459 households registered as indigent, which represent 25% of the total number of households according to Census 2022. The main challenge with access to basic services is water supply, as water resources are limited.

A total of 02 auditees obtained an Unqualified audit opinion with no findings, i.e., Clean Audits, 14 auditees obtained an Unqualified audit opinion, 10 auditees received a Qualified audit opinion, and 01 auditee received a Disclaimer audit outcome. In 2023/24, four (04) of the auditees improved, whilst 04 auditees regressed. The use of consultants for financial reporting moved from R279.87 million in 2022/23 to R278.17 million in 2023/24. Municipalities appointed consultants due to "lack of skills" and or "vacancies" in the finance units. The latter illustrates the need for municipalities to fill vacant positions with qualified officials and to direct skills training programmes towards closing existing capacity gaps to reduce the use of consultants where there are permanently appointed officials. AGSA has issued 40 Material Irregularities (MI) due to non-compliance. The 40 Mis are for the following areas: Expenditure and resource management (20), Interest and Penalties (2), Investments and assets (9), Revenue management (3), and Environmental management (6). Municipalities have developed audit action plans to address issues raised by AGSA.

Summary of municipal audit results is as follows:

Outcomes	Clean (unqualified with no findings) (2)	Unqualified (14)	Qualified (10)	Adverse/ Disclaimer (1)
Improved (04)	- Capricorn DM - Waterberg DM	From Qualified Mogalakwena	From Adverse/Disclaimer Modimolle-Mookgophong	
Maintained (13) Unchanged Unqualified		- Lepelle-Nkumpi LM - Polokwane LM - Maruleng LM - Molemole LM - Greater Letaba LM - Greater Tzaneen LM - Greater Giyani - Makhuduthamaga LM		

Outcomes	Clean (unqualified with no findings) (2)	Unqualified (14)	Qualified (10)	Adverse/ Disclaimer (1)
		• Musina LM • Makhado LM • Ephraim Mogale LM • FetakgomoTubatse LM • Lephalale LM		
Stagnant (06) Unchanged Qualified			• Blouberg LM • Ba-Phalaborwa LM • Bela-Bela LM • Mopani DM • Sekhukhune DM • Vhembe DM	
Regressed (04)			From Unqualified • Collins Chabane LM • Thulamela LM • Elias Motsoaledi LM	From Qualified • Thabazimbi LM

Continuous capacity building programmes from SALGA, LPT and COGHSTA aim at strengthening the capacity of municipalities to improve the audit outcomes. Overall compliance with laws and regulations is still concerning as evidenced by persistent instances of irregular expenditure. Municipalities place reliance on the external audit process to identify UIFWe, this is evident by the limited number of municipalities that report UIFWe to MEC CoGHSTA in line with MFMA Section 32. There is also misalignment between UIFWe reporting to MPACs. The department coordinated UIFWe session for MPAC support staff and included UIFWe as a standing item in the Provincial MPAC forums. The department in partnership with NSG held UIFWe workshops for municipal officials.

Public Participation

Service delivery cases are registered by Community Development workers at their respective wards and referred to the relevant/affected departments. There is a total of 6 261 registered service delivery cases from all 5 districts as follows: Capricorn (2 060), Sekhukhune (1 144), Mopani (1 183), Vhembe (1 080), and Waterberg (794). These cases are at various stages of resolution, depending on the issue raised, and the department continuously monitors progress and enables feedback to community members. The top five categories of cases by priority are: Electricity, social grants, ID's and birth certificates, housing, and water. The main challenges in resolving reported cases are mainly turnaround time, and these normally result in community protests. The province has recently reported 8 protests, which have been increasing during the year. This may also be exacerbated by those municipalities that fail to hold ward committees accountable at community meetings or for participation. Critically, the Office of the Speaker and Council must demand accountability to deal with community unrest while the department provides progressive training on problematic areas.

Municipal Development Planning

In the implementation of SPLUMA, three District Municipal Planning Tribunals (DMPTs) (Mopani, Sekhukhune, and Waterberg) are established and operational. Eleven Independent Municipal Planning Tribunals (MPTs) (viz. Makhado, Musina, Greater Tzaneen, Greater Giyani, Lephalale, Thulamela, Collins Chabane, Thabazimbi, Blouberg, Molemole, and Polokwane) are established and operational. One municipality (Lepelle-Nkumpi) is in the process of establishing respective independent MPTs after the DMPT's term of office lapsed. In terms of SPLUMA By-laws and SDF implementation, all municipalities in the province have adopted and gazetted appropriate regulations. On Land Use Schemes (LUS), all municipalities have developed and adopted SPLUMA-aligned Land Use Schemes (LUSs).

2.1.3 Traditional Affairs

Traditional councils (TCs) are provided with support in the form of offices, support staff to assist with administration, and Senior Traditional Leaders are provided with vehicles and other tools of trade.

At the end of March 2025, 163 vehicles were procured, 161 handed over to the traditional leaders, 1 returned to the dealership due to the wrong model, and 1 vehicle was to be delivered. All furniture for the 2024/25 financial year has yet to be delivered due to a delay in finalising the procurement.

Construction of Traditional Councils: Procurement of contractors has been concluded and handed over the sites to the following traditional councils: Ba Shai Ditlou, which is at 23%, Makuya at 40%, Mapela at 5%, Litho Ndzundza, which is at 45%, and Mampane is at 55%. Three fully furnished traditional council offices were officially handed over at Raphahlelo Traditional Council, Mphaphuli Traditional Council, and Bakone Ba Matlala A Thaba traditional Council in Vhembe, Mopani, and Capricorn Districts, respectively. The following traditional council offices are also completed: Majeje, Manoke, Davhana, and Bakwena Ba Matsepe

Initiations Programme: During the 2024 initiation season, the province had a total of 631 legal initiation schools and 18 illegal schools operating across the province, recording 60612 initiates at legal schools against 898 initiates at illegal 23 schools. These brought the total enrolment to 61510, whereby a total of 45373 were males, and 15239 females, all at legal schools. In contrast, 737 males and 161 females were admitted to illegal schools.

Traditional Leadership disputes continue to increase in royal families and in some instances, lead to litigation where the government is required to act. This has resulted in contingent liabilities of the Department rising over the years. Most of these claims are claims by traditional leaders who are not recognised by the government but identified by their respective royal families and are claiming payment from date of identification and breach of contract.

2.2 Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
To provide Human Settlement Planning	Local municipalities	Provide 100% Human Settlement Planning to Limpopo local municipalities in line with SPLUMA, National Housing Code	100% Human Settlement Planning to Limpopo local municipalities in line with SPLUMA, National Housing Code	Approved development areas for municipalities, upgraded informal settlements, developed integrated implementation programmes for

				priority development areas, completed for 11 municipalities in the PDA's
Secure individual ownership of public housing stock through (EEDBS) Enhanced Extended Discount Benefit Scheme	Beneficiaries/ tenants already occupying such properties	Identified beneficiaries secure individual ownership of public housing stock through EEDBS in line with EEDBS policy for 22 municipalities	All outstanding stock registered to beneficiaries	3 out of 30 targeted properties registered
Resolve disputes between landlords and tenants	Landlords and tenants	80% cases were resolved on all residential rented premises in Limpopo province within 90 days in line with the Rental Housing Act.	100% cases resolved on all residential rented premises in Limpopo province within 90 days in line with the Rental Housing Act.	86% cases resolved
Approve Housing subsidies	Beneficiaries' earning (R3500.00 or less) in 22 local municipalities	4000 approved beneficiaries	Process all received claims in 4 days within the unit for all appointed service providers	8 824 Subsidies approved
Houses delivered through programmes in the housing code	Approved qualifying beneficiaries	All approved development areas by MEC in all 22 municipalities	7291 BNG houses delivered in all approved development areas for approved beneficiaries within 12 months in line with NHBRC Standards.	7 023 houses delivered

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

Current/actual arrangements	Desired arrangements	Actual achievements
Front-line office with dedicated complaints officials	free SMS number or WhatsApp link with (BASE BOARD MANAGEMENT CHARTER) BMC REMED USER	Front-line staff operational 7H30-16H30 weekdays
Departmental website has an email, toll-free number, and Facebook link	free SMS number, WhatsApp, and Facebook linked with (BASE BOARD MANAGEMENT CHART) BMC REMEDYD USER to log complaints and enquiries.	Queries received via email and Facebook were resolved
Information can be obtained through departmental Website, Brochures, Posters, Booklets, Exhibitions, Imbizos, Facebook and ICROP (Integrated Community Registration Outreach Programme).	All Publications should be available in indigenous languages to those who are illiterate and accessible format e.g., Braille to cover people with disabilities. Frontline staff to be trained in Sign Language.	Two receptionists have been trained in Sign Language Bringing services closer to the people and addressing gaps in multiple projects that beneficiaries are not aware of.
Beneficiaries are always offered an apology if a promised service is not delivered as expected, thereby giving a full explanation of what happened, and the remedial action envisaged.	The Department to deliver a consistent and high-quality service to the beneficiaries as promised.	All complaints/queries received were solved in line with the mandates of the department. All complaints/queries are treated fairly and impartially
Complaints lodged are fully and impartially investigated in a fair manner.	The department must ensure that Municipalities play their roles to avoid recurring similar complaints.	Outcomes of the investigations are communicated back to the complainants
Beneficiaries are given the best possible value for money by building quality and accessible houses.	The department must ensure that the money allocated to it is used effectively, efficiently, and economically.	Budget allocated has been used to build houses for people with disabilities, Orphans, Senior citizens, women-headed households, and all those who meet the qualification criteria to acquire houses.

Current/actual arrangements	Desired arrangements	Actual achievements
Each complaint/query received is treated according to its merits, considering the complainant's feelings and concerns.	The Call Centre Office should be divided into Cubicles with glass separating the client and official to allow privacy and for security reasons. The office should be demarcated for the responsible Deputy Director with soundproof glass. There must be a user-friendly waiting area with a TV Screen showcasing the completed Human Settlement Project and various activities taking place in the department.	All Complaints/Queries were resolved fairly in a courteous manner.
Queries /Complaints resolved on the first point of entry. Those that need further investigation/escalation are resolved within 30 days as per set standards. If not resolved within 30 days, as per the set standards, regular updates are given regarding progress made.	The Alternative Contact number must be given by beneficiaries in case the initial number given is not working. Beneficiaries to be available in case further information is required	Service delivery standards have been developed and are currently implemented.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
ITMS in place to receive, investigate and resolve queries	WhatsApp, toll-free number, or short message system	Operational ITMS that tracks progress and resolution
CoGHSTA news	Brochures, pamphlets, booklets, and posters to be printed in different languages	Vutivi, Coghsta today/ news

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Telephone	Free Short Message System linked to ITMS	Queries received through these platforms have been resolved, and the Database is in place.
Walk-in	Operational Departmental Toll-free number	
Mail	WhatsApp-based System linked to ITMS	
Web based.	Touch-keypad System for satisfaction survey	
Public Participation platforms	Imbizos	
Fax	Integrated complaints mechanism	
e-mail: service@coghsta.limpopo.gov.za		
Facebook: Limpopo Coghsta Official		
Departmental Hotline (Toll-Free)		
Presidential Hotline		
Premier Hotline		

2.3 Organisational environment

The 2024/2025 financial year was characterised by meaningful progress in strengthening the department's internal capacity and institutional resilience. The organisational environment demonstrated a strong alignment with the departmental commitment to fostering a professional, meritocratic, and ethical public service.

A notable achievement was the significant reduction in the departmental vacancy rate to 5.1%, outperforming the annual target of 10%. This improvement was the result of a deliberate focus on filling funded posts, which helped to strengthen core institutional capacity. The department also exceeded its employee development target, with 1,073 employees trained against a target of 1,000, a key driver in building a skilled and service-oriented workforce. These developments reflect sustained efforts to invest in people, systems, and ethical governance.

Furthermore, the department maintained full compliance with Batho Pele principles and successfully resolved 100% of employee wellness and service delivery cases, reinforcing its commitment to internal accountability and staff well-being. The inclusion of persons with disabilities in the workforce also slightly surpassed targets, affirming the department's dedication to equity and inclusion.

While the year brought progress, the department also encountered internal operational challenges. Capacity constraints in the recruitment unit delayed the filling of critical posts, impacting the achievement of gender equity targets in senior management. In the ICT environment, only 2 of 4 Disaster Recovery tests were conducted due to delays in the transition to a new system, highlighting the need for stronger project planning. Records management challenges also affected compliance with PAIA requirements, with only 25% of requests processed within statutory timelines.

Importantly, these challenges did not derail the department's overall performance. Instead, they prompted responsive and forward-looking interventions. The department has since initiated capacity-building within the recruitment unit, enhanced project management practices, and prioritised the strengthening of records systems and disaster recovery readiness.

In the financial management space, the department achieved commendable performance, paying 98.2% of undisputed invoices within 30 days and recording a 97.26% expenditure rate. While a clean audit was not achieved, an unqualified opinion with fewer findings marked progress in governance and accountability. To address repeat findings, the department has adopted a clean audit strategy, reinforced internal controls, and instituted targeted compliance training.

2.4 Key policy developments and legislative changes

There were no major changes to relevant policies or legislation that may have affected operations during the period under.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Over this five-year period, the department directed its efforts toward achieving three core long-term impacts. These are: **Capable, Ethical and Developmental Department; Spatially Integrated, Sustainable Human Settlements and Local Government; and A Diverse, Socially Cohesive Society with a Common Identity**. These impact statements reflect the department's overarching vision and strategic intent to build a professional public service, foster equitable spatial development, and strengthen social cohesion across communities.

Outcome	2019-24 MTSF priority	Outcome Indicator	Baseline	Five-year target	Actual progress
Professional, Meritocratic and Ethical Department	Priority 6: a capable, ethical and developmental state	Percentage of reported fraud and corruption practices investigated	100% of reported cases investigated	100% of reported fraud and corruption practices Investigated.	100% of reported fraud and corruption practices Investigated.
		Number of HR systems Improved	1 431 individuals trained on Learnership, formal training and skills programme 100% compliance with PMDS policy 45 posts filled	Skills Development Performance management Human Resources business processes	• 4 411 individuals trained on soft skills, formal training and skills programme. • 445 individuals on learnerships and internships; • 212 bursaries issued to interns; • 100% compliance with PMDS policy; and • 113 posts filled
Improved governance and efficient financial management systems	Priority 6: a capable, ethical and developmental state	Audit outcome.	Audit outcome: Unqualified with matters.	Unqualified without matters.	Unqualified with matters
Spatial transformation through multi-priority development areas	Priority 4: spatial integration, human Settlements and local Government	Number of priority development areas invested in.	N/A	9	10 PDA's invested in. They are Fetakgomo Tubatse, Musina Town, Musina/Makhado SEZ, Polokwane CBD and Surrounds, Polokwane R71 Corridor, Greater Giyani, Lephalale/Marapong, Tzaneen Core, Nkowankowa Node and Thabazimbi.
Adequate housing and improved quality living environments	Priority 4: spatial integration, human settlements and local government	Number of housing Opportunities created through various housing programmes	66,000 housing opportunities	39 884 housing opportunities created	52 798 housing opportunities created as follows: Housing Units – 34 830 Serviced sites – 17 577 First Home Finance - 391
		Number of informal Settlements upgraded to phase 3 of IUSP	Two settlements (Nkambako and Steenbok Pan) formalised to Phase 1	83	10 informal settlements upgraded to Phase 3 of the ISUP. They are: Vingerkraal, Altoostyd, Burgersfort Ext. 54, Burgersfort Ext. 58, Burgersfort Ext. 71, Phagameng Ext. 13, Alma, Vaalwater Ext. 4, Rossenekal and Masakaneng.

Outcome	2019-24 MTSF priority	Outcome Indicator	Baseline	Five-year target	Actual progress
Security of tenure	Priority 4: Spatial Integration, Human Settlements and Local Government	Number of Title deeds transferred to beneficiaries	11 160 Title deeds transferred to beneficiaries	17 682 Title deeds transferred to beneficiaries	9 638 title deeds registered
Improved capacity to deliver basic services, Quality infrastructure to Increase household access to basic services	Priority 4: Spatial Integration, Human Settlements and Local Government	Number of Support Programs on infrastructure delivery projects	Water 74.1% Electricity 92.7% Sanitation 58.9% Refuse 22.9%	Water 95% Electricity 100% Sanitation 90% Refuse removal 50%	Water 64.2% Electricity 97.1% Sanitation 61.9% Refuse removal 30.9% (source- STATSSA, GHS 2023)
Improved support and oversight in all municipalities	Priority 4: Spatial Integration, Human Settlements and Local Government	Number of support and oversight reports produced.	Section 47 (MSA) Section 131	Section 47 (MSA) Section 131	Section 47 (MSA) Section 131
		Number of Capacity-building programs implemented in all Municipalities	N/A	20 Programs implemented (Councilors and Municipal Officials)	DBSA Local Government support programme that has 20 completed projects from 2019/20 to date.
Improved perception (Community based) on governance in municipalities	Priority 5: social cohesion and safe Communities	Public participation Program implemented by Local Municipalities	N/A	Annually monitor the functionality of ward committees, IDP representative forum, Community feedback and Community Development Programs	Annually monitor the functionality of ward committees, IDP representative forum, Community feedback and Community Development Programs
Improved governance, oversight and intergovernmental planning	Priority 4: Spatial Integration, Human Settlements and Local Government	Number of municipalities supported to improve governance, oversight and intergovernmental coordination. (MPAC, IGR)	27	27	27
Developmental Traditional Institutions	Priority 5: social cohesion and safe communities	Capacitated Traditional Institutions	N/A	Tools of trade Management of initiation schools Claims and disputes (Traditional Leadership) Financial Management	- The Department provides tools of trade to Traditional Leaders. Twenty-four Traditional Council's Offices have been constructed to date and the construction of new offices is continuing. The Department further provides furniture for TCs to enable them to operate. - All Senior Traditional Leaders have been provided with cellular phones with airtime and data as well as Laptops. A total of 161 out of '162 Traditional Leaders have been provided with vehicles as at 31 March 2025. - The customary practice of initiation was suspended during the COVID-19 pandemic around 2021. The

Outcome	2019-24 MTSF priority	Outcome Indicator	Baseline	Five-year target	Actual progress
					Province resumed with the practice from 2022 onwards. For the 2022, the Province had five deaths during the winter season, whereas there was no death in summer. In 2023, three deaths were recorded in winter and zero in summer. Lastly, in 2024, two deaths were recorded in winter and zero in summer. • The province is inundated with traditional leadership disputes and claims. The Department is seized with the task of assisting royal families to resolve their disputes and claims. The referral of cases to the investigative committee has commenced and six cases are already referred to the committee. The Branch: Traditional Affairs recorded the reduction of Senior Traditional Leadership disputes to thirty-three as at 31 March 2025. • In terms of Financial Management of Traditional Leadership, the Department considered and approved budget estimates for traditional councils, salary subsidies for traditional councils' staff. The Department workshopped traditional councils' staff on financial management at Traditional Councils.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose of Programme 1: Capable, Ethical and Developmental Department

Sub-Programmes

- **Corporate Services** – To provide professional support services to the department
- **Financial Management** – To give financial management support and advisory services for effective accountability.

Institutional outcomes that Programme 1 contributes to:

- Outcome: Professional, Meritocratic and Ethical Department
- Outcome: Improved governance and efficient financial management systems

Outcomes, Outputs, Output Indicators, Targets, and Actual Achievements

During the 2024/2025 financial year, the Corporate Services sub-programme made substantial progress in achieving its output indicators aligned with the departmental outcome of fostering a professional, meritocratic, and ethical department. Notably, the department maintained full compliance with Batho Pele principles and resolved 100% of service delivery and employee wellness cases, demonstrating its ongoing commitment to ethical service delivery and employee well-being. Furthermore, the vacancy rate was significantly reduced to 5.1%, surpassing the annual target of 10%, due to prioritization of filling funded posts, which positively impacts institutional capacity. The department also exceeded its target for training employees as per the Workplace Skills Plan (WSP), with 1,073 staff members trained against a target of 1,000, enabled by additional support from key public service partners. Representation of people with disabilities in the workforce also improved slightly beyond the set target, reflecting a strengthened commitment to equity and inclusion. However, a few areas experienced underperformance, notably the appointment of employees, where only 42 out of the targeted 57 positions were filled due to capacity constraints in the recruitment unit, and the representation of women in SMS dropped below the target due to delays in recruitment processes. Additionally, only 2 out of 4 ICT Disaster Recovery tests were conducted, and performance on PAIA request handling was substantially below target (25% vs 100%) due to challenges with retrieving historical records. Despite these shortfalls, key governance and compliance activities were maintained, including the successful holding of all planned ICT Steering Committee meetings and the full delivery of anti-fraud and corruption awareness workshops. The overall performance of the sub-programme reflects a strong alignment with the department's outcomes and contributes to the strategic priorities of building a capable, ethical, and developmental state. By addressing operational inefficiencies and emphasizing equity and skills development, the department is reinforcing its role in enhancing public sector professionalism and ethical governance.

Programme 1: Administration Sub-programme: Corporate Services								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
1.1. Professional, Meritocratic and Ethical Department	Professional and ethical conduct by employees	1.1.1. Compliance report on Batho Pele principles in the provision of services	4	4	4	4	Not applicable	Not applicable
	Service delivery cases resolved	1.1.2. Percentage of service delivery cases resolved	100%	100%	100%	100%	Not applicable	Not applicable
	Employees appointed	1.1.3. Number of employees appointed	24	35	57	42	-15	Delay in appointment processes
	Reduced vacancy rate	1.1.4. Percentage of vacancies on organizational structure	New indicator	6.6%	10%	5.1%	4.9%	The department managed to fill the 42 posts to reduce the vacancy rate
	Employees trained as per WSP	1.1.5. Number of employees trained as per WSP	574	1 722	1000	1073	73	Additional trainings were facilitated by Provincial Treasury, NSG and Public Service Commission
	Attended to Employee Wellness cases	1.1.6. Percentage of employee wellness cases attended	100%	100%	100%	100%	Not applicable	Not applicable
	Equity targets attained	1.1.7. Percentage of women in SMS represented	42%	41%	49%	40%	-9%	There were 12 posts earmarked. 3 males were appointed out

Programme 1: Administration Sub-programme: Corporate Services								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
								of targeted 12 post due to the outcome of the interviews
		1.1.8. Percentage of people with disabilities represented	0.9%	1%	1%	1.2%	0.2%	The employment of people with disabilities was prioritised resulting in an improved performance
	Anti-Fraud and Corruption awareness workshops conducted	1.1.9. Number of Anti-Fraud and Corruption awareness workshops conducted within the department.	8	4	8	8	Not applicable	Not applicable
	Functional ICT Steering Committee	1.1.10. Number of ICT Steering Committee meetings held	New indicator	4	4	4	Not applicable	Not applicable
	ICT Disaster Recovery test conducted	1.1.11. Number of ICT Disaster Recovery test conducted	New indicator	New indicator	4	2	-2	Quarter 2&3 DR test not conducted due to a transition to a new provincial Disaster Recovery Solution as a Service (DRaaS) solution.
	Active records requested retrieved within	1.1.12. Percentage of PAIA requests	New indicator	New indicator	100%	25%	-75%	Delays in the identification and retrieval of

Programme 1: Administration Sub-programme: Corporate Services								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
	statutory regulations	administered within statutory regulations.						old traditional council records and Commission reports.
	Litigation cases attended	1.1.13. Percentage of litigation cases attended	New indicator	New indicator	100%	100%	Not applicable	Not applicable

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In the 2024/2025 financial year, the Financial Management sub-programme continued to advance the departmental outcome of improved governance and efficient financial management systems. A significant achievement was the full resolution of audit findings raised by the Auditor-General, reflecting strengthened internal controls and accountability mechanisms. Additionally, the department made commendable progress in promoting economic inclusion, with 53% of bids awarded to women-owned companies, exceeding the 40% target. This was largely due to increased compliance by service providers in updating ownership details, supporting government priorities on gender empowerment and inclusive procurement. The department also paid 98.2% of all undisputed invoices within 30 days, narrowly missing the 100% target due to prior year invoices submitted when budget allocations were already exhausted. Nonetheless, this performance demonstrates a sustained commitment to supplier payment efficiency and fiscal discipline.

The cumulative expenditure rate achieved was 97.26% against a target of 100%, with the variance attributed to underspending in specific categories such as goods and services, earmarked funds for traditional council offices, and movable capital assets. While this reflects prudent financial management in avoiding overspending, the department remains focused on enhancing budget execution. A notable area for improvement remains the audit outcome, where the department obtained an unqualified opinion with findings, rather than the targeted clean audit. Repeat findings on supply chain management and the audit of predetermined objectives affected the result, signalling a need for continued focus on compliance and performance information management.

Programme 1: Administration Sub-programme: Financial Management								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
1.2. Improved governance and efficient financial management systems	All undisputed invoices are paid within 30 days	1.2.1. Percentage of undisputed invoices paid within 30 days	100%	93.6%	100%	98.20%	-1.8%	Pressure on HSDG resulted in the inability to pay housing claims on time.
	Bids awarded to women-owned companies	1.2.2. Percentage of bids awarded to women-owned companies	New indicator	56%	40%	53%	13%	More women contractors were awarded bids
	Cumulative expenditure (Actual expenditure/ Adjusted budget) achieved	1.2.3. Percentage cumulative expenditure achieved (Actual expenditure/ adjusted budget)	91%	94%	100%	97.26%	-2.74%	Underspending on goods and services, earmarked funds (traditional council offices) and movable capital assets.
	Clean audit	1.2.4. Type of audit opinion achieved	Unqualified audit opinion with matters of emphasis	Unqualified audit opinion with matters of emphasis	Unqualified Opinion without findings	Unqualified audit opinion with findings	Material findings	Findings on supply chain management and audit of predetermined objectives
	Resolved audit findings	1.2.5. Percentage of AG audit findings resolved.	New indicator	72%	100%	100%	Not applicable	Not applicable

Linking performance with budgets

The programme spent 96% of the adjusted allocation compared to 93% in 2023/24 financial year, with Corporate Services and Financial Management contributing a significant under expenditure. Overall, underspending is due to delays in filling vacant posts. Other contributing items are less spending on computer services as well as the purchase of capital items.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Corporate Services	264,500	245,837	18,663	279,219	266,214	13,005
Office of the MEC	8,420	6,350	2,070	6,071	5,959	112
Office of the HoD	11,674	10,928	746	9,948	9,173	775
Financial Management	88,148	79,864	8,284	84,089	82,692	1,397
Total	372,742	342,979	29,763	379,327	364,038	15,289

Strategy to overcome areas of underperformance

Enhancing Recruitment Capacity

Challenge: The department was unable to appoint the planned 57 employees, achieving only 42 appointments due to a lack of capacity within the Human Resource Recruitment unit.

Strategy: To overcome this shortfall, the department will build capacity within the recruitment unit by filling vacant positions and streamlining the recruitment process. Additionally, improved planning and project management will be implemented to ensure a more efficient recruitment process and faster turnaround time for appointments.

Strengthening Employment Equity Compliance

Challenge: The department achieved only 40% of its target for women in Senior Management Service (SMS) positions, falling short of the 49% target due to delays in finalising some appointments.

Strategy: The department will align all job advertisements with the Employment Equity (EE) plan targets. Adverts will explicitly state the targeted groups for each post, helping to attract a more diverse pool of applicants. In addition, the department will prioritize equity-focused recruitment processes and ensure that all advertisements are designed to attract qualified candidates from underrepresented groups.

Improving ICT Disaster Recovery Readiness

Challenge: The department only conducted 2 out of the planned 4 ICT Disaster Recovery (DR) tests due to delays caused by the transition to a new solution.

Strategy: The department will accelerate the integration of the new disaster recovery solution to ensure that the transition process is completed on schedule. Moreover, the department will establish a more robust project management framework to ensure that quarterly DR tests are conducted without delays. This will ensure continuous readiness for disaster recovery and data security.

Improving PAIA Request Compliance

Challenge: Only 25% of PAIA requests were administered within statutory regulations, falling significantly short of the 100% target. This was due to delays in identifying and retrieving old traditional council records and Commission reports.

Strategy: To address this, the department will improve its records management systems to ensure that traditional council records and Commission reports are properly archived and easily retrievable. The department will also allocate additional resources to assist with the identification and retrieval process, ensuring compliance with statutory regulations. In addition, training and capacity building will be provided to staff responsible for handling PAIA requests to increase efficiency and reduce processing times.

Improving Financial Planning and Budget Alignment

Challenge: Only 98.2% of undisputed invoices were paid within 30 days, against a 100% target. This shortfall was due to budget limitations which prevented the processing of invoices submitted in the previous financial year.

Strategy: The department will enhance financial planning and strengthen the alignment of budget allocations with ongoing projects. This includes ensuring that projected cash flows and financial commitments are integrated into the budgeting process. By improving coordination between financial planning and project execution, the department aims to avoid similar shortfalls in the future and achieve full compliance with payment regulations.

Optimising Procurement Plan Implementation

Challenge: The department achieved 97.26% cumulative expenditure against an annual target of 100%. The under-expenditure was attributed to delays in spending on goods and services, earmarked funds, and movable capital assets.

Strategy: In response, the department will enhance the implementation of procurement plans in the 2025/2026 financial year. This includes timely procurement scheduling, improved contract management, and closer monitoring of expenditure trends throughout the financial year. These actions are intended to ensure full utilisation of allocated budgets while maintaining compliance and service delivery standards.

Strengthening Audit and Compliance Measures

Challenge: The department received an unqualified audit opinion with findings, rather than the planned clean audit opinion. The findings were mainly related to repeat issues in supply chain management and the audit of predetermined objectives.

Strategy: To improve audit outcomes, the department will implement a clean audit strategy and intensify the execution of audit action plans. This includes addressing root causes of prior audit findings, enhancing internal controls, and providing targeted training to responsible personnel to ensure compliance with regulatory requirements and audit standards.

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

None

4.2 Programme 2: Human Settlements

Purpose of Programme 2: To ensure the provision of housing development, access to adequate accommodation in relevant well-located areas, access to basic services and access to social infrastructure and economic opportunities. The programme is mainly responsible for upgrading informal settlements and facilitates a process that provides equitable access to adequate housing in a integrated and sustainable manner.

Sub-Programmes

- **Housing Needs, Research and Planning** – To manage human settlements programmes' performance and provide technical services
- **Housing Development, Implementation Planning and Targets** – To render human settlements development services across all districts
- **Housing Assets Management and property Managements** – To manage and administer housing properties and assets

Institutional outcomes that Programme 2 contributes to:

- Outcome: Spatial transformation through multi-priority development areas
- Outcome: Adequate housing and improved quality living environments
- Outcome: Security of Tenure

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Housing Needs, Research and Planning sub-programme made notable progress in advancing spatial transformation through the planning and coordination of priority development areas (PDAs) during the 2024/2025 financial year. A key achievement was the successful development and approval of the Multiyear Human Settlements Development Plan, which serves as a strategic framework guiding future investments and interventions in human settlements. This milestone reflects the department's commitment to evidence-based planning and aligns with the government's broader objective of spatial integration and sustainable urban development.

Although the department did not report on the number of integrated implementation programmes for PDAs during the year under review consistent with its planning cycle, performance in the prioritisation of investment within PDAs remained consistent with targets. Specifically, 30% of the total Human Settlements budget was invested in PDAs, meeting the annual target and demonstrating ongoing support for spatially targeted infrastructure and housing delivery. This focused investment is a critical step in redressing historical spatial imbalances and supports the transformation agenda set out in the National Development Plan, Limpopo Development Plan and other government strategic priorities.

Through the delivery of strategic planning instruments and targeted investment in PDAs, the sub-programme has contributed to laying the groundwork for coordinated, inclusive, and impactful human settlements development.

Programme 2: Human Settlements Sub-programme: Housing Needs, Research and Planning								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
2.1. Spatial transformation through multi-priority development areas	Multiyear Human Settlements Development Plan available	2.1.1. Multiyear Human Settlements Development Plan developed	Reviewed Multiyear human settlements development plan	Multiyear human settlements development plan reviewed.	Developed Multiyear human settlements development plan	Multiyear Human Settlements Development Plan has been approved.	Not applicable	Not applicable
	Integrated Implementation Programmes for priority development areas	2.1.2. Number of integrated implementation programmes for priority development areas completed per year	11	0	N/A	Not reporting for the financial year	Not applicable	Not applicable
	Investment of the total Human Settlements in PDAs	2.1.3. Percentage of investment of the total Human Settlements allocation in PDAs	27	50.3%	30%	30%	Not applicable	Not applicable

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In the 2024/2025 financial year, the Housing Development, Implementation Planning and Targets sub-programme achieved several of its key targets aimed at facilitating access to adequate housing and improving the quality of living environments. A significant success was the support provided to six municipalities for post-Level 1 accreditation and one municipality at post-Level 2 accreditation. This effort enhances local government capacity in managing human settlements programmes, aligning with the broader goal of decentralised and responsive housing delivery.

The department also successfully conducted 20 consumer education workshops, reaching housing beneficiaries across the province to build awareness of human settlements programmes. Additionally, five informal settlements were upgraded to Phase 3 of the Informal Settlements Upgrading Programme (ISUP), exceeding the target due to the inclusion of a rollover project from the previous year. The sub-programme further delivered on its commitment to formalisation, with approved layouts for two informal settlements, supporting planned urban development and tenure security.

Performance in housing delivery was mixed. A total of 5,066 Breaking New Ground (BNG) houses were delivered, surpassing the annual target of 4,555, largely due to the effective implementation of a turnaround strategy. However, the target for serviced sites was not achieved, with 3,254 sites delivered against a target of 5,309. This shortfall was due to multiple external constraints, including project stoppages by business forums, heritage restrictions in Bela Bela, delays in municipal approvals, and weather-related disruptions in Thabazimbi. Similarly, the delivery of Community Residential Units (CRUs) fell significantly short, with no units completed out of the targeted 514. This was attributed to subcontractor disputes over payment rates and severe rainfall-induced flooding in Lephalale during late 2024 and early 2025.

Job creation through housing construction and site servicing also fell below target, with only 1,317 job opportunities reported against a target of 3,200. The shortfall is attributed to non-reporting by contractors employing permanent staff and the use of undocumented foreign labour, which further complicates compliance monitoring.

Programme 2: Human Settlements								
Sub-programme: Housing Development, Implementation Planning and Targets								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
2.2. Adequate housing and improved quality living environments	Supported Municipalities for human settlements accreditation	2.2.1. Number of municipalities supported for human settlements post accreditation	0	2 Municipalities supported: Lephalale on level 1 and Polokwane on level 2	6 Municipalities Supported on post accreditation Level 1 and 1 Municipality supported on post level 2 accreditation	6 Municipalities Supported on post accreditation Level 1 and 1 Municipality supported on post level 2 accreditation	Not applicable	Not applicable
	Land acquired	2.2.2. Hectares of land acquired	12,7394ha	0	20ha	0	-20ha	The department targeted property portions (21,22 & 24) farms in Vogelenzang 3 MT in Musina, however the owner was unwilling to accept the offer from Department Public Works retail price.
	Housing beneficiaries workshopped on Human	2.2.3. Number of consumer workshops on Human Settlements	N/A	23	20	20	Not applicable	Not applicable

Programme 2: Human Settlements Sub-programme: Housing Development, Implementation Planning and Targets								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
	Settlements programmes	programmes for housing beneficiaries						
	Informal Settlements upgraded	2.2.4. Number of informal settlements upgraded to Phase 3 of the Informal Settlements Upgrading Programme (ISUP)	0	2 informal settlements upgraded	4	5	1	Informal settlement upgrading rollover
	Informal settlements with approved layouts	2.2.5. Number of informal settlements with approved layouts	3 informal settlements with approved layouts	4 informal settlements with approved layouts	2	2 Dan ext. 3 portion 28 & 24 of Mohlaba's location 567LT Mogalakwena - Portion 80 of Piet Potgietersrus Town and Townlands 44	Not applicable	Not applicable
	Breaking New Ground (BNG) houses	2.2.6. Number of Breaking New Ground (BNG) houses delivered.	5066	7 023	4 555	5066	511	Additional funds were received to deliver more units
	Serviced Sites	2.2.7. Number of serviced sites delivered	379	2 525	5 309	3254	-2 055	Cessation of project by South African Heritage Resources Agency at Bela Bela Ext. 25, which affected site's Delay in signing of designs and happy

Programme 2: Human Settlements Sub-programme: Housing Development, Implementation Planning and Targets								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
								letters by municipalities' Sites that were at 80% complete were affected by excessive floods at Skierlik, at Thabazimbi Projects stoppages by business forums.
	Community Residential Units delivered	2.2.8. Number of Community Residential Units (CRU) delivered	0	0	514	0	-514	Stoppages of the project by subcontractors demanding a payment rate. Excessive rainfall during December 2024 and January 2025 in Lephalale caused floods
	Job opportunities created	2.2.9. Number of job opportunities created through construction of houses and servicing of sites	1284	1 460	3 200	1317	-1883	Most of the contractors do not report new job creation due to the permanent employees that contractors are using.

Programme 2: Human Settlements Sub-programme: Housing Development, Implementation Planning and Targets								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
								Contractors are appointing foreign national without work permit.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Housing Assets Management and Property Management sub-programme continued to focus on enhancing security of tenure and ensuring proper housing asset administration during the 2024/2025 financial year. Noteworthy progress was made in the registration of post-2014 title deeds, with 360 titles successfully registered against a target of 325. This overachievement was enabled by the issuance of required clearance and Section 82 certificates by municipalities such as Modimolle-Mookgopong and Polokwane, as well as improved consumer education related to the transfer process. Similarly, under the Finance Linked Individual Subsidy Programme (FLISP), 73 households received subsidies, slightly exceeding the target due to the approval of more applications with lower individual subsidy values.

Despite these successes, performance in other areas fell short of targets. Only 28 of the targeted 30 pre-1994 title deeds were registered, primarily due to the unavailability of clearance certificates at the Fetakgomo Tubatse Local Municipality. The registration of post-1994 title deeds saw a significant shortfall, with only 267 registered against a target of 514. This underperformance was attributed to administrative challenges, including the absence of Section 82 certificates, lack of letters of authority for deceased beneficiaries, and outstanding township title approvals at the Deeds Office and within Thabazimbi Local Municipality. Similarly, only 258 new title deeds were registered compared to a target of 591. The shortfall resulted from both the absence of letters of authority for deceased beneficiaries and the unavailability of original title deeds, particularly in Thabazimbi.

On a positive note, housing subsidy application approvals exceeded the annual target, with 6,338 applications processed against a target of 4,555. This performance reflects planning, as approvals also included those for the 2025/2026 financial year, thereby streamlining subsidy administration and improving beneficiary readiness.

Programme 2: Human Settlements Sub-programme: Housing Assets Management and property Managements								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
2.3. Security of Tenure	Title deeds registered pre 1994	2.3.1. Number of pre-1994 title deeds registered	52	3	30	28	-2	Unavailability of clearance certificates at Fetakgomo Tubatse Local Municipality
	Title deeds registered 1994 to 2014	2.3.2. Number of post-1994 title deeds registered	1009	291	514	267	-247	Unavailability of Section 82 certificates at municipalities Unavailability of letters of authority for deceased beneficiaries Lack of Township title at the Deeds Office and Thabazimbi Local Municipality
	Title deeds registered post 2014 to 2019	2.3.3. Number of post 2014 title deeds registered	753	1	325	360	35	Clearance and Section 82 certificates were issued by Modimolle-Mookgopong and Polokwane municipalities Consumer education on letters of authority
	New Title deeds registered	2.3.4. Number of new title deeds registered	111	1 381	591	258	-333	Unavailability of the letter of authority in case of deceased beneficiaries. Unavailability of original title deed at

Programme 2: Human Settlements Sub-programme: Housing Assets Management and property Managements								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
								Thabazimbi Municipality
	Reports compiled by Rental Disputes Tribunal and Housing Advisory Panel	2.3.5. Number of reports compiled by Rental Disputes Tribunal and Housing Advisory Panel	1	1	1	1	Not applicable	Not applicable
	Approved beneficiary Subsidy Applications	2.3.6. Number of Housing Subsidy Applications approved through Housing Subsidy System.	5 331	8 824	4 555	6338	1783	Approvals for 2024/2025 and 2025/2026 Financial Years as part of forward planning
	Households that received subsidies through FLISP	2.3.7. Number of households that received subsidies through FLISP (Financed Linked Individual Subsidy Programme)	76	53	70	73	3	The Department approved more application with less subsidy quantum

Linking performance with budgets

Programmes overall spending amounted to 99,6% of the revised allocation compared to 96% in 2023\24. Spending on conditional grants increased such that the Department was allocated additional funds of R200million as well as additional funds from equitable share amounting to R50million.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Housing Needs, Research and Planning	28,945	27,625	1,320	72,145	69,778	2,367
Housing Development, Implementation, Planning and Targets	1,640,793	1,578,075	62,718	1,428,121	1,426,354	1,767
Housing Asset Management and Property Management	46,007	45,337	670	53,147	51,461	1,686
Total	1,715,745	1,651,037	64,708	1,553,413	1,547,593	5,820

Strategy to overcome areas of under performance

Accelerating Land Acquisition Processes

Challenge: The department aimed to acquire 20 hectares of land but achieved 0 hectares due to the unwillingness of landowners to accept the department's offer.

Strategy: The department will pursue alternative land options, such as the land in Makhado Municipality (Erf 4660-4842 Louis Trichardt Ext 8) and will engage in negotiations with landowners to reach mutually agreeable terms. Additionally, the department will explore partnerships with municipalities to expedite land acquisition processes.

Enhancing Project Implementation and Management

Challenge: The delivery of Community Residential Units (CRUs) was significantly below target, with only 0 units delivered against a target of 514. Contributing factors included stoppages by subcontractors demanding payment rate increases and excessive rainfall causing floods.

Strategy: The department has reviewed the contract amounts and effected cost price adjustments to ensure contractors are paid at current rates. Furthermore, the department will implement stricter monitoring and evaluation mechanisms to ensure timely project completion and to address any issues promptly.

Strengthening Job Creation Reporting Mechanisms

Challenge: The creation of job opportunities was below target, with only 1,317 jobs created against a target of 3,200. This underperformance was attributed to contractors not reporting new job creation and appointing foreign nationals without work permits.

Strategy: The department will issue EPWP proforma contracts and reporting templates to contractors to standardize job creation reporting. Additionally, the 2025/26 targets will be amended to include job creation per contract to ensure accurate tracking and reporting.

Improving Title Deed Registration Processes

Challenge: The registration of title deeds was below target, with 258 new title deeds registered against a target of 591. Challenges included the unavailability of clearance certificates and section 82 certificates from municipalities.

Strategy: The department will engage with municipalities to expedite the issuance of necessary certificates and will conduct consumer education to inform beneficiaries about the importance of these documents. Efforts will also be made to replace lost title deeds to facilitate the registration process.

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

None

4.3 Programme 3: Cooperative Governance

Purpose of Programme 3: The Programme aims to provide technical and oversight support to municipalities on terms of implementing their mandates.

Sub-Programmes

- **Municipal Infrastructure Development** – To coordinate municipal infrastructure development
- **Co-operative Governance Support** – To monitor and evaluate performance of municipalities
- **Democratic Governance and Disaster Management** – To coordinate intergovernmental relations, public participation and governance
- **Development Planning** – To provide and facilitate provincial development and planning

Institutional outcomes that Programme 3 contributes

- Outcome: Improved capacity to deliver basic services, quality infrastructure to increase household access to basic services
- Outcome: Improved support and oversight in all municipalities
- Outcome: Improved perception (Community based) on governance in municipalities
- Outcome: Improved governance, oversight and intergovernmental planning

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In the 2024/2025 financial year, the Municipal Infrastructure Development sub-programme achieved all planned annual targets, reflecting consistent performance in enhancing municipal capacity to deliver basic services. A key output was the production of a report on additional households provided with basic services, which supports evidence-based planning and oversight in service delivery improvements.

The department also monitored the implementation of indigent policies in all 22 targeted municipalities, ensuring that vulnerable households receive subsidised access to essential services. This contributes directly to the departmental outcome of improving capacity for basic service provision through responsive municipal support.

Furthermore, all 25 municipalities were monitored on the implementation of infrastructure service delivery programmes, as planned. This oversight ensures that infrastructure projects are tracked, supported, and aligned with service delivery mandates. Additionally, all four districts were monitored on the spending of national conditional grants, ensuring financial accountability and proper use of allocated resources for infrastructure development.

Programme 3: Cooperative Governance Sub-programme: Municipal Infrastructure Development								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
3.1. Improved capacity to deliver basic services, quality infrastructure to increase household access to basic services	Additional households provided with basic services	3.1.1. Number of reports on additional households provided with basic services	1	1	1	1	Not applicable	Not applicable
	Municipalities monitored on the implementation of indigent policies	3.1.2. Number of municipalities monitored on the implementation of indigent policies (Sub-outcome 1) (B2B Pillar 2)	22	22	22	22	Not applicable	Not applicable
	Municipalities monitored on the implementation of infrastructure service delivery programs	3.1.3. Number of municipalities monitored on the implementation of infrastructure delivery programs (Outcome 9, Sub-outcome 1) (B2B Pillar 5)	25	25	25	25	Not applicable	Not applicable
	Districts monitored on the spending of conditional grants	3.1.4. Number of Districts monitored on the spending of National Grants	4	4	4	4	Not applicable	Not applicable

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

During the 2024/2025 financial year, the Co-operative Governance Support sub-programme achieved full performance across all its planned output indicators, demonstrating consistent delivery of support and oversight functions to municipalities. The department compiled one Section 47 report as prescribed by the Municipal Systems Act (MSA), in line with legislative requirements and contributing to improved governance reporting and transparency at the local level.

All four targeted reports on the implementation of Back-to-Basics (B2B) action plans were completed, reflecting the department's sustained focus on ensuring that municipalities adhere to the B2B pillars aimed at improving governance, service delivery, and responsiveness. Additionally, all 22 targeted municipalities were guided to comply with the Municipal Property Rates Act (MPRA), strengthening compliance and revenue management frameworks.

Support was provided to all 27 municipalities in compiling annual financial statements for submission to the Office of the Auditor-General, ensuring timely and accurate financial reporting. One capacity building intervention was conducted, contributing to enhanced skills and institutional capacity within municipalities.

The department also provided support to all 27 municipalities to comply with MSA regulations on the appointment of senior managers, ensuring leadership stability and regulatory compliance. Furthermore, 22 municipalities were supported to institutionalise the Performance Management System (PMS), in alignment with governance reform priorities under the MTSF 2019–2024.

In the area of financial oversight, five municipalities were supported to reduce unauthorised, irregular, fruitless and wasteful expenditure, indicating strengthened accountability and financial controls. Finally, 27 municipalities were monitored on the implementation of anti-corruption measures, reinforcing ethical conduct and governance standards in local government institutions.

The full achievement of all targets under this sub-programme contributed significantly to the departmental outcome of improved support and oversight in all municipalities. This work supports government's strategic priority of building a capable, ethical, and developmental state, and ensures that local government institutions are increasingly equipped to deliver on their service delivery mandates.

Programme 3: Cooperative Governance Sub-programme: Co-operative Governance Support								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
3.2. Improved support and oversight in all municipalities	Section 47 reports compiled as prescribed by the MSA	3.2.1. Number of Section 47 reports compiled as prescribed by the MSA (Linked to MTSF 2019 – 2024, Priority 1) (B2B Pillar 5)	1	1	1	1	Not applicable	Not applicable
	Back to Basics action plans implemented by all municipalities	3.2.2. Number of reports on the implementation of Back-to-Basics action plans by municipalities	4	4	4	4	Not applicable	Not applicable
	Municipalities guided to comply with the MPRA	3.2.3. Number of municipalities guided to comply with the MPRA (Linked to MTSF 2019 – 2024, Priority 1) (B2B Pillar 4)	22	22	22	22	Not applicable	Not applicable
	Municipalities supported with compilation of annual financial statements for submission to Office of the Auditor-General	3.2.4. Number of municipalities supported with compilation of annual financial statements for submission to Office of the Auditor-General	27	27	27	27	Not applicable	Not applicable
	Capacity building interventions conducted in municipalities	3.2.5. Number of capacity building interventions conducted in municipalities (Linked to MTSF	1	1	1	1	Not applicable	Not applicable

Programme 3: Cooperative Governance Sub-programme: Co-operative Governance Support								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
		2019 – 2024, Priority 1) (B2B Pillar 5)						
	Municipalities supported to comply with MSA Regulations on the appointment of senior managers	3.2.6. Number of municipalities supported to comply with MSA Regulations on the appointment of senior managers (Linked to MTSF 2019 – 2024, Priority 1)	27	27	27	27	Not applicable	Not applicable
	Municipalities supported to institutionalize the performance management system	3.2.7. Number of municipalities supported to institutionalize the performance management system (PMS) (Linked to MTSF 2019 – 2024, Priority 1)	27	27	22	22	Not applicable	Not applicable
	Municipalities supported to reduce unauthorized, irregular, wasteful and fruitless expenditure	3.2.8. Number of municipalities supported to reduce Unauthorized, Irregular, Wasteful and Fruitless expenditure (Linked to MTSF 2019 – 2024, Priority 1)	2	5	5	5	Not applicable	Not applicable
	Municipalities monitored on the extent to which anticorruption measures are implemented	3.2.9. Number of municipalities monitored on the extent to which anti-corruption measures are implemented (Linked to MTSF	27	27	27	27	Not applicable	Not applicable

Programme 3: Cooperative Governance Sub-programme: Co-operative Governance Support								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
		2019 – 2024, Priority 1)						

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In the 2024/2025 financial year, the Democratic Governance and Disaster Management sub-programme achieved all of its planned annual output targets, reflecting the department's continued commitment to supporting democratic institutions and effective disaster management within municipalities. Four reports were compiled on the functionality of District Intergovernmental Relations (IGR) Structures, providing oversight on the coordination and collaboration mechanisms essential for integrated planning and service delivery.

All five targeted municipalities received support to maintain functional Disaster Management Centres, thereby enhancing readiness and response capacity to localised emergencies. In parallel, 22 municipalities were supported to maintain functional ward committees, strengthening participatory democracy and ensuring that community voices are incorporated into municipal planning and decision-making processes.

The department also compiled four reports on the functionality of Disaster Management Advisory Forums, maintaining oversight on the structures that coordinate disaster risk reduction efforts across sectors. Furthermore, all 27 targeted municipalities were supported to respond to and resolve community concerns, demonstrating responsiveness to public needs and contributing to improved public confidence in local governance.

The full achievement of these targets supports the departmental outcome of improved community-based perceptions of governance in municipalities

Programme 3: Cooperative Governance Sub-programme: Democratic Governance and Disaster Management								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
3.3. Improved perception (Community based) on governance in municipalities	Functional District IGR Structures	3.3.1. Number of reports compiled on the functionality of 5 District IGR Structures	4	4	4	4	Not applicable	Not applicable
	Municipalities supported to maintain functional Disaster Management Centres	3.3.2. Number of municipalities supported to maintain functional Disaster Management Centres	5	5	5	5	Not applicable	Not applicable
	Municipalities supported to maintain functional ward committees	3.3.3. Number of municipalities supported to maintain functional ward committees (MTSF 2019 – 2024, Priority 1)	22	22	22	22	Not applicable	Not applicable
	Reports on functionality of disaster management advisory forum	3.3.4. Number of reports compiled on functionality of disaster management advisory forum	4	4	4	4	Not applicable	Not applicable
	Municipalities supported to respond to community concerns.	3.3.5. Number of municipalities supported to resolve community concerns.	27	22	27	27	Not applicable	Not applicable

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

During the 2024/2025 financial year, the Development Planning sub-programme successfully achieved the majority of its planned annual targets, contributing significantly to improved governance, oversight, and intergovernmental planning across municipalities. Eight Local Economic Development (LED) initiatives were implemented in municipalities, exceeding previous years' performance and supporting local job creation and economic resilience in communities.

All 27 municipalities submitted legally compliant Integrated Development Plans (IDPs), reflecting strengthened capacity in integrated planning and alignment with legislative requirements. The department also continued to provide consistent support to municipalities in implementing Spatial Development Frameworks (SDFs) in line with the Spatial Planning and Land Use Management Act (SPLUMA), achieving full coverage across all 27 targeted municipalities.

In addition, 22 municipalities were supported with site demarcation and implementation of Land Use Schemes (LUS), promoting orderly spatial development and efficient land management. The department also maintained support to all 22 municipalities for SPLUMA implementation readiness, reinforcing spatial governance and development control mechanisms at the local level.

All five district municipalities were monitored on the implementation of their respective "One Plans," in alignment with the MTSF 2019–2024 Priority 5, which focuses on spatial integration and local government development. These efforts support integrated district-based planning, ensuring a coherent approach to infrastructure investment and service delivery.

However, the number of work opportunities reported through the Community Work Programme (CWP) was 21,489, falling short of the 30,000 target by 8,511 due to budget cuts by the Department of Cooperative Governance (DCOG). Despite this, the programme still provided critical livelihood support to thousands of beneficiaries, contributing to MTSF Priority 2, which focuses on economic transformation and job creation.

Overall, the sub-programme's performance underpins the department's outcome of improved planning, governance, and spatial management in municipalities.

Programme 3: Cooperative Governance Sub-programme: Development Planning								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
3.4. Improved governance, oversight and intergovernmental planning	Local Economic Development (LED) initiatives implemented in municipalities	3.4.1. Number of LED initiatives/interventions implemented in municipalities	5	6	8	8	Not applicable	Not applicable
	Municipalities supported with the development of credible and implementable IDPs	3.4.2. Number of municipalities with legally compliant IDPs	27	27	27	27	Not applicable	Not applicable
	Municipalities supported with the implementation of SDF	3.4.3. Number of Municipalities supported with implementation of SDFs in line with SPLUMA	27	27	27	27	Not applicable	Not applicable
	Municipalities supported with demarcation of sites	3.4.4. Number of Municipalities supported with demarcation of sites	22	22	22	22	Not applicable	Not applicable
	Municipalities supported to implement LUS in line with guidelines	3.4.5. Number of municipalities supported with implementation of LUS	22	22	22	22	Not applicable	Not applicable
	Municipalities supported with the readiness to implement SPLUMA	3.4.6. Number of municipalities supported with Implementation of SPLUMA	22	22	22	22	Not applicable	Not applicable
	District Municipalities supported to implement One Plan	3.4.7. Number of Districts/Metros monitored on the implementation of One Plans (MTSF 2019 – 2024, Priority 5: Spatial integration, human	5	5	5	5	Not applicable	Not applicable

Programme 3: Cooperative Governance Sub-programme: Development Planning								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
		settlements and local government)						
	Work opportunities reported through Community Works Programme (CWP)	3.4.8. Number of work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	New indicator	30 986	30000	21489	-8511	Budget cuts by the Department of Cooperative Governance

Linking performance with budgets

Actual expenditure of the adjusted appropriation for 2024\25 is at 94.3% as compared to 98% in 2023\24 financial year. Overall underspending is attributed to items in goods and services such as consultants, travelling, as well as transfers in Provinces and Municipalities, and the purchase of capital assets.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Local Governance	247,802	245,434	2,368	306,975	292,791	14,184
Development Planning	50,606	48,031	2,575	55,399	48,823	6,576
Total	298,408	293,465	4,943	362,374	341,614	20,760

Strategy to overcome areas of underperformance

Mitigating Budget Cuts Impacting Job Creation

Challenge: The target for work opportunities reported through the CWP was 30,000, but only 21,489 were achieved. This shortfall was due to budget cuts implemented by the Department of Cooperative Governance (DCOG), which limited the programme's reach and implementation capacity.

Strategy: In response to the constrained budget, the department has initiated a revision of its Annual Performance Plan (APP) to reflect realistic targets aligned with available funding. This includes engaging with DCOG to secure more stable funding in future cycles and prioritising high-impact areas for CWP implementation. The department will also explore alternative partnerships or co-funding mechanisms to supplement resources and sustain community job opportunities.

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

None

4.4 Programme 4: Traditional Institutional Development

Purpose of Programme 4: The Programme aims to support the institution of Traditional Leadership to operate within the context of Co-operative Governance

Sub-Programmes

- **Traditional Institutional Administration and Administration of Houses of Traditional Leaders** – To promote the affairs of Traditional Leadership and Institutions

Institutional outcomes that Programme 4 contributes to:

- Outcome: Developmental Traditional Institutions

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The sub-programme achieved all its planned targets for the 2024/2025 financial year, reflecting a continued commitment to supporting developmental traditional institutions and promoting stability and cultural preservation within communities. A total of 203 Traditional Councils were supported to perform their legislated functions, sustaining governance structures that are pivotal in rural development and customary administration.

The Provincial House of Traditional Leaders held four sittings, with corresponding reports compiled, ensuring that the institution remained functional and contributed to legislative and policy discussions affecting traditional communities. All traditional leadership succession disputes referred by the Premier were processed during the reporting period, ensuring procedural fairness, continuity, and resolution of leadership matters, which are often central to community stability.

Furthermore, four anti-Gender-Based Violence and Femicide (GBVF) interventions or campaigns were conducted, aligning with Pillar 2 of the National Strategic Plan (NSP) on GBV. These interventions demonstrate a proactive approach by the department and traditional leadership structures in restoring the social fabric and advocating for safer, more equitable communities.

The department also successfully facilitated initiation schools in areas under Traditional and Khoi-San Leadership, with four reports compiled. These cultural practices were managed within the relevant regulatory and health frameworks, ensuring cultural integrity while safeguarding participants' wellbeing.

Overall, the sub-programme's achievements contributed directly to the departmental outcome of developing functional and credible traditional institutions. These results also support broader government priorities related to social cohesion, governance in rural areas, and the inclusion of traditional leadership in developmental and legislative processes.

Programme 4: Traditional Institutional Development								
Sub-programme: Traditional Institutional Administration and Administration of Houses of Traditional Leaders								
CoGHSTA Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
4.1. Developmental Traditional Institutions	Traditional council which can perform their functions.	4.1.1. Number of Traditional Councils supported to perform their functions.	201	203	203	203	Not applicable	Not applicable
	Sittings of the Provincial House of Traditional Leaders.	4.1.2. Number of reports for the sittings of the Provincial House of Traditional Leaders.	2	3	4	4	Not applicable	Not applicable
	Traditional leadership disputes referred to the house by the Premier processed.	4.1.3. Percentage of Traditional leadership succession disputes processed	100%	0	100%	100%	Not applicable	Not applicable
	Anti GBVF Intervention/campaigns facilitated for traditional leadership	4.1.4. Number of Anti GBVF Intervention/campaigns for traditional leadership (Pillar 2: Prevention and Restoration of Social Fabric of the NSP) (Final M & E Plan for the NSP on GBV)	2	6	4	4	Not applicable	Not applicable
	Initiation schools facilitated and held in areas of Traditional and Khoi-San Leadership	4.1.5. Number of reports on initiation schools	N/A	4	4	4	Not applicable	Not applicable

Linking performance with budgets

The programme has spent 95.4% of the adjusted allocation compared to 88% in 2023\24 financial year. Overall underspending is attributed to delays on delivery of Senior Traditional Leaders vehicles, building of traditional council offices, delivery of furniture for Traditional Council offices and as well as non-spending on Vhavenda and Bapedi Kingship projects.

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Traditional Institutional Admin	584,038	511,750	72,288	561,127	535,144	25,983
Administration of House of Traditional Leaders	47,623	47,213	410	23,200	22,510	690
Total	631,661	558,963	72,698	584,327	557,654	26,673

Strategy to overcome areas of underperformance

The department did not have areas of underperformance for Programme 3.

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

None

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The department appointed Housing Development Agency to implement various projects/programmes such as: revitalisation of Mining Town, registration of Title deeds, construction of military veterans' housing units, and upgrading of informal settlements. RISIMA Housing Finance Corporation was appointed to implement first home finance applications. The department has a Joint Technical Steering Committee and a Management Committee to monitor progress on the delegated projects and programmes. The challenges experienced include the transfer of funds and liaison with municipalities. In mitigation, the department has gazetted funds and also engaged with all stakeholders to ensure the smooth running of the projects/programmes. The challenges experienced on the subsidisation of first home finance applications are, among others, rejection due to financial over-commitment, this delays the process. This is mitigated by processing other applicants on the list.

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
Housing Development Agency	Delivery of 26 military veterans; delivery of 111 rural housing units, registration of 200 title deeds, Construction of Motetema WWTW, and refurbishment of Paarl WWTW	76,297,703	76,297,703	24 Military housing units delivered, 111 rural housing units delivered, 76 title deeds registered, Motetema WWTW completed, Paarl WWTW underway for completion in the 2025/26 financial year.
RISIMA Housing Finance	Subsidisation of 70 first home finance applications	10,000,000	10,000,000	73 first home finance applications subsidised

5.2. Transfer payments to all organisations other than public entities

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

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
None						

The table below reflects the transfer payments which were budgeted for in the period 1 April 2024 to 31 March 2025, but no transfer payments were made.

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

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

Not applicable

6.2. Conditional grants and earmarked funds received

The department received three conditional grants during the year under review as follows:

- Human Settlement Development Grant to address various housing needs in accordance with the Housing Act and its applicable frameworks.
- Informal Settlements Upgrading Partnership Grant, specifically to address challenges of informal settlements in the province from planning to actual construction of housing properties.
- Extended Public Works Programme, to contribute to reduction of unemployment and providing experience to participants.

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2024 to 31 March 2025.

Conditional Grant 1: Human Settlement Development Grant

Department who transferred the grant	National Department of Human Settlements
Purpose of the grant	To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements.
Expected outputs of the grant	Delivery of 4 555 housing units across all housing programmes, provision of 593 serviced sites, subsidising 70 first home finance applicants, and registration of 1 460 title deeds.
Actual outputs achieved	5 066 houses delivered, 316 serviced sites provided, 73 first home finance applications subsidised, and 913 title deeds registered
Amount per amended DORA	1,092,897
Amount transferred (R'000)	1,092,897
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	1,091,918
Reasons for the funds unspent by the entity	NHBRC claims that were submitted after the last run.
Monitoring mechanism by the transferring department	Quarterly reporting reviews sessions, monthly DORA and Conditional grants reports.

Conditional Grant 2: Informal Settlements Upgrading Partnership Grant

Department who transferred the grant	National Department of Human Settlements
Purpose of the grant	To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements informal settlements
Expected outputs of the grant	Provision of 4 716 serviced sites and formalisation of 2 informal settlements.
Actual outputs achieved	2 938 serviced sites connected to basic services and 2 informal settlements formalised.
Amount per amended DORA	272,310
Amount transferred (R'000)	272,310
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	271,991
Reasons for the funds unspent by the entity	Claims that were submitted after the last run.
Monitoring mechanism by the transferring department	Quarterly reporting reviews sessions, monthly DORA and Conditional grants reports.

Conditional Grant 3: Extended Public Works Programme

Department who transferred the grant	National Department of Public Works
Purpose of the grant	To incentivise provincial departments to expand work creation efforts through the use of labour-intensive delivery methods.
Expected outputs of the grant	Creation of 28 full-time equivalent jobs
Actual outputs achieved	45 FTE's created
Amount per amended DORA	2,128
Amount transferred (R'000)	2,128
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	2,005
Reasons for the funds unspent by the entity	Late appointment of participants due to advertisement and seeking Treasury approval for inclusion of the participants on the Persal system.
Monitoring mechanism by the transferring department	Monthly In-Year Monitoring reports Quarterly and Annual grant evaluation.

The department received earmarked funds during the year under review as follows:

- Kingship funds to address various operational needs of the three kingships in the province.
- Construction of Traditional Councils funds to address the construction of traditional council offices.
- Purchase of Furniture and vehicles, to provide for the tools of trade for the Traditional leaders and furniture for new offices, and replacement of those worn out

Earmarked funds: Construction of Traditional Council

Department who transferred the grant	Limpopo Provincial Treasury
Purpose of the grant	Contraction of traditional council offices
Expected outputs of the grant	Construction of 3 offices and refurbishment of 2 traditional council offices and completion of old projects
Actual outputs achieved	Construction of 3 offices and refurbishment of 2 offices in progress
Amount per amended DORA	N/A
Amount received (R'000)	42 026
Reasons if amount as per DORA was not received	N/a
Amount spent by the department (R'000)	38 353
Reasons for the funds unspent by the entity	Soil conditions needed gravelling, community issues with the appointment of CLO, OSH agents, rescoping of work
Reasons for deviations on performance	Soil conditions needed gravelling, community issues with the appointment of CLO, OSH agents, rescoping of work
Measures taken to improve performance	Implementation plan to fast-track construction, Monthly progress meetings and site me
Monitoring mechanism by the receiving department	Quarterly review sessions and monthly earmarked funds reporting

Earmarked funds: Purchase of Furniture

Department who transferred the grant	Limpopo Provincial Treasury
Purpose of the grant	Procurement of furniture for traditional council offices
Expected outputs of the grant	24
Actual outputs achieved	0
Amount per amended DORA	N/a
Amount received (R'000)	5 000
Reasons if amount as per DORA was not received	N/a
Amount spent by the department (R'000)	Nil

Reasons for the funds unspent by the entity	Procurement was only finalised by the 31 of March 2025 and no payment was made
Reasons for deviations on performance	Assessment of Traditional council offices due to deterioration of the buildings
Measures taken to improve performance	Forward planning on the assessment of the traditional council buildings and procurement for qualifying traditional council
Monitoring mechanism by the receiving department	Quarterly report and monthly earmarked grant reports

Earmarked funds: Purchase of Snr. Traditional Leaders Vehicles

Department who transferred the grant	Limpopo Provincial Treasury
Purpose of the grant	Procurement of vehicles for Traditional leaders
Expected outputs of the grant	163
Actual outputs achieved	162
Amount per amended DORA	N/a
Amount received (R'000)	35 515
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	30 525
Reasons for the funds unspent by the entity	There were delivery challenges on some models required by the traditional leaders
Reasons for deviations on performance	Unavailability of models preferred by senior traditional leaders
Measures taken to improve performance	Alternative models chosen
Monitoring mechanism by the receiving department	Quarterly review sessions and monthly earmarked funds reporting

Earmarked funds: King/Queenhip

Department who transferred the grant	Limpopo Provincial Treasury
Purpose of the grant	Support for kingship and queenship
Expected outputs of the grant	Support to queenship and 2 kingships
Actual outputs achieved	1 queenship and 1 kingship supported
Amount per amended DORA	N/a
Amount received (R'000)	9 267
Reasons if amount as per DORA was not received	N/a
Amount spent by the department (R'000)	7 304
Reasons for the funds unspent by the entity	Dispute challenges in some royal families
Reasons for deviations on performance	Traditional leadership disputes before court of law

Measures taken to improve performance	Documentation of customary law
Monitoring mechanism by the receiving department	Quarterly report reviews and monthly earmarked fund repo

7. DONOR FUNDS

7.1. Donor Funds Received

None

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

None

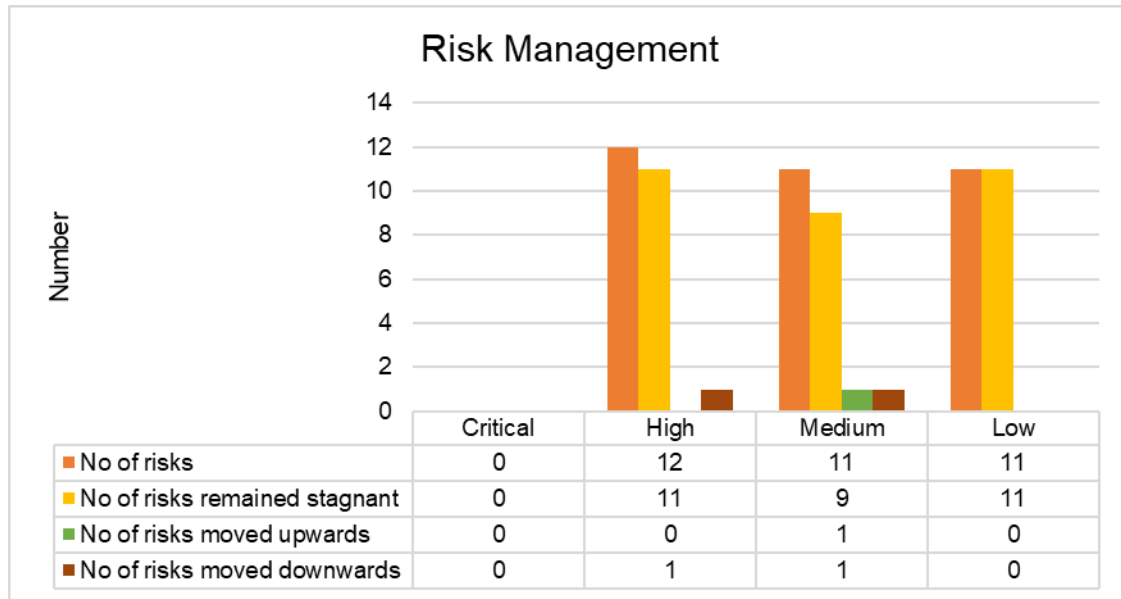
PART C: GOVERNANCE

1. INTRODUCTION

Governance structures provide overall guidance and direction for the functioning of the Department. It is envisaged that the management committees provide effective administrative support and efficiency of the department to facilitate decision-making and promote accountability. The internal control system is designed to assist the department, senior management, and Executive management, and provides reasonable assurance from a control perspective that the department is being operated consistently within the Strategy and risk appetite set, agreed departmental objectives, agreed policies and processes, and Laws and regulations.

2. RISK MANAGEMENT

- The risk management strategy was adopted by the Risk Management Committee (RMC) and approved by the Head of Department. The departmental risk management policy is reviewed at the end of every three years. It was due for review by the end of September 2024, and it was adopted by the RMC approved by the MEC.
- Risk assessment is conducted on an annual basis to identify new and emerging risks and to set the tone for risk management activities. Risks are identified consistent with the mandate and outcomes of the Department to ensure relevance. Management developed risk-mitigating measures to deal with the risks identified during risk assessment, and the progress in mitigating the risks is reported on a quarterly basis.
- The department has a Risk Management Committee (RMC) appointed by the Accounting Officer, and it is chaired by the independent RMC Chairperson with a responsibility to advise management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. The RMC meets at least once per quarter to perform duties as stated in the Risk Management Committee Charter and consider progress made with regard to mitigation of significant risks towards achievement of Departmental Outcomes as well as the overall system of risk management. The RMC Chairperson submits a report to management together with recommendations for implementation in the areas of improvement.
- The Audit Committee considers quarterly progress on implementation of mitigation measures to address the significant risks and advises the Department on risk management and independently monitors the effectiveness of the system of risk management. The Audit Committee further submit recommendations on issues that needs specific attention by the department.
- The table below depicts the number of risks identified for the financial year under review and the movement thereof. During the financial year under review, one risk moved from medium residual rating to low and another one moved from medium to high. In essence there was no significant progress in the management of risks although there was a noticeable improvement in the department's overall performance.



- In order to address this problem, the department, in its risk assessment for the financial year 2025-26, ensured that risk mitigations are enhanced and strengthened to address the real root causes. That has included the strategies to address service delivery targets achievement, financial management, as well as project management activities. The other categories made significant progress i.e., Operational, OHS, ITC, and Fraud and Corruption risks.

3. FRAUD AND CORRUPTION

- The Department has an Anti-Fraud and Corruption Strategy in place and the Anti-Fraud and Corruption Implementation Plan, which is founded on the principle of “zero tolerance” towards fraud and corruption. Furthermore, it is committed to the establishment of a culture of fair and just administration and transparency and accountability, which is aimed at achieving the highest ethical behaviour amongst its employees.
- A whistle-blowing policy and overarching strategies are available, which enable officials and third parties to report fraud and corruption anonymously. Employees are, through these mechanisms, encouraged to report illegal practices to the Directorate, their managers, the Premier, the Presidency, the National Anti-Corruption Hotline, and other external government entities. During the year under review, the Department has managed to institute investigations of all cases reported.
- The departmental Anti-Fraud unit further assists municipalities on various anti-fraud activities. Current challenges are a shortage of investigators, which results in some investigations taking longer than expected. As an intervention, the department will consider prioritising some additional investigators in the recruitment plan for the 2025/26 financial year.

4. MINIMISING CONFLICT OF INTEREST

The Department, through the Labour Relations, conducted advocacy workshops for all Assistant Directors on matters relating to financial disclosures. Furthermore, several works were conducted for all Deputy Directors. The workshops covered topics such as Code of Conduct for Public Servants, Financial Disclosures, Remunerative Work Outside Public Service (RWOPS), and lifestyle audit and grievance handling. A workshop for the members of Senior Management Services (SMS) on similar topics was conducted by the Public Service Commission. The workshops assist in minimising conflict of interest as officials are alerted to various activities which have the potential to pose conflict of interest, and how to avoid such conduct.

Furthermore, in accordance with the DPSA’s directives, members of Senior Management Services, Middle Management Services (MMS) (level 11-12), Deputy Directors (MMS), Supply Chain Management, and Finance

are directed to disclose their financial interests. SMS members disclosed their interests from 1- 30 April and other designated members from 1 June - 31 July. The Department has achieved 100% compliance on SMS and 99.7% of MMS.

Section 30 of the Public Service Act makes it mandatory for employees to seek approval of the Executive Authority in instances where they decide to conduct remunerative work outside public service. All officials are therefore required to apply to the Executive Authority for approval before conducting such work/business.

In instances where a conflict of interest is detected, an official is formally engaged to remove the conflict. For example, if it is detected that an official is a member or Director of a company, and such company is registered in the Treasury's Central Database of Suppliers (CSD), such official would be required to immediately resign from the company or remove the company from the CSD. In instances where a conflict of interest has been detected and the code of conduct breached, a disciplinary action inquiry is conducted. The conduct includes conducting RWOPS without approval of the Executive Authority or conducting work with a state organ in contravention of section 8 of the PAMA.

5. CODE OF CONDUCT

There is an approved Disciplinary Code and Procedure policy for the management of Discipline in the Department. The policy applies to officials at levels 1-12. Disciplinary process for SMS members is conducted in line with Chapter 7 of the SMS handbook (Chapter 7). Both the policy and the SMS Handbook are utilised in concurrence with other pieces of legislation, including but not limited to the Labour Relations Act, Code of Conduct for Public Servants, Public Service Act, and Public Service Regulations of 2016. The department conducts advocacy workshops every year to ensure that officials are made aware of the existence of the policy.

The breach of conduct occurs when an official is found to have committed misconduct as outlined in the policy or any conduct deemed to be misconduct that warrants disciplinary action. In most instances, an investigation is conducted, and if there are sufficient grounds implicating an official for wrongdoing, then action will be taken against such an official. The disciplinary process is initiated by Labour Relations at the behest of the Head of Department. When the misconduct is serious and there are reasonable suspicions that the implicated officials may tamper with evidence, then such officials may be put on precautionary suspension pending finalisation of an investigation.

There are various sanctions that can be imposed on an official after a disciplinary hearing, which include counselling, written warning, final written warning, suspension without pay, demotion, or dismissal. In certain instances (where the alleged misconduct is less serious), an informal disciplinary mechanism can be utilised, and a sanction of verbal warning, written warning, or final written warning may be imposed without a formal disciplinary hearing. However, such warnings are considered in the event an employee is later charged with a similar misconduct within six months of receipt of the warning. There are over fifteen employees who contravened section 18 of the PSR Regulations (failure to disclose registrable interests), and disciplinary action was taken against them; they were given a sanction of suspension without salary for 5-7 days. Other officials were given a final written warning for financial misconduct (breach of SCM processes) that caused the department to incur irregular expenditure.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department has an appointed Occupational Health and Safety (OHS) Custodian who is responsible for overseeing compliance with the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) and all related regulations for three years. The current Occupational Health and Safety Committee's term ended on 31 March 2025, and the Accounting Officer has appointed a new Committee for the next three-year term. Occupational Health and Safety Representatives appointed were provided with appointment letters. The Committee is responsible for ensuring that the Department complies with the Occupational Health and Safety Act, working closely with the OHS custodian. The OHS representatives comprise employees from Head Office and the District Offices, including Traditional Councils. The OHS representatives were trained on how to deal with OHS issues.

The committee meets once per quarter as per the Occupational Health and Safety Act, but if an emergency arises or occurs, an urgent meeting can be called or organized. The quarterly meetings are rotating to check and inspect offices before the beginning of the meetings. Departmental buildings are inspected, and reports compiled for management intervention. Internal audit and the Department of Public Service and Administration inspected the Departmental Buildings and found them to be non-compliant. The Department has been given time to address the matters raised. The OHS Risk register is in place and utilised to register all the risks identified that need to be attended to. The Department has developed an action plan to address issues identified during the internal audit and the DPSA audit.

7. PORTFOLIO COMMITTEES

The below table depicts the matters raised by Portfolio Committee COGHSTA

Project Description	No. of projects allocated to the developer	Time-frames – start date and expected completion date	Municipality where the project(s) is/are located	Budget allocated	Expenditure to date	Project Status	Challenges and Interventions
Marapong Community Residential Units (514 units)	01	12 December 2016 to 30 June 2025	Lephalale Municipality	R 369 198 583.85	R 299 040 693.85	HOUSING CONSTRUCTION - The following shows the achieved milestones on site. - All units (514) have been roofed. - Finishings such as plastering, painting, floor tiling, glazing are in progress ENGINEERING SERVICES - The construction of internal reticulation for Sewer, Water and fire hydrants: pipeline is at 84% ,52% and 51%, respectively. - Roads – still at 0 %,however setting out has commenced. - Electrical internal reticulation – electrical tubing has completed in 464 unitsInstallation of	Weather conditions that hit the Waterberg district in December 2024 and February 2025. The contractor was advised to adopt fast tracking and crashing methods to cover time lost due to flooding in the area. Project stoppage by local subcontractors. The social facilitation has been done through CLO and Lephalale Mayor was requested to intervene as and when it happens.

Project Description	No. of projects allocated to the developer	Time-frames – start date and expected completion date	Municipality where the project(s) is/are located	Budget allocated	Expenditure to date	Project Status	Challenges and Interventions
						Perimeter Wall is at 95%.	
Talana Community Residential Units (146 units and related engineering services)	01	21/11/2023 to 31/08/2028	Greater Tzaneen	R 8 080 550.67	R 1 406 169.61	The Expenditure was for Engineering Designs Project is on tender stage and the appointment of a contractor is anticipated in June 2025.	Delay due to tender advertisement . The bid was initially advertised on the 31/1/2025 and closed on 21/2/ 2025. The cancellation was made on the 25 April 2025 due to terms of reference having wrong method of pricing which does not include the technical team (Method 2(price and specific goals) instead of method 4 (Financial offer, quality and preference)
Tshikota Community Residential Units 118 units and related engineering services)	01	30/11/2021 to 30/03/2027	Makhado	R 95 000.000.00	R 9 116 882.55	The contractor is busy with engineering services (Earthworks:100 %, Storm water: 60%, Sewer: 56% and Water :7%).	The project was delayed by the adverse geotechnical conditions which consumed more time on form work (the contractor was expected to cut 1,2m of the top soil for the whole development site and import G5 and G7 soil to backfill)

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	Resolutions status and stagnant in the audit outcomes	Executing Authority, the committee noted that the Department of Cooperative Governance, Human Settlement and Traditional Affairs (CoGHSTA) has not yet implemented all the House resolutions from 2014/15 to 2020/21 financial years. Further that, CoGHSTA has been stagnant with unqualified audit opinion with matters of emphasis since 2017/18 financial year to date.	An analysis has been conducted from 2017/18 to 2021/22 of the root causes of the findings and mitigations that have been implemented to-date to improve the audit opinion outcome. Detailed mitigations have been reported on the report of the 31st February 2025 for SCOPA consideration. The Provincial Treasury is monitoring the implementation of an audit action plan. Where issues are resolved and means of verification is audited, the audit action plan is updated to clear those issues. On a quarterly basis the department submits the progress that has been made for review to Provincial Treasury and currently the department managed to resolve 48 out of 48 findings which represent 100% of the total findings resolved.	No
2	Irregular expenditure	Executing Authority, on paragraph 36 of the AG's report, the AG reports that effective and appropriate steps were not taken to prevent irregular expenditure of R74, 541 million as disclosed on page 118 of the annual report. Cumulative irregular expenditure as of 31 March 2023 amounts to R546, 833 million. The majority of the irregular expenditure was caused by the irregular establishment of an additional panel of service providers on the construction of low-cost houses. On paragraph 37, some of the commodities designed for local content and production, were procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8 (5). On paragraph 38, some of the contracts were awarded to bidders on evaluation/adjudication	The original contracts for low-cost houses were awarded in the 2021/2022 financial year, the audit declared procurement process was irregular on the basis that one of the bidders was erroneously disqualified. The contract continued into 2022/2023 financial as the service was required therein all subsequent expenditure incurred relating to the contract was therefore irregular and disclosed in the Annual Financial Statement. The contract could not be terminated, and the expenditure could not be prevented due to the contract still under investigation. Furthermore other) irregular expenditure were related to local content application that was eventually discontinued by DTI on the procurement. The additional irregular of close family members interest in the procurement of the Department without failure to disclose in the tender document resulted in the irregular even though their family members working for the Department did not have any participation in the Bid Committee and the Department relied on the CSD as the only means of verification for this matter.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		criteria that were not stipulated and differed from those stipulated in the original invitation for bidding as required by Treasury Regulation 16A6.3 (a) and (b).	The Department rely on the Central Supplier Database (CSD) to identify director's relation with departments close family members, partners or associates. The CSD is the only single platform provided by Treasury to verify employment of prospective bidders by organs of state, no additional computer assisted audit techniques to identify employees" relation with service providers. The Department rely on manual disclosure form which employees fail to declare interest on the financial disclosure form. The Department has several measures put in place to prevent the anomaly as follows: -The Department has reviewed its internal global and developed SCM Financial delegation of Powers. -The department has appointed the Chief Director: SCM, CFO and Internal Control officials between December 2022 and March 2025. -Supply Chain Management (SCM) officials as well as Bid Committee members were trained on procurement processes by both Provincial and National Treasury. -Implementation of the SCM monitoring tool issued by provincial Treasury. -Checklist has been developed and implemented to ensure compliance with all the procurement processes. -Implementation of the internal control framework and the establishment of the Internal Control unit reporting to the CFO. -The internal control unit has started conducted probity audit reviews on procurement of goods and services amongst others to ensure compliance with legislative prescripts in SCM unit.	
3	Fruitless and wasteful expenditure	Executing Authority, on paragraph 41 of the AG's report, the AG reports that losses resulting from fruitless and wasteful expenditure of R1 000 were not recovered from the liable persons, as required by treasury regulation 9.1.4. Cumulative fruitless and wasteful expenditure as at 31st March 2023 amounts to R114, 987 million.	The amount of R1000 was a result of penalty charged. The Department did not recover as yet the financial losses for the fruitless and wasteful expenditure (s) incurred due to the investigation into the charge. The department will consider action (s) against any official on the fruitless and expenditure incurred after the investigation report recommendations has been considered and approved. The accumulated fruitless and wasteful expenditure are being deal with in line with the same process therein tabled	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			at FMB. The Department has several measures put in place to prevent the anomaly as follows: -The Department has reviewed its internal global and SCM Financial delegation of Powers. -The department has appointed the Chief Director: SCM effect from 19th December 2022. -Supply Chain Management (SCM) officials as well as Bid Committee members were trained on procurement processes by both Provincial and National Treasury. -Implementation of the SCM monitoring tool issued by provincial Treasury. -Checklist has been developed and implemented to ensure compliance with all the procurement processes. -Implementation of the internal control framework and the establishment of the Internal Control unit reporting to the CFO. -The internal control unit has started conducted probity audit reviews on procurement of goods and services amongst others to ensure compliance with legislative prescripts in SCM unit.	
4	Impairment of receivables	Executing Authority, on paragraph 7 of the Auditor General's (AG) report, the AG reports that the department made an impairment provision of R15 908 000 (2022: R15 772 000) in respect of doubtful receivables.	The department has a total of 337 litigation cases against the department. Out of the 337 cases, 314 are from Headmen/women claiming payment of allowances and one (1) of headmen/women who were dismissed in Bahananwa Traditional Council making up 93% of the total cases. There is other fifty-seven (57) Traditional Affairs cases which emanates from the Kgatla Commission. These cases are not included in the litigation as there is no money claimed against the department. The 7% is made up of twenty-three (23) cases. Twelve (12) cases are as a result of Section 100 intervention that was implemented in the Province where companies claimed that the department did not pay certain invoices. Some of these cases have been dormant since 2012. The department has an approved Standard Operating Procedure (SOP) on how to deal with these categories of cases, especially those that have been dormant for a prolonged period. We are in the process of developing the policy on litigation which will be finalized by the end of September 2023.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			The department received support from Provincial Treasury on finalizing the litigation. A meeting with Provincial Treasury and Auditor General was held on how to reduce some of the cases on the contingency register to determine how the cases can be dealt with. The department assessed, categorized and recommended whether the cases should remain in the register or not. This exercise has resulted in the reduction of the litigation register. Detailed report is available on the categories of cases.	
5	Significant uncertainties	Executing Authority, on paragraph 8 of the AG's report, the AG reports that the department is currently involved in litigation with various service providers and third parties. The ultimate outcome of these matters could not be determined and no provision for any liability that may result has been made in the financial statements.	The audit has identified a debt over 1 year which been impaired due to the Department been unable to recoup over years to litigation case. Furthermore, the department has developed measures such as an approved Standard Operating Procedure (SOP) on how to deal with categories of cases, especially those that have been dormant for a prolonged period. The Department in process of developing the policy on litigation. The department received support from Provincial Treasury on finalizing the litigation register. A meeting with Provincial Treasury and Auditor General was held on how to reduce some of the cases on the contingency register to determine how the cases can be dealt with. Technical committee to deal with Litigation has been formed to deal litigations.	No
6	Underspending of the conditional grants	Executing Authority, on paragraph 9 of the AG's report, the AG reports that the department materially underspent the budget by R139 399 million on informal settlement upgrading partnership grant.	The Department under spent on the Grant due to most of these new projects started later due to a high volume of bids received and further that the department had to re-advertise some of the non-responsive bids (insert statistics). The Department measures as part of improving forward-planning, the department advertised bids for the planning, design and preparation of tender documentation to ensure a pipeline of multi-year bulk infrastructure projects. Considering that the early stage of planning requires consultations with affected municipalities and water service authorities, as well as approval of designs, this resulted in delayed expenditure, with most engineers registering significant progress later in the financial year. A recovery plan was developed after programme performance analysis. The implementation of the plan is closely monitored hence expenditure has improved to 99% as at the 31	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			March 2025. The measures undertaken to improve the expenditure were as follows: -A recovery plan developed after programme performance analysis. -Forward-planning by advertising bids for the planning, design and preparation of tender documentation	
7	Achievement of planned target	Executing Authority, on paragraph 23 of the AG's report, the AG reports that the processes established to consistently measure, and report achievements of the indicators were inadequate. Adequate supporting evidence was not provided for auditing. On paragraph 24, the overachievement of the reported achievement did not agree with the planned target. The supporting evidence indicated the reasons to be exclusive of land acquired in Lephalale and not investment through acquisition of land in Lephalale and engineering services roll over projects as reported in the annual performance report. On paragraph 25, the AG could not determine the actual achievement on the number of job opportunities created through construction of houses and servicing sites. On paragraph 40, the AG reports that specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service	The Department processes to measure and report achievements of indicators was not accurately supported with all means of verification to ascertain that indicators/target set were achieved therein it was not enough to provide reasonable assertion on the achievement of indicator (s) as the latter program. The Department had adopted measures to improve processes by reviewing Departmental Performance Reporting Policy, supporting documents to confirm achievement of the planned targets is kept for record and audit purpose (via an electronic record) and quarterly reports are tabled at risk management committee for review and dealing with identified risks that hinder performance. In paragraph 24 the progress was reported as 27% against the planned target of 20% this resulted in overachievement of 7%. The variance was due to the achieved target on land acquisition in Lephalale municipality and the engineering services completed from the roll over projects. The over achievement did adequately support the measure in line with the technical indicator description 2.2.2 and 2.2.9, a measure of land that is Deed of Sale, Completion certificate or signed Professional Engineers report and List of service sites de-livered. The results of overachievement with 7% on the land acquisition target, has also been identified by AGSA as an exception in the report on the basis that the expenditure could not be identified on the BAS report	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		delivery as required by public service regulation 25(1)(e)(i) and (ii).	hence the HSS report which depicted expenditure was submitted as the supporting document. In paragraph 25 the progress was reported as 1 284 against the planned target of 3 150 this resulted in under achievement of 1 866. The variance was due to performance progress reported on the number of job opportunities created through construction of houses and servicing sites. The means of verification provided was not in line with the technical indicator description 2.2.11 thus did not support the performance progress reported due to the errors detected on employees' contracts without employment duration and the employee contracts which indicates 2019/2020 duration whilst the reporting period was for 2021/2022. This has resulted in a finding on internal control deficiencies; however, the achievements were correctly reported on year under review hence the reconciliation of contracts and attendance and payment registers was made. Furthermore, it was verified that indeed the jobs were created within the year under review despite the errors in the employees' contracts. The cause of the finding is the usage of old EPWP contract template with old dates on it. This was an oversight on the part of the contractors and the Department. The Department has since put the system in place to ensure that the dates correspond with the financial year under review. The attendance and payment registers were also provided to support the achievements. A blank EPWP template was provided to contractors for filling in relevant information like contract duration with start and end dates to mitigate the recurrence of the error. The Department has taken measures: -Adopt the Implementation of evaluation framework and implementation guidelines in line with the approved Department reviewed policies and plans.	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			-Enforced timeframe on the submission of the in-year and annual performance report. -Enforced in-year and annual quarterly performance review of all submissions for all Directorates (performance reviews). -Enforced a system-based record management platform for means of verification records that support performance progress of each indicator - The Sector indicators have been reviewed for change in the 2025/2026	
8	Annual Financial Statements	Executing Authority, on paragraph 35 of the AG's report, AG reports that the financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) of the PFMA.	The Accounting Officer prepared the annual financial statements in line with the financial reporting framework, except that certain components in the financial statements did not fully satisfy the financial reporting framework, i.e., disclosure of the impairment of receivables that were omitted; however later corrected during the audit review. The measures taken to prevent Annual Financial Statement: -Preparation in line with the prescribed framework reporting -In-year and annual review of AFS by the AFS Review Committee, Internal Audit, and Limpopo Provincial Treasury Review Team. -Developed and monitored audit action plans that address root causes for all findings. -Enforced functional technical committee to ensure: Improved turnaround time for submission of requests for information and responses to communication of findings, whilst quality control for all submissions is managed. -Implementation of transversal monitoring reports recommendations by valuing the work of all other assurance providers	No
9	Other reports	Executing Authority, on paragraph 54 of the AG's report, the AG reports that the National Treasury appointed an external service provider to investigate allegations of progress deliverables and financial management of the department's major housing project at the request of the department, which covers the period 2016/17 to	Paragraph 54 Investigation on Marapong CRU project (NT) has been concluded and the Department has commenced with the implementation of the recommendations. Paragraph 55 Irregular expenditure identified in the prior year (2021/2022) relating to appointment of engineering consulting to conduct the geotechnical investigations, design and install engineering	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		2021/22 financial years. The investigation was concluded on the 30th of September 2022 and recommended further investigations of the fruitless and wasteful expenditure and disciplinary proceedings against the implicated officials. These proceedings were in progress at the date of this auditor's report. On paragraph 55, the National Treasury appointed an external service provider to investigate an allegation of irregular appointment of one service provider on the database for engineering consultants to conduct geotechnical investigations designs and install engineering services at the request of the department, which covered the period 2018/19 to 2021/22. The investigation was in progress at the date of this auditor's report.	services (INSIG Consulting and Project PTY (LTD). Investigations on the INSIG appointment concluded and report submitted to the Department and currently being considered by Executive Authority.	

The table below provides updates on SCOPA resolutions from previous financial years that are yet to be resolved

Financial year	No. of resolutions	No. resolved	No. not resolved	Unresolved matters	Progress
2015/16	1	0	1	Audit related services and special audits: Land Acquisition in Tubatse	Fruitless and wasteful expenditure about procurement of land in Tubatse. The investigation by the Directorate for Priority Crime Investigation (DPCI) is underway. According to the latest update by DPCI, the case is currently with Regional Head for Specialised Commercial Crime Unit of NPA for further guidance. As a measure the Department has established land task team which forms of officials within Human Settlements programme and a standard operating procedure has been developed. Land acquisition strategy now focuses on public land available for sale or transfer, private land acquisition is the last resort. The

Financial year	No. of resolutions	No. resolved	No. not resolved	Unresolved matters	Progress
					department has consulted all stakeholders including the AGSA and LPT for resolution.
2016/2017	2	0	2	Fruitless and wasteful expenditure Irregular expenditure	Refer to the measures undertaken to reduce the unwanted expenditure such as UIFW reduction strategy has been approved and probity audit conducted including strengthening the investigation team.
2017/18	2	0	2	Irregular expenditure found by audit not shown. Annual Financial Statements, Performance Reports and Annual Report	The audit reports as well as the management reports are reviewed regularly. recommendations as raised by AG are considered through the Action plan to check resolution of findings Refer to the measures taken on the AFS, Performance and AR.
2018/19	3	0	3	Stagnant in the audit report Significant uncertainties Irregular expenditure	Refer to progress report in 2020/2021 The department is receiving support from Provincial Treasury. A meeting with Provincial Treasury and Auditor General was held on how to reduce some of the cases on the contingency register to decide how the cases can be dealt with. The department (Legal Services) has assessed categorized each case and recommended for the reduction in the register. The current balance for irregular expenditure amounts to R461 million with R398 million relating to appointment of INSIG is has been concluded under forensic investigation by National Treasury. Appropriate actions are taken based on the outcome of the investigations and Financial Misconduct Board recommendations.
2019/20	4	0	4	Resolution status: The Department did not implement all the resolutions from 2014/15 to 2018/19 Financial years.	The resolutions that were not implemented majority related to old auditors' findings on unwanted expenditures. The department has established a SCOPA Technical committee to check implementation.

Financial year	No. of resolutions	No. resolved	No. not resolved	Unresolved matters	Progress
				Irregular expenditure Achievement of planned targets Stagnant of audit outcomes	The Department has incurred irregular expenditures in the 2023/2024 financial that cumulatively increased the register. The Department has strengthened the investigation team to Fastrack the investigation of unwanted expenditure The smartness of the sector indicator related to title deed has been reviewed for the 2025/2026 financial year. The Department has achieved unqualified audit opinion with findings. Significant improvement has been shown in the no material findings in the AFS and consequence management the audit opinion is till stagnant audit opinion due to UIFW and AOPO
2020/2021	1	0	1	Stagnant audit outcome	An analysis has been conducted from 2017/18 to 2023/24 of the root causes of the findings and mitigations that have been implemented to-date to improve the audit opinion outcome. Detailed mitigations have been reported on the report of the February 2025 for SCOPA consideration. The Provincial Treasury is checking the implementation of audit action plan. Where issues are resolved and means of verification is audited, the audit action plan is updated to clear those issues. On quarterly basis the department submits the progress that has been made for review and currently the department managed to resolve 48 out of 48 findings which stand for 100% of the total findings.
	1	0	1	Irregular expenditure Accounting Officer did not take effective and appropriate steps were not taken to prevent irregular expenditure amounting to R404,838 million as disclosed in note 24 to the annual financial statements	The official who was the Accounting Officer at the time the contract was awarded has since left the department. The amount of irregular expenditure mainly relates to contract entered with INSIG to conduct geotechnical investigation, design and install engineering services for 2 000 sites at Polokwane Ext. 133. The total amount paid to INSIG for this project was R399 million. The investigation on this contract is still underway and the appropriate action will be taken against the responsible officials as soon as the investigation is finalised.

Financial year	No. of resolutions	No. resolved	No. not resolved	Unresolved matters	Progress
2021/2022	1	0	1	Irregular expenditure Accounting Officer failure to take effective and appropriate steps to prevent irregular expenditure 24 469 million as required by section 38 of PFMA	investigation (s) are on-going on the SCM unwanted expenditures incurred in the 2023/2024 auditors report. The finalisation of the report is envisaged to be tabled to the FMB before the submission of the AFS.
	1	0	1	Underspending of the conditional grant Accounting Officer take appropriate action against underspending of the grant to the amount of R233,367 million and R117, 798 million on Human Settlement Development and informal settlement upgrading partnership grant.	The Accounting Officer acknowledges the recommendation. The underspending of the conditional grants: Human Settlements Development and Informal Settlement partnership grants was due to poor projects planning and insufficient engagements with key stakeholders such as Municipalities, Water Service Authority, Traditional Councils and beneficiaries
	1	0	1	Achievement of planned targets Accounting Officer take appropriate action against implementation of specific information system to enable monitoring of progress made towards achieving targets, core objectives and service delivery.	The Department has adopted the Implementation evaluation framework and implementation guidelines in line with the approved Department reviewed policies and plans. Timeframe on the submission of the quarterly report is observed and therein quarterly review is conducted on the submission by all Directorates. The performance reviews with actions to improve from previous quarter to future is monitored. 6 findings raised by AGSA related to achievement of planned targets were resolved 100% by the Department and further processed by LPT. Furthermore, supporting documents to confirm achievement of the planned targets is kept for record and audit purpose.
	56(100%)	39 (70%)	17(30%)		

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Supply Chain Management – Non-compliance with procurement prescripts in various bids	2022/2023	• Bid Evaluation and Adjudication document Conflict of interest review in the report for each bid. • Conduct Probity audits (Risk based bids) • Implement UIFW reduction strategy. (assess, determine, investigate) • Implement Training of all SCM practitioners and Bid Committees. • Implementation of SCM Prescripts and practice notes • Monitor Implementation of Transversal checklist to for compliance with SCM prescripts.
Strategic Operations- indicators and their related targets are not measurable resulting in an inability to test reliability	2019/2020	The department has reviewed the indicators to ensure credibility in the APP 2024/25. Some of the changes include the addition of the information to the definition, source of data and removal of some information. This review is visible to the indicator "Number of pre 1914 title deeds Registered. The reviewed indicators to ensure credibility in the APP for 2024/2025 implementation year are still applicable. However, the Human Settlements Sector reviewed the indicators. The reviewed indicators will take effect from 2025/2026 implementation year.

10. INTERNAL CONTROL UNIT

The work performed by internal control and compliance covered three (x3) components:

Management of Governance Services

- The departmental compliance universe was updated and issued and subsequently tabled at Risk Management Committee on a Quarterly basis.
- The departmental financial and non-financial delegation of powers were reviewed and approved for the year under review.
- The departmental governance structure framework was reviewed and approved for the year under review.

- Quarterly compliance reviews were conducted within the department.

Management of Assurance Services

- The departmental monitoring of the internal and external audit findings for the year under review.
- The departmental coordination of the SCOPA resolutions for tabling at the SCOPA review session.
- Facilitated and conducted probity audit services for the year under review.

Management, financial systems & control

- The departmental database was updated and approved
- The departmental user profiles are monitored, updated, and recorded.
- The departmental coordination of the Accounting Officer report for tabling at the Audit Committee.
- The departmental maintenance of the unwanted register.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

INTERNAL AUDIT

Purpose and mandate

The purpose of the Shared Internal Audit Services (SIAS) is to help Provincial Departments accomplish their strategic outcomes and objectives through performing systematic and disciplined assurance and consulting services by evaluating and improving the adequacy and effectiveness of the organisation's a) Risk Management, b) Internal Control/Compliance, and c) Organisational Governance Processes.

Vision and strategy

To position SIAS as an objective advocate of public interest and a reliable, dependable voice for continual improvement in provincial strategy, people, systems, processes, practices, and impactful performance while embracing citizenry and "Batho Pele" principles, displaying professional traits

Charter, methodology, and internal audit plans

The SIAS charter and methodology provide a clear statement of the internal audit function's purpose within the Limpopo Provincial Departments, its mandate, and the authority granted to it by the Audit Committee. These include the right to access records, personnel, and physical properties.

The internal audit functions have been integrated with more audits, now standardized and conducted in all departments. There is one methodology and standard templates in use. SIAS audit methodology aims for a risk-based audit plan that is based on the Limpopo Provincial departments' risk assessment processes. The methodology guides the audit team on key audit processes, from planning, fieldwork, to reporting and follow-up, and the coordination of internal audit activities with Auditor General South Africa and other assurance providers to avoid duplication and maximize coverage.

Independence and objectivity

SIAS is independently positioned within the Limpopo Provincial Treasury. The Head of SIAS reports administratively to the Head of Limpopo Treasury or Director General of the Province, and functionally to the independent Audit Committee. SIAS auditors declare their independence on an annual basis and before the commencement with the execution of every planned audit. Threats to independence and impairment of auditors' objectivity during the execution of the audit, if any, are reported to the Audit Committee outlining the circumstances, the impact on the audit, and how the matter was resolved.

Internal audit modality

The scope of work of the Internal Audit function entails providing assurance and advisory services in respect of Risk Management, Internal Control/Compliance, and Governance processes. Internal Audit Function determines whether the institution's network of risk management, internal control/compliance, and governance processes, as designed by management, is adequate and operates effectively.

Assurance Services involve an objective examination of evidence for the purpose of providing an independent assessment of Internal Control, Risk Management, and Governance Processes for the organization. These include financial, performance, compliance, system security, and due diligence engagement.

Assurance Audit is the largest component within SIAS. Assurance audit evaluates the extent to which controls designed by the Department are adequate and effective to mitigate risks identified; the evaluation also includes the Department's level of compliance with relevant prescripts.

Performance Audit is responsible for ensuring that there are satisfactory management measures instituted to ensure resources are acquired economically and are utilized efficiently and effectively in the achievement of the objectives of the respective Departments.

Fraud Audit focuses in on the identification of high fraud risk areas, as well as determining whether there are sufficient management controls to mitigate against them. The fraud audit unit also engages in diagnostic investigations of fraud cases in line with the Provincial Investigation Framework, requests from the Department, and agreed terms of reference.

Information Systems Audit is responsible for providing management with an independent assurance on the adequacy of controls within the information technology environment. As an integral part of SIAS, information systems auditors also run computer-assisted audit techniques reports to support assurance, consulting and fraud and performance audits.

Advisory Services are client related activities and of an advisory nature, and of which the scope is to be agreed with the client department. Consulting Services are intended to add value and improve an organization's Risk Management, Internal Control and Governance Processes

Staffing

Limpopo Provincial Treasury Department, within which Shared Internal Audit Services operates, has initiated a structure review process to address the SIAS structure shortcomings. The identified improvements to the structure include setting the technical support and quality control services at a Directorate level and the introduction of the third Chief Directorate to allow for rotation, enhance capacity and availability to bigger departments with decentralized operations. The structure review is

under consideration for funding, a condition precedent to the application and approval by the Department of Public Service Administration. This process is ongoing and has not been finalized.

SIAS currently functions with an Interim Operating Structure aligned to the Cluster Audit Committee which allows for effective annual planning and implementation of the audit plans thereof.

The vacancy rate against the funded organizational structure was 50% at the end of the financial year

Quality assurance and improvement program

The attainment of conforming quality assurance report by an independent self-assessment validator demonstrates the level of Shared Internal Audit services' commitment to follow prescribed methods and systematic approach to audits in accordance with the international standards for Professional Practice of Internal Auditing (IIA Standards); the Core Principles of the Profession of Internal Auditing and the IIA's Code of Ethics. The self-assessment is valid for 5 (five) years commencing from 01 November 2019 and ending on 30 November 2024. The compliant Internal Audit function contributes toward enhancing risk management and internal control practices and processes which ultimately strengthens the capability and accountability of the Limpopo provincial administration. To safeguard continuous improvement and alignment with best practices, SIAS Internal Quality Assurance undertook bi-annual internal assessments. These assessments focused on evaluating the internal audit function's conformance with GIAS and progress in achieving performance objectives, directly contributing to the branch's readiness for the upcoming External Quality Review. In addition, a gap analysis was conducted to identify areas for improvement in SIAS's adoption of the newly implemented Global Internal Audit Standards. The Internal Quality Assurance process includes quality peer reviews of quarterly audit reports before submission to the Audit Committee, a measure designed to enhance report quality and ensure compliance with GIAS requirements

Stakeholder relationships

The Chief Audit Executive continued to report to the Audit Committee and Client Departments on the progress made regarding the implementation of the new Global Internal Audit Standards as well as the essential conditions that must be created for Internal Audit Function to remain compliant. Shared Internal Audit Services sets expectations of both Management, Combined Assurance Providers and Internal Auditors using a Protocol document. The Protocol serves as a guideline and an escalation procedure for management and assurance stakeholders and SIAS in maintaining professional, objective and collaborative working relationships while fulfilling the mandate and responsibilities as stipulated in the Internal Audit Charter and Global Internal Audit Standards.

Planned and completed audits

Category	Number
Audits planned	5
Audits completed	5
Discontinued	-
% Completion	100%

Summary of audit work done

Performance Audit Unit

DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS

Q1	Q2	Q3	Q4
None planned	None planned	Reliability and Integrity of Performance Information	None Planned

Internal audit recommendations

None

Value add proposition

- Recognizing the imperative for strengthened governance and accountability, SIAS proactively supported Limpopo Provincial Departments in piloting the Combined Assurance framework. This initiative, commenced in the first quarter of the 2024/25 financial year, and involved actively assisting management in identifying key stakeholders and clarifying their responsibilities for the successful implementation of the Combined Assurance plan in the upcoming 2025/26 financial year.
- Throughout the 2024/25 financial year, SIAS provided crucial advisory services to the Accounting Officers and key stakeholders during the initial phase of Combined Assurance implementation. This support was delivered without assuming management responsibilities, ensuring the objectivity of Internal Audit while empowering management to take ownership. These advisory services were strategically facilitated through in-depth discussions leveraging the risks and controls identified during SIAS's assurance audit projects for the 2024/25 financial year. This approach ensured that the implementation was informed by real-time audit insights tailored to the specific risk landscape of each department.
- The successful piloting and subsequent full implementation of the Combined Assurance model across Provincial Departments are anticipated to significantly enhance risk management and internal control practices and processes. This will ultimately contribute to strengthening the overall capability and accountability of provincial public institutions, fostering a more resilient and efficient public service delivery. SIAS worked consistently to secure the provincial approval for the combined assurance framework and initiating its pilot implementation. SIAS remains committed to facilitating the broader rollout and optimization of the Combined Assurance plan, supporting Limpopo Provincial Departments in strategically leveraging limited resources to achieve their objectives and enhance their overall performance.

Limitations

Delayed provision of information and management comments had negatively affected the timing of some of the projects and overall audit plan. SIAS continues to regularly review the Protocol Document to promote the timely supply of audit information, management explanations and access to records.

AUDIT COMMITTEE

Key activities

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

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

Purpose and mandate

Sections 38, 76 & 77 of the Public Finance Management Act (PFMA) read in conjunction with Treasury Regulation 3.1 gives the audit committee mandate to provide oversight functions over state financial reporting process, Risk Management, and the system of internal control, the audit process, and the organization's process for monitoring compliance with laws and regulations and the code of conduct and service delivery. The mandate and key objectives of the AC are stipulated in approved AC Charter as follows:

- a. the availability of a well-resourced, functional and sustained internal audit function;
- b. sound relationship with all assurance providers, oversight structures and other stakeholders;
- c. effective and efficient Internal and External Audit processes;
- d. promotion of sound functional interaction between the internal audit and other assurance providers;
- e. that there is adequate and effective corporate governance, encompassing fraud and risk management, information technology, internal control, financial management and reporting systems;
- f. Accounting Officers are fully supported in fulfilling their responsibilities in terms of the PFMA;
- g. accountability in terms of financial management and performance information for effective service delivery; and
- h. Compliance with relevant laws and regulations.
- i. Review of the annual report and annual financial statement to ensure that disclosures are adequate and that fair presentation is achieved.
- i. Review the plans, scope and fees of external audit with regard to the critical risk areas and the sufficiency of audit coverage;
- j. Consider material unresolved accounting and auditing problems and ensure that management responds to queries and recommendations by the Auditor General.

Protecting the independence of the internal audit function

Limpopo Shared Audit Committee model is structured in such a way that the independence of both the Internal Audit Function and Audit Committee Members is adequately safeguarded. Shared Internal Audit Service (SIAS) within Limpopo Province report administratively to the Head of Department for Limpopo Treasury and functionally to the Audit Committees. Limpopo has a two-tiered Audit Committee structure namely; the Central Audit Committee (CAC) being the main umbrella and four Cluster Audit Committees. Each Cluster Audit Committee services three provincial departments despite Cluster 03 which is allocated two departments.

In terms of the Limpopo Audit Committee Charter, each Cluster Audit Committee should consist of at least four members of which the majority shall be from outside the employ of the public sector with voting rights.

The Chairperson of each Cluster Audit Committee and the Central Audit Committee shall be independent and from outside the employ of government. Above practice which is in line with best practices is inherently designed to protect SIAS to execute its mandate more objectively, professionally and independently.

During the current reporting period, there are no incidences or issues brought forward which may have or appear to compromise the independence of SIAS. The Chief Audit Executive (CAE) has unrestricted access to all the members of the AC including the CAC Chairperson. ACs takes a lead role in the appointment and performance review of the CAE. All the three year plans and annual plans of SIAS are approved by the AC including any amendments to the plans.

Moreover, the Provincial Accountant General (PAG) is responsible for coordinating the appointment of all the AC Members to safeguard their independence from any other parties that they will subsequently review their function. As a result, the system and the model itself is entirely designed to safeguard the independence of all the Stakeholders to enable them to perform their oversight responsibilities and Internal Audit function more independently.

Performance against statutory duties

The current AC membership served the Limpopo Provincial Administration as per the requirements stipulated in both their appointment contracts and the AC Charter since their appointment in January 2023. This has been confirmed by the 360 Degree AC Evaluation feedback for the financial years 2022/2023 and 2023/2024 which were evaluated at an average score of 4.34 and 4.54 respectively. Highest rating score a stakeholder can obtain is maximum of 5.

Total of seventy-one (71) AC Meetings were coordinated for all the Clusters and CAC. This is broken down into eleven (11) Departments times 6 Meetings plus 5 CAC Meetings totaling 71. As a result, each member is expected to attend 5 AC Meetings plus the briefing session with respective Hon. MECs. All the AC Meetings were conducted most effectively, efficiently and professionally achieving the objectives of the day.

AC Members prepare the Agenda in consultation with the AC Secretariat and all other additional matters required are forwarded to the respective Departments to prepare reports for consideration by the AC members during respective meetings. In addition to all other items that the AC Members may require, all the Departments are expected to report quarterly on the following items: Accounting Officer's Report; Risk Management Report; SCOPA Resolutions; Action Plan; Procurement Plan; and Internal Audit Progress Report. The agenda varies from each period and other reports such as three year Internal Audit Plans, Annual Performance Plans, Annual Financial Statements, Draft Audit and Management Reports etc. are considered depending on the period.

All the AC Stakeholders (Management, SIAS, AC Members) are given an opportunity to evaluate the work of the AC through National Treasury 360 Degree evaluation tool as mentioned above and the evaluation outcomes were more than satisfactory. As a result, the AC has performed its statutory responsibilities most satisfactorily during the period under review.

Composition of the audit committee

The Limpopo Provincial Government established an Audit Committee (AC) in terms of sections 76 (4) (d) and 77 of the PFMA, 1999 (Act No.1 of 1999, as amended) and the Treasury Regulations section 3.1. As mentioned above, Limpopo Shared AC consists of four Clusters AC and the CAC being the main umbrella to coordinate the work of all the Clusters AC. Each Cluster is composed of four independent members serving three (3) Departments despite Cluster 03 which serves only 02 Departments as per Composition Structure below.

All the AC members are appointed for a fixed 03 year term with an option of renewal for another 03 year term making it a total of six (6) years by the Hon. MEC for Finance. Currently, Limpopo Shared AC does not have members who are from the employ of government despite one member who is currently working as a Senior Lecturer at the University of Limpopo thus not conflicted with any of the Departments he is currently serving.

Current AC membership (17 AC members) were appointed with effect from 01 January 2023 to 31 December 2025 thus their contracts are ending by 31 December 2025.

The following table depicts current Audit Committee Composition in terms of Clustering, Departments and AC Member allocation.

DEPARTMENTS	CLUSTER	AC MEMBERS
EDUCATION OFFICE OF THE PREMIER SPORT, ARTS AND CULTURE	01	I. <u>Adv. Sereku Daisy Lebepe – Cluster 01 AC Chairperson</u> II. Mr. Mpaku Goodwill Mathabathe – AC Member III. Mr. Kenneth Mhlono – AC Member IV. Mr. Suren Maharaj – AC Member
PUBLIC WORKS, ROADS & INFRASTRUCTURE CORPORATE GOVERNANCE, HUMAN SETTLEMENT & TRADITIONAL AFFAIRS LIMPOPO PROVINCIAL TREASURY	02	I. <u>Mr. Tebogo Collen Modipane – Cluster 02 AC Chairperson</u> II. Ms. Anna Merriam Mmanoko Badimo – AC Member III. Mr. Madumetja Frans Kekana – AC Member IV. Adv. Lufuno Tokyo Nevondwe – AC Member
HEALTH SOCIAL DEVELOPMENT	03	I. <u>Mr. Kgoale Vincent Maja – Cluster 03 AC Chairperson</u> II. Mr. Nakedi Joseph Mpyane – AC Member III. Ms. Khulekelwe Glynnis Mbonambi – AC Member IV. Ms. Sizo Prudence Mzizi – AC Member
AGRICULTURE & RURAL DEVELOPMENT ECONOMIC DEVELOPMENT, ENVIRONMENT & TOURISM TRANSPORT & COMMUNITY SAFETY	04	I. <u>Ms. Sedie Jane Masite – Cluster 04 AC Chairperson</u> II. Mr. Anthony Nala Mhlono – AC Member III. Mr. Leon Lankalebalela – AC Member IV. Adv. Jan Letsepe Thubakgale – AC Member

DEPARTMENTS	CLUSTER	AC MEMBERS
CENTRAL AUDIT COMMITTEE (CAC)		Ms. MASHAMAITE PETERLIA RAMUTSHELI – CENTRAL AUDIT COMMITTEE CHAIRPERSON

Audit committee meetings (attendance by members)

During the financial year 2024/2025, the AC met five (5) times to perform its roles and responsibilities as stipulated in the AC Charter. All the AC meetings have taken place as planned through 2024/2025 AC Annual Schedule. As resolved during 2024 AC Annual Strategic Planning Workshop, briefing sessions between Members of Executive Council (MECs) and Cluster Chairpersons were held from 21 – 28 November 2024. The briefing sessions were held physically (face-to-face) and afforded all the AC Members a slot with each MEC of the Department they serve to discuss all the pertinent issues affecting the Department.

It must be noted that one AC Member from Cluster 02 (Ms. Badimo AMM) has missed more than three Cluster 02 AC Meetings. In terms of the AC Membership Appointment Contract, any member who misses three consecutive AC Meetings without a written apology breaks the conditions of the contract, thus Hon. MEC may prematurely terminate her/his contract. As a result, processes are ongoing to amicably deal with this matter.

First Quarter Cluster AC Meetings for August/September 2024 as well as Second Quarter AC Meetings, were held physically, which were followed by the CAC Meetings held 13 September 2024 and 10 December 2024 respectively. Given the governance role of the ACs, it is pertinent that some of the AC meetings are held physically to interact directly with the management in order that all the AC resolutions are timely implemented. Third Quarter AC Meetings were held virtually (Microsoft Teams), including the CAC Meeting which was held during 20 March 2025. Fourth Quarter Meetings are planned to take place from 14th May 2025 which will also consider Draft Annual Report including Annual Financial Statements before submission to Auditor General for audit. Below tables on attendance of AC Meetings by AC Members outlines all the meetings attended by the AC Members.

2025 Audit Committee annual strategic planning workshop

The AC annual strategic planning workshop for 2025 was held physically in Polokwane to assess 2024 performance and plan for 2025 calendar year. The strategic plan was held on 05 – 06 February 2025. The session required AC Cluster Chairpersons to present on 24 Months AC Reflection from Members' perspective including the barriers to effective oversight and advice as well as proposed mitigation measures. Office of the Premier also made 02 key presentations on Limpopo's five (5) year performance review and progress and key highlights of the revised Limpopo Development Plan (LDP).

The two (2) day strategic planning workshop has resulted in the AC members taking a total of fifteen (15) resolutions to be implemented by affected stakeholders. The PAG insist on all the Stakeholders providing feedback on each resolution they are affected and no resolution register should be submitted without response thus the Province has realized improvement in implementation of the AC resolutions. All the protocol documents such as the AC Charter, Internal Audit Charter, and Reporting Frameworks were reviewed and adopted during first day (05 February 2025) of the workshop.

CAC Chairperson meetings

As in the previous reporting period, the CAC Chairperson managed to attend three (3) EXCO meetings to report on overall AC activities covering the work of all the Departments. EXCO meetings are mainly based on invite by EXCO Secretariat depending on the agenda of the day. However, PAG's office continuously advises EXCO Secretariat on the importance of inviting CAC Chairperson to EXCO quarterly meetings in order to present CAC overall quarterly reports. Invitations to these

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

Audit Committee membership

Current AC Membership was appointed with effect from 01 January 2023 and will expire on 31 December 2025. A total of 17 AC members were appointed during 2022 AC membership recruitment process. There is no resignation or premature termination of any AC Member's contract during the current period despite the issue of Ms. Badimo as mentioned above. Total number of female AC members are seven (7) while a total number of male AC members are ten (10) represented as: 58.8% males and 41.2% females. This is a decline in the appointment of female candidates as during the previous AC composition the number stood at eight (8) and it has currently decreased to seven (7). There is a strong need to improve female recruitment into the Limpopo AC membership as 41% is very low and this was exacerbated by unavailability of Ms Badimo AMM. The PAG's office is currently working on logistics for the appointment of new AC Membership by Hon. MEC for Finance in consultation with EXCO by 01 January 2026 as the current contract of all members is coming to an end by 31 December 2025.

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

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
1.	May 2024	Review of Fourth Quarterly Performance Information and Draft Annual Report (Including Draft Annual Financial Statements) before submission to the Auditor General	a) Annual Performance Report, b) Draft Annual Financial Statements, c) Fourth Quarterly Risk Management Report, d) Fourth Quarterly Internal Audit Progress Report.
2.	June 2024	CAC Meeting to consider Clusters AC Reports	a) Clusters AC Reports reporting on matters pertaining to Draft Annual Performance Report including Draft AFS
3.	July 2024	Review of Draft Audit and Management Reports	a) Draft Management Reports, b) Draft External Audit Reports.
4.	August 2024	CAC Meeting to consider Clusters AC Reports	a) Clusters AC Reports on matters pertaining to External Audit Reports.
5.	August / September 2024	Review of First Quarter Performance Information including Financial & Non-Financial Reports	a) First Quarter Accounting Officer's Report to the AC (Financial & Non-Financial), b) First Quarter Risk Management Report, c) SCOPA Resolutions Implementation Progress, d) Auditor General Audit Findings Implementation Progress, e) First Quarter Internal Audit Report

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
6.	September 2024	CAC Meeting to consider Clusters AC Reports	a) Clusters AC Reporting on matters concerning to First Quarter Reports
7.	November 2024	AC Briefing Sessions between AC Members and Hon. MECs to discuss AC Matters.	
8.	November 2024	Review of Second Quarter Performance Reports (Financial and Non-Financial)	a) Second Quarter Accounting Officer's Report to the AC (Financial & Non-Financial), b) Second Quarter Risk Management Report, c) SCOPA Resolutions Implementation Progress, d) Auditor General Audit Findings Implementation Progress, e) Second Quarter Internal Audit Report.
9.	December 2024	CAC Meeting to consider Clusters AC Reports	a) Clusters AC Reports on matters pertaining to Second Quarter Audit Committee Reports as per paragraph 7 above.
10.	February 2025	AC Annual Strategic Planning Workshop	a) Approval of the Audit Committee Charter, b) Approval of the Internal Audit Charter, c) Review of the Accounting Officer's Reporting Framework to the AC, d) AC Improvement Plan by Clusters AC Chairpersons e) Reflection on the Status of the Previous Year AC Resolutions, f) 360 Degree AC Evaluation Feedback.
11.	February / March 2025	Third Quarterly Departmental Reports and approval of the Three-Year Internal Audit Plan, Annual Internal Audit Plan and Auditor General Audit Coverage Strategy	a) All information under No. 5, b) Three Year Internal Audit Plans and Annual Internal Audit Plans for 2022/2023. c) Auditor General Audit Coverage Strategies
12.	March 2025	CAC Meeting to consider Clusters AC Reports	a) Clusters AC Reports on matters pertaining to Third Quarter AC Reports as per paragraph 11 above.

COMBINED ASSURANCE

The Central Audit Committee approved the implementation of combined assurance on a pilot basis with effect from the 2024/25 financial year.

The plan identifies the key focus areas, interventions required from the responsible management and external assurance providers who must implement and report progress on each intervention within the specified timelines.

Progress on the implementation of pilot combined assurance plan was presented in all Cluster Audit Committee Meetings.

Resolution of Audit Committee recommendations

In every AC Meetings, AC Members are taking AC recommendations for implementation by all the AC stakeholders. The recommendations are monitored in between the AC meetings and in every AC Meetings, each AC stakeholder is expected to provide progress in implementing the recommendations. Although not all the recommendations are implemented, there is significant improvement in the implementation of the AC recommendations by all the AC stakeholders. This is made better by the fact that the PAG requires that all the recommendations register being populated with feedback accompanied by relevant reports before the start of each AC Meeting. Recommendations that are common in nature are mainly dealt with at the CAC level to ensure consistency and for better coordination at a central level.

During 2025 AC annual strategic planning workshop, total of 15 recommendations were taken as stipulated in the table below as follows:

AGENDA ITEM NO.	SUBJECT	ACTION	RESPONSIBLE PERSON
1	Requesting of information by SIAS	In relation to SIAS requesting information from the departments for audit purpose and clearing of internal audit findings, it was resolved that Cluster 2 Chairperson should come up with the proposal to address the matter in support of SIAS.	Cluster 2 Chairperson
2.	Cyber Security	With regards to the cyber security challenge, it was resolved that PGITO and LPT should engage on how to close cyber security gap.	PGITO & LPT
3.	Independency of SIAS	It was resolved that the CAE plays an advisory role as an invitee during the meetings of the department and administratively report to the AO and in terms of independency, he should functionally report to the AC.	CAE
4	Disputes in the AC Charter	The AC Charter should be aligned to the Internal Audit Charter in relation to the Dispute Resolving part.	Secretariat
5	Accounting Officer's template	A concern was raised that some information was missing in the Accounting Officer's report and was therefore resolved that the CAC Chairperson should re-do the exercise of resetting the tables in the Accounting Officer's report and share with Secretariat for circulation to all the Departments.	CAC Chairperson

6	Audit strategy v/s AC Annual Meeting Schedule	In relation to the readiness of AGSA audit strategies during the Feb/March meetings, it was therefore resolved that since AGSA was scheduled to attend the AC strategic session the following day i.e the 06 Feb 2025, the matter would then be discussed in the presence of AGSA.	All
7	Coverage of the AFS and Fourth Quarter Information during May meetings	A concern was raised that the AC meetings scheduled for May do not provide sufficient coverage to the AFS and 4 TH Quarter Information of the departments. It was therefore resolved that the PAG and Secretariat will look into how to draft the agenda for the fourth quarter meetings	PAG & Secretariat
8.	Movement of Secretariat from GMC to SIAS	The CAC Chairperson provided feedback from the CAC that the proposal of the movement of Secretariat from GMC to SIAS would have the following impact: ✓ The department should create a new structure to accommodate the function within SIAS. ✓ Secretariats within GMC are not only dedicated to performing one function i.e. minutes taking. AC are held once per quarter and as such Secretariats would be redutant whilst still waiting for the next meeting scheduled for the coming quarter. <u>It was therefore resolved that the HOD, CAC Chairperson, PAG and SIAS should engage to perform cost-benefit analysis. The matter should have been concluded by the 31st March 2025.</u>	HOD, CAC Chairperson and SIAS
9.	Reliance on the work of internal audit	The scope and procedures of internal audit differ with that of AGSA and as such there was limitation in terms of significant risks. AGSA committed to engage further on the matter	AGSA
10.	Dispute resolution process	AGSA engages LPT to remedy the process and further encourages that matter should be taken to National Treasury. There were also biliterals which are being done locally in addressing the matter	AGSA
11	Development of APP	AGSA was requested to assist the departments with inputs during the development of APP. AGSA highlighted that for the 2025/2026 financial year the focus was on high impact departments however the matter was open for discussion.	AGSA
12.	Readiness of audit strategy and engagement letters	The process of allocation of resources ends in Jan and the audit teams must have the right risk assessment and therefore there was a need to work together with the departments.	AGSA & Departments

13	DPWRI matter	With regards to accrued departmental revenue, AGSA team was engaging with the Accounting Officer and there was hope that the engagements will yield positive results.	AGSA
14	Land parcel	AGSA reported that the same conclusion provided during the previous year still stands.	AGSA & Departments
15	Indicators	AGSA was encouraging the departments to take the matter to National Sector Leader to agree on how AGSA should conduct such an audit	AGSA & Departments

360-degree Audit Committee evaluation feedback

National Treasury 360 Degree Evaluation tool was used to evaluate the work and performance of the AC. The final evaluation yielded an average score of 4.54 (from rating of 1 – 5) when combining the average scores of all the AC Stakeholders. This represented a slight improvement from the previous evaluation period which yielded an average score of 4.34. The AC stakeholders who participated in the performance evaluation of the AC included Provincial Internal Audit, External AC Members and Management (Accounting Officers, Chief Risk Officers, Chief Financial Officers, Head of Internal Controls and GITO). Auditor General South Africa as an AC stakeholder could not participate in the performance review of the AC, mentioning that they do their own evaluation in the management report of each Department to protect and maintain their independence.

In comparison to the average scores of the three (3) stakeholders (AC; SIAS; and Management), it must be noted that SIAS recorded highest average score of 4.76 followed by AC Members with an average score of 4.53. The lowest score was recorded by Management at an average score of 4.35. The following were critical issues that Departments felt were not robustly engaged to their satisfaction by the AC members as follows:

- Understanding of Departmental Environment
- Oversight of Internal Audit and External Audit matters by AC Members;
- Concerns around reviews of both the findings and recommendations by internal and external auditors to ensure that recommendations are implemented
- Concerns around review of a whistleblower hotline and reviewing the log of incoming calls; and
- Understanding of Business & Risks of the Department.

Remuneration of Audit Committee members

Rates

Limpopo Treasury pays the following rates to the Audit Committee Members as follows:

	RATE	AD HOC / SPECIAL MEETINGS	RATE DURING CAC MEETINGS
Ordinary AC Member Rate	R2 185.00	R2 185.00	-
AC Cluster Chairperson	R2 605.00	R2 605.00	R2 185.00
CAC Chairperson	R2 605.00	R2 605.00	R2 605.00

Whether Audit Committee members who worked or are working for an organ of state are being remunerated.

Members who are employed by the state are not being remunerated. Currently, there are no AC members employed by an organ of state.

Total audit committee expenditure for the reporting period

- R398 000.00

• Attendance of audit committee meetings by audit committee members (*Tabular form*)

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

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 20YY/ZZ	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
Tebogo Modipane CA(SA)	CA (SA); B Com Honours (CTA); B Com (Accounting); Higher Diploma in Auditing; Certificate in Business Development Systems; and SAICA GRAP Certificate.	SAICA	1 January 2023	31 December 2025	6	Yes	No	1 PFMA 2 MFMA	0
Madumetja Frans Kekana	CA (SA); Executive Coaching (COMENSA & South African Business Coaches); Bcom Accounting Hons/CTA degree; and B.compt Accounting degree.	South African Institute of South Africa (SAICA) IODSA COMENSA	01 January	31 December 2025	7	Yes	No	2	none

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 20YY/ZZ	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
		South African Business Coaches							
Adv. Lufuno Tokyo Nevondwe	Master of Laws (LLM); and Bachelor of Laws (LLB).	Member of IODSA	1 January 2023	31 December 2025	7	Yes	No	2	3
Badimo AMM	Master in Business Administration (MBA); Master of Science; B. Science: Hons Computer Science; B. Science: Computer Science; CISM (Certified Information Security Manager); CGEIT (Certified in the Governance of Enterprise IT); CISA (Certified Information Systems Auditor); CRISC (Certified in Risk and Information Systems Control);	*	13 April 2019 – 31 December 2020 Re-appointed: 01 January 2021 Re-appointed 01	To date	2	Yes	No	*	*

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 20YY/ZZ	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	Cobol Programming Diploma; PMP (Project Management Professional); Cert. IT Auditing; and COBIT 5. ITIL Foundation; Certified ISO 22301 Lead Implementer; Certified ISO 22301 Business Continuity Management Lead Auditor; Certified ISO 27001 ISMS Lead Auditor; Certified ISO/IEC 27005 Lead Risk Manager; and F. Inst D (IoDSA).		February 2023.						
MAJA K.V (CO-opted in Aug 2024)	BCom (Acc); Hons Bcompt; MBL; and		01 January 2023	31 December 2025	1	NO		W&R SETA, AGRISSETA ICASA.	

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 20YY/ZZ	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	CIA.								
Sereku Daisy Lebepe (CO-opted in Aug 2024)	Advocate of the High Courts in South Africa; CA(SA); Wits Business School - Executive Development Programme ; UJ - Post Graduate Diploma - Labour Law; Wits Business School -Master of Business Administration (MBA); Wits – LLB; UNISA- Honours Bachelor of Accounting Science, (Certified Theory in Accounting - CTA); and Wits - Bachelor of Commerce (Accounting).	- Legal Practice Council - South African Institute of Chartered Accountants	01 January 2023	31 December 2025		Yes	No	1	0

* A member absconded, and the membership was under review as 31 March 2025, as result, related information was not provided.

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
Tebogo Modipane CA(SA)	CA (SA); B Com Honours (CTA); B Com (Accounting); Higher Diploma in Auditing; Certificate in Business Development Systems; and SAICA GRAP Certificate.	NO	3	3
Madumetja Frans Kekana	CA (SA); Executive Coaching (COMENSA & South African Business Coaches); Bcom Accounting Hons/CTA degree; and B.compt Accounting degree.	NO	4	3
Adv. Lufuno Tokyo Nevondwe	Master of Laws (LLM); and Bachelor of Laws (LLB)	NO	4	3
Badimo AMM	Master in Business Administration (MBA); Master of Science; B. Science: Hons Computer Science;	No	1	1

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
	B. Science: Computer Science; CISM (Certified Information Security Manager); CGEIT (Certified in the Governance of Enterprise IT); CISA (Certified Information Systems Auditor); CRISC (Certified in Risk and Information Systems Control); Cobol Programming Diploma; PMP (Project Management Professional); Cert. IT Auditing; and COBIT 5. ITIL Foundation; Certified ISO 22301 Lead Implementer; Certified ISO 22301 Business Continuity Management Lead Auditor; Certified ISO 27001 ISMS Lead Auditor; Certified ISO/IEC 27005 Lead Risk Manager; and F. Inst D (IoDSA).			

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
MAJA K.V (CO-opted in Aug 2024)	BCom (Acc); Hons Bcompt; MBL; and CIA.	NO	1	0
Sereku Daisy Lebepe(CO-opted in Aug 2024)	Advocate of the High Courts in South Africa; CA(SA); Wits Business School – Executive Development Programme; UJ - Post Graduate Diploma – Labour Law; Wits Business School – Master of Business Administration (MBA); Wits – LLB; UNISA- Honours Bachelor of Accounting Science, (Certified Theory in Accounting - CTA); and Wits - Bachelor of Commerce (Accounting)	YES	1	0

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025.

Audit Committee Structure

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

Audit Committee Responsibility

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

Stakeholder Engagement/s

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

- Limpopo Provincial Treasury senior management
- Limpopo Provincial Internal Auditors (Shared Internal Audit Services)
- Limpopo Provincial Auditor General (AGSA)
- Limpopo Provincial Treasury and Office of the Premier transversal units

Audit Committee Skills Development

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

The Effectiveness of Internal Control

Based on the results of the formal documented review of the design, implementation and effectiveness of the department's system of internal controls conducted by the Internal Audit and AGSA during the financial year ended 31 March 2025, and in addition, considering information and explanations given by management as well as discussions held with the external auditor on the results of their audit, the Audit Committee concluded that current internal control systems is not fully effective as significant deficiencies were reported by both the AGSA and Shared Internal Audit Services.

Risk Management

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

capacitation of the risk management unit and funding of the risk management activities. The department's risk maturity level is satisfactory and measures should be put in place to get to a level where risk management is embedded in the culture of the department with a proactive approach to risk management in all aspects of the business.

In-Year Management and Monthly/Quarterly Report

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is somewhat satisfied with the quality, accuracy, usefulness, reliability, appropriateness, and adequacy of the department in-year reporting systems. However, the year-end reporting should improve to avoid adjustment of the annual financial statements and annual performance report after submission to the AGSA.

Internal Audit

The Audit committee:

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

Combined assurance

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

Compliance with the relevant laws and regulations

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

Evaluation of Annual Financial Statements

Following the review by the Audit Committee of the annual financial statements for the year ended 31 March 2025 before and after the audit, the committee is of the view that, annual financial statements fairly present, in all material respect, the financial position of the department for the year under review and can be incorporated into the annual report.

Evaluation of Annual Performance Report

Following the review by the Audit Committee of the annual performance report for the year ended 31 March 2025 before and after the audit, the committee is of the view that, annual performance report can be incorporated into the annual report.

Consideration of the Final Audit report

The Audit Committee considered final audit report and concurs with the AGSA's unqualified audit opinion. Furthermore, the Audit Committee commended the department for maintaining the unqualified audit opinion. However, considering the stagnant audit opinion from previous financial years and material findings raised during the audit, with some concerted effort the department can move to a clean audit opinion.

Conclusion

The Audit Committee is of the opinion that it is possible for the department to achieve clean audit opinion if management is committed to:

- establishing a stable leadership that is committed to a robust control environment and effective governance;
- diligently observe basic discipline of accounting and records management;
- sufficient management review and supervisory checks;
- closely monitoring the implementation of the audit action plan, internal audit action plan and audit committee recommendations;
- persistently inculcating a culture of ethical leadership, good governance, and accountability;
- ensuring management act on the recommendations of all the oversight structures to strengthen internal controls and improve governance;
- advocating for swift consequences for all reported irregularities and poor performance; and
- ensuring that all critical vacancies are always filled.

We remain confident that with appropriate intervention and concerted effort from management the department will without doubt strengthen governance leading to improved audit outcomes.



Tebogo Modipane CA (SA)
Chairperson of the Audit Committee
Department of Co-operative Governance, Human Settlements & Traditional Affairs
13 August 2025

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?	No	N/A
Developing and implementing a preferential procurement policy?	Yes	The Departmental Preferential Procurement Policy was approved by the Executive Authority on the 13/01/2023 and came into effect upon approval.
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	No	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	N/A

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.

- The Public Service Act and Regulations
- The Labour Relations Act
- The Skills Development Act
- The Skills Development Levies Act
- The Employment Equity Act

In addition to the legislations, the following prescripts govern Human Resource management in the Public Service:

- Collective agreements
- DPSA directives DPSA Frameworks
- DPSA guidelines

2. OVERVIEW OF HUMAN RESOURCES

The department has since reviewed and approved the organisational structure in 2021/2022 financial year. In the financial year under review the department started with the adhoc process to review and assess the organisational structure in order to improve service delivery and efficiency in the department. The department developed and approved the Annual Recruitment Plan, which identified fifty-five (55) prioritised vacant positions to be filled in the 2024/2025 financial year. A total of forty-two (42) positions were filled by the end of the financial year which reduced the vacancy rate to 5.1% from 5.4% in the previous financial year. Recruitment process for the remaining positions has been finalised, and candidates will resume in the next financial year.

The Department recruited sixty-four (64) young people under the internship programme for a period of two (2) years and forty-five (45) under Expanded Public Work's Programme (EPWP). This has assisted in creating job opportunities for the youth and assist in realizing the National Development Plan imperatives.

The priorities over the reporting year were to fill critical vacant positions with skilled personnel and build capacity within the department, improve HR processes (e-permis & e-leave), improve on number of employees trained, and strengthen employee engagement.

The department is implementing PMDS through an electronic management system. During the period under review, 100 per cent of Senior Management Service (SMS) members entered into performance agreements. The 2023/2024 performance evaluation process for all employees at level 1-12 and SMS members except DDGs was finalised in line with DPSA directives.

The department is implementing the approved MTEF HR Plan 2023-2026, the Department has identified areas for improvement. The process to review the HR Plan will start towards the end of 2025/2026 financial year. The department is not doing well in terms of achievement of Employment equity targets. As at the end of the financial year, the department had 40% of women at SMS level; 0% disability at SMS level; 1.2% disabled.

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 2024 and 31 March 2025

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	365 821,00	192 173,00	0,00	0,00	52,50	572,00
CO-OPERATIVE GOVERNANCE	341 579,00	287 767,00	0,00	0,00	84,20	0,00
HUMAN SETTLEMENTS	1 547 699,00	116 113,00	0,00	0,00	7,50	0,00
PR2:CGHT:HUMAN SETTLEMENTS (PERSAL)	0,00	0,00	0,00	0,00	0,00	0,00
PR3:CGHT:CORPORATIVE GOVERNANCE (PERSAL)	0,00	0,00	0,00	0,00	0,00	0,00
STATUTORY (PERSAL)	0,00	0,00	0,00	0,00	0,00	0,00
TRADITIONAL INSTITUTIONAL DEVELOPMENT	557 590,00	461 171,00	0,00	0,00	82,70	446,00
Total	2 812 689,00	1 057 223,00	0,00	0,00	37,60	332,00

Additional information for Table 3.1.1.

Programme	Employment (Including Periodical - And Abnormal Appointments)
ADMINISTRATION	336,00
CO-OPERATIVE GOVERNANCE	0,00
HUMAN SETTLEMENTS	0,00
PR2:CGHT:HUMAN SETTLEMENTS (PERSAL)	179,00

PR3:CGHT:CORPORATIVE GOVERNANCE (PERSAL)	1 608,24
STATUTORY (PERSAL)	26,00
TRADITION INSTITUTIO DEVELOP	1 034,73
Total	3 183,97

Table 3.1.2 Personnel costs by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	41 146,00	3,00	166,00	247 867,00
Skilled (level 3-5)	78 145,00	7,20	233,00	335 386,00
Highly skilled production (levels 6-8)	421 800,00	39,00	889,00	474 466,00
Highly skilled supervision (levels 9-12)	253 518,00	23,40	269,00	942 446,00
Senior and Top management (levels 13-16)	57 540,00	5,30	40,00	1 438 500,00
Total	852 149	15.58	1597	687 733

Additional information for Table 3.1.2.

Salary band	Total Personnel Cost for Department including Goods and Services (R'000)
Lower skilled (Levels 1-2)	1 082 721,00
Skilled (level 3-5)	1 082 721,00
Highly skilled production (levels 6-8)	1 082 721,00
Highly skilled supervision (levels 9-12)	1 082 721,00
Senior and Top management (levels 13-16)	1 082 721,00
Total	1 082 721,00

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
11 Contract (Levels 3-5)	520,00	0,00	2,00	260 000,00
12 Contract (Levels 6-8)	494,00	0,00	0,00	0,00
13 Contract (Levels 9-12)	2 008,00	0,20	3,00	669 333,00
14 Contract (Levels >= 13)	4 139,00	0,40	2,00	2 069 500,00
18 Contract Other	8 077,00	0,70	106,00	76 198,00
20 Abnormal Appointment	193 457,00	17,90	1 473,97	131 249,00

Total	208 695		1 586 97	534 380
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Salary band	Total Personnel Cost for Department including Goods and Services (R'000)
11 Contract (Levels 3-5)	1 082 721,00
12 Contract (Levels 6-8)	1 082 721,00
13 Contract (Levels 9-12)	1 082 721,00
14 Contract (Levels >= 13)	1 082 721,00
18 Contract Other	1 082 721,00
20 Abnormal Appointment	1 082 721,00
Total	1 082 721,00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2024 and 31 March 2025

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	155 707,00	79,00	3 220,00	1,60	5 612,00	2,80	10 966,00	5,60
PR2: CGHT: HUMAN SETTLEMENT	98 674,00	77,90	778,00	0,60	3 070,00	2,40	4 497,00	3,60
PR3: CGHT: CORPORATIVE GOVERNANCE	623 589,00	84,10	1 992,00	0,30	22 243,00	3,00	36 195,00	4,90
STATUTORY	14 120,00	80,80	355,00	2,00	559,00	3,20	653,00	3,70
Total	892 090,00	82,40	6 346,00	0,60	31 484,00	2,90	52 312,00	4,80

Additional information Table 3.1.3.

Programme	Total Personnel Cost per Programme (R'000)
ADMINISTRATION	197 192,00
PR2:CGHT:HUMAN SETTLEMENT	126 639,00
PR3:CGHT:CORPORATIVE GOVERNANCE	741 421,00
STATUTORY	17 469,00
Total	1 082 721,00

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	28 091,00	68,30	181,00	0,40	3 593,00	8,70	5 543,00	13,50
Skilled (level 3-5)	56 581,00	72,40	524,00	0,70	5 045,00	6,50	8 882,00	11,40
Highly skilled production (levels 6-8)	336 876,00	79,30	3 794,00	0,90	15 053,00	3,50	29 839,00	7,00
Highly skilled supervision (levels 9-12)	211 882,00	78,70	1 804,00	0,70	6 420,00	2,40	7 523,00	2,80
Senior management (level 13-16)	50 361,00	83,70	0,00	0,00	1 328,00	2,20	525,00	0,90
Total	683791	76.48	3303	0.54	31439	23.30	52312	35.60

Additional information Table 3.1.4.

Salary band	Total Personnel Cost per Salary Band (R'000)
11 Contract (Levels 3-5)	520,00
12 Contract (Levels 6-8)	494,00
13 Contract (Levels 9-12)	2 402,00
14 Contract (Levels >= 13)	4 423,00

18 Contract Other	8 121,00
20 Abnormal Appointment	193 457,00
Total	1 082 721,00

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2025

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATION, Permanent	366,00	336,00	8,20	0,00
PR2: CGHT: HUMAN SETTLEMENT, Permanent	187,00	179,00	4,30	0,00
PR3: CGHT: CORPORATIVE GOVERNANCE, Permanent	1 220,00	1 169,00	4,20	0,00
STATUTORY, Permanent	27,00	26,00	3,70	2,00
TOTAL	1 800,00	1 710,00	5,00	2,00

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	179,00	166,00	7,30	0,00
Skilled (3-5)	245,00	233,00	4,90	0,00
Highly skilled production (6-8)	923,00	889,00	3,70	0,00

Highly skilled supervision (9-12)	289,00	269,00	6,90	0,00
Senior management (13-16)	51,00	40,00	21,60	0,00
Total	1687	1597	5	0.00

Additional information for Table 3.2.2.

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
09 Other, Permanent	106,00	106,00	0,00	2,00
11 Contract (Levels 3-5), Permanent	2,00	2,00	0,00	0,00
13 Contract (Levels 9-12), Permanent	3,00	3,00	0,00	0,00
14 Contract (Levels >= 13), Permanent	2,00	2,00	0,00	0,00
Total	113.00	113.00	0.00	2.00

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2025

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATION CLERKS, Permanent	48,00	48,00	0,00	0,00
ADMINISTRATION OFFICER, Permanent	237,00	231,00	2,50	0,00
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER, Permanent	32,00	25,00	21,90	0,00
ARCHITECT, Permanent	1,00	1,00	0,00	0,00
AUXILIARY COMMUNITY DEVELOPMENT PRACTITIONER, Permanent	5,00	5,00	0,00	0,00
CARETAKER/ CLEANER, Permanent	1,00	1,00	0,00	0,00
CHIEF FINANCIAL OFFICER, Permanent	1,00	1,00	0,00	0,00
CLERICAL SUPPLEMENTARY WORKERS NOT ELSEWHERE CLASSIFIED, Permanent	64,00	61,00	4,70	0,00
COMMUNICATION AND MARKETING MANAGER, Permanent	1,00	1,00	0,00	0,00

COMMUNICATION COORDINATOR, Permanent	3,00	3,00	0,00	0,00
COMMUNITY DEVELOPMENT MANAGER, Permanent	1,00	0,00	100,00	0,00
COMMUNITY DEVELOPMENT PRACTITIONER, Permanent	3,00	3,00	0,00	0,00
COMPUTER NETWORK AND SYSTEMS ENGINEER, Permanent	5,00	5,00	0,00	0,00
CONSTRUCTION PROJECT MANAGER, Permanent	58,00	53,00	8,60	0,00
DATA SCIENTIST, Permanent	4,00	4,00	0,00	0,00
DISASTER MANAGEMENT MANAGER, Permanent	2,00	2,00	0,00	0,00
ELEMENTARY WORKERS NOT ELSEWHERE CLASSIFIED, Permanent	45,00	42,00	6,70	0,00
EMPLOYEE WELLNESS PRACTITIONER, Permanent	2,00	2,00	0,00	0,00
ENGINEERING MANAGER, Permanent	3,00	3,00	0,00	0,00
EVENTS MANAGER, Permanent	2,00	2,00	0,00	0,00
FILING AND REGISTRY CLERK, Permanent	7,00	6,00	14,30	0,00
FINANCE CLERK, Permanent	50,00	49,00	2,00	0,00
FINANCE MANAGER, Permanent	4,00	3,00	25,00	0,00
FINANCIAL ACCOUNTANT, Permanent	33,00	25,00	24,20	0,00
GRAPHIC DESIGNER, Permanent	2,00	2,00	0,00	0,00
HANDYPERSON, Permanent	52,00	49,00	5,80	0,00
HEAD OF PROVINCIAL DEPARTMENT, Permanent	2,00	2,00	0,00	0,00
HUMAN RESOURCE CLERK, Permanent	18,00	16,00	11,10	0,00
HUMAN RESOURCE MANAGER, Permanent	3,00	3,00	0,00	0,00
HUMAN RESOURCE PRACTITIONER, Permanent	6,00	6,00	0,00	0,00

INDUSTRIAL/ LABOUR RELATIONS OFFICER, Permanent	1,00	1,00	0,00	0,00
INFORMATION TECHNOLOGY & SYSTEMS MANAGER, Permanent	2,00	2,00	0,00	0,00
LEGAL ADMINISTRATION OFFICER, Permanent	2,00	2,00	0,00	0,00
LEGAL RELATED MANAGER, Permanent	2,00	2,00	0,00	0,00
LIBRARIAN, Permanent	3,00	3,00	0,00	0,00
LIBRARY ASSISTANT, Permanent	1,00	1,00	0,00	0,00
LIGHT VEHICLE DRIVER, Permanent	4,00	4,00	0,00	0,00
MACHINE SHORTHAND REPORTER, Permanent	1,00	1,00	0,00	0,00
MESSENGERS, Permanent	2,00	2,00	0,00	0,00
MIDD. MANAGER: HUMAN RESOURCE & ORGANISA. DEVEL. RELA, Permanent	10,00	10,00	0,00	0,00
MIDDLE MANAGER: ADMINISTRATIVE RELATED, Permanent	120,00	111,00	7,50	0,00
MIDDLE MANAGER: EMERGENCY SERVICES RELATED, Permanent	2,00	2,00	0,00	0,00
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED, Permanent	23,00	22,00	4,30	0,00
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED, Permanent	5,00	3,00	40,00	0,00
MIDDLE MANAGER: LEGAL RELATED, Permanent	11,00	10,00	9,10	0,00
MIDDLE MANAGER: SOCIAL SCIENCE RELATED, Permanent	2,00	2,00	0,00	0,00
MIDDLE MANAGER: COMMUNICATION & INFORMATION RELATED, Permanent	6,00	6,00	0,00	0,00
OFFICE CLEANER, Permanent	141,00	132,00	6,40	0,00
OTHER MIDDLE MANAGER, Permanent	19,00	18,00	5,30	0,00
OTHER OCCUPATIONS, Permanent	183,00	175,00	4,40	2,00

PERSONAL ASSISTANT, Permanent	13,00	12,00	7,70	0,00
POLICY AND PLANNING MANAGERS, Permanent	2,00	1,00	50,00	0,00
RECEPTIONIST (GENERAL), Permanent	2,00	2,00	0,00	0,00
SECURITY OFFICER, Permanent	143,00	136,00	4,90	0,00
SKILLS DEVELOPMENT FACILITATOR/ PRACTITIONER, Permanent	1,00	1,00	0,00	0,00
SOCIAL AUXILIARY WORKER, Permanent	359,00	353,00	1,70	0,00
SUPPLY CHAIN MANAGER, Permanent	1,00	1,00	0,00	0,00
SURVEYING OR CARTOGRAPHIC TECHNICIAN, Permanent	6,00	6,00	0,00	0,00
SURVEYOR_S ASSISTANT, Permanent	13,00	12,00	7,70	0,00
SWITCHBOARD OPERATOR, Permanent	1,00	1,00	0,00	0,00
TRAINING AND DEVELOPMENT PROFESSIONAL, Permanent	4,00	3,00	25,00	0,00
URBAN AND REGIONAL PLANNER, Permanent	20,00	19,00	5,00	0,00
TOTAL	1 800,00	1 710,00	5,00	2,00

Notes

- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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 2025

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	5	3	60	2	40
Salary Level 14	15	13	87	2	13
Salary Level 13	43	25	58	18	42
Total	64	42	66	22	34

Table 3.3.2 SMS post information as on 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	5	3	60	2	40
Salary Level 14	15	11	73	4	27
Salary Level 13	43	24	56	19	44
Total	64	39	61	25	39

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	2	0	0
Salary Level 14	3	1	1
Salary Level 13	9	0	1
Total	14	1	2

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 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
The posts could not be concluded within 6 months; however, the recruitment process was completed by the end of the financial year. The candidates will start in the new financial year.

Reasons for vacancies not filled within twelve months
The posts will be filled within 12 months which has not lapsed.

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

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 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2024 and 31 March 2025

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	179,00	0,00	0,00	0,00	0,00	0,00	0,00
Skilled (Levels 3-5)	245,00	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	923,00	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Levels 9-12)	289,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band A	29,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band B	15,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band C	5,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band D	1,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	1686	0,00	0,00	0,00	0,00	0,00	0,00

Additional information Table 3.4.1.

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
08 Senior Management Service	1,00	0,00	0,00	0,00	0,00	0,00	0,00
09 Other	106,00	0,00	0,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5)	2,00	0,00	0,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12)	3,00	0,00	0,00	0,00	0,00	0,00	0,00

16 Contract Band C	1,00	0,00	0,00	0,00	0,00	0,00	0,00
17 Contract Band D	1,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	114.00	0,00	0,00	0,00	0,00	0,00	0,00

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2024 and 31 March 2025

Gender	African	Asian	Coloured	White	Total
Female	0,00	0,00	0,00	0,00	0,00
Male	0,00	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00	0,00

Employees with a disability	0,00
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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 2024 and 31 March 2025

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	0.00	0.00	0.00	N/A
Total number of employees whose salaries exceeded the level determined by job evaluation				0.00
Percentage of total employed				0.00

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 2024 and 31 March 2025

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

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Number of employees at beginning of period- 1 April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	185,00	0,00	18,00	9,70
Skilled (Levels3-5)	246,00	0,00	15,00	6,10
Highly skilled production (Levels 6-8)	902,00	13,00	18,00	2,00
Highly skilled supervision (Levels 9-12)	264,00	6,00	11,00	4,20
Senior Management Service Bands A	24,00	0,00	1,00	4,20
Senior Management Service Bands B	11,00	0,00	0,00	0,00
Senior Management Service Bands C	5,00	1,00	1,00	20,00
Senior Management Service Bands D	1,00	1,00	1,00	100,00
Contracts	0,00	0,00	0,00	0,00
Total	1638	21	65	16.24

Additional information for Table 3.5.1.

Salary band	Number of employees at beginning of period- 1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
09 Other Permanent	2,00	110,00	7,00	350,00
11 Contract (Levels 3-5) Permanent	2,00	4,00	4,00	200,00
12 Contract (Levels 6-8) Permanent	1,00	1,00	2,00	200,00
13 Contract (Levels 9-12) Permanent	2,00	5,00	4,00	200,00
14 Contract Band A Permanent	1,00	2,00	3,00	300,00
16 Contract Band C Permanent	0,00	1,00	0,00	0,00
17 Contract Band D Permanent	1,00	0,00	0,00	0,00
Total	9	123	20	1250

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2024 and 31 March 2025

Critical occupation	Number of employees at beginning of period- April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATION CLERKS Permanent	49,00	1,00	2,00	4,10
ADMINISTRATION OFFICER Permanent	233,00	1,00	3,00	1,30
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER Permanent	24,00	3,00	4,00	16,70
ARCHITECT Permanent	1,00	0,00	0,00	0,00
AUXILIARY COMMUNITY DEVELOPMENT PRACTITIONER Permanent	5,00	0,00	0,00	0,00
CARETAKER/ CLEANER Permanent	1,00	2,00	2,00	200,00
CHIEF FINANCIAL OFFICER Permanent	1,00	0,00	0,00	0,00
COMMUNICATION AND MARKETING MANAGER Permanent	1,00	0,00	0,00	0,00
COMMUNICATION COORDINATOR Permanent	3,00	0,00	0,00	0,00
COMMUNITY DEVELOPMENT PRACTITIONER Permanent	3,00	0,00	0,00	0,00
COMPUTER NETWORK AND SYSTEMS ENGINEER Permanent	4,00	0,00	0,00	0,00
CONSTRUCTION PROJECT MANAGER Permanent	57,00	0,00	4,00	7,00
DATA SCIENTIST Permanent	4,00	0,00	0,00	0,00
DISASTER MANAGEMENT MANAGER Permanent	2,00	0,00	0,00	0,00
ELEMENTARY WORKERS NOT ELSEWHERE CLASSIFIED Permanent	0,00	105,00	6,00	0,00
EMPLOYEE WELLNESS PRACTITIONER Permanent	2,00	0,00	0,00	0,00
ENGINEERING MANAGER Permanent	3,00	0,00	0,00	0,00
EVENTS MANAGER Permanent	2,00	0,00	0,00	0,00
FILING AND REGISTRY CLERK Permanent	8,00	1,00	3,00	37,50
FINANCE CLERK Permanent	49,00	0,00	1,00	2,00
FINANCE MANAGER Permanent	3,00	0,00	0,00	0,00
FINANCIAL ACCOUNTANT Permanent	29,00	1,00	4,00	13,80
GRAPHIC DESIGNER Permanent	2,00	0,00	0,00	0,00
HANDYPERSON Permanent	56,00	0,00	6,00	10,70
HEAD OF PROVINCIAL DEPARTMENT Permanent	2,00	0,00	1,00	50,00
HUMAN RESOURCE CLERK Permanent	14,00	0,00	1,00	7,10
HUMAN RESOURCE MANAGER Permanent	3,00	0,00	0,00	0,00
HUMAN RESOURCE PRACTITIONER Permanent	7,00	0,00	0,00	0,00
INDUSTRIAL/ LABOUR RELATIONS OFFICER Permanent	1,00	0,00	0,00	0,00

Critical occupation	Number of employees at beginning of period- April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
INFORMATION TECHNOLOGY & SYSTEMS MANAGER Permanent	2,00	0,00	0,00	0,00
LEGAL ADMINISTRATION OFFICER Permanent	2,00	0,00	0,00	0,00
LEGAL RELATED MANAGER Permanent	2,00	0,00	0,00	0,00
LIBRARIAN Permanent	4,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVER Permanent	2,00	0,00	0,00	0,00
MACHINE SHORTHAND REPORTER Permanent	2,00	0,00	0,00	0,00
MESSENGERS Permanent	3,00	1,00	2,00	66,70
MIDD.MANAGER:HUMAN RESOURCE & ORGANISA.DEVEL.RELA Permanent	9,00	0,00	0,00	0,00
MIDDLE MANAGER: ADMINISTRATIVE RELATED Permanent	100,00	10,00	8,00	8,00
MIDDLE MANAGER: EMERGENCY SERVICES RELATED Permanent	2,00	0,00	0,00	0,00
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED Permanent	20,00	1,00	0,00	0,00
MIDDLE MANAGER: HEALTH SCIENCE RELATED Permanent	3,00	0,00	0,00	0,00
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED Permanent	5,00	0,00	1,00	20,00
MIDDLE MANAGER: LEGAL RELATED Permanent	11,00	0,00	0,00	0,00
MIDDLE MANAGER: SOCIAL SCIENCE RELATED Permanent	2,00	0,00	0,00	0,00
MIDDLE MANAGER:COMMUNICATION & INFORMATION RELATED Permanent	6,00	0,00	0,00	0,00
OFFICE CLEANER Permanent	147,00	0,00	14,00	9,50
OTHER MIDDLE MANAGER Permanent	17,00	0,00	1,00	5,90
OTHER OCCUPATIONS Permanent	174,00	14,00	6,00	3,40
PERSONAL ASSISTANT Permanent	14,00	3,00	0,00	0,00
POLICY AND PLANNING MANAGERS Permanent	1,00	0,00	0,00	0,00
RECEPTIONIST (GENERAL) Permanent	2,00	0,00	0,00	0,00
SECURITY OFFICER Permanent	148,00	0,00	12,00	8,10
SKILLS DEVELOPMENT FACILITATOR/ PRACTITIONER Permanent	1,00	0,00	0,00	0,00
SOCIAL AUXILIARY WORKER Permanent	355,00	0,00	2,00	0,60
SUPPLY CHAIN MANAGER Permanent	1,00	0,00	0,00	0,00
SURVEYING OR CARTOGRAPHIC TECHNICIAN Permanent	6,00	0,00	0,00	0,00
SURVEYOR_S ASSISTANT Permanent	12,00	1,00	1,00	8,30
SWITCHBOARD OPERATOR Permanent	1,00	0,00	0,00	0,00

Critical occupation	Number of employees at beginning of period- April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
TRAINING AND DEVELOPMENT PROFESSIONAL Permanent	4,00	0,00	0,00	0,00
URBAN AND REGIONAL PLANNER Permanent	20,00	0,00	1,00	5,00
TOTAL	1 647,00	144,00	85,00	5,20

Notes

- Critical occupations are defined as occupations or sub-categories within an occupation –
 - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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 2024 and 31 March 2025

Termination Type	Number	% of Total Resignations
Death	10	0.69
Resignation	15	1,04
Expiry of contract	27	1,88
Dismissal – operational changes	00	00
Dismissal – misconduct	00	00
Dismissal – inefficiency	00	00
Discharged due to ill-health	00	00
Retirement	43	3,00
Transfer to other Public Service Departments	02`	0,13
Other	04	0.27
Total	101	7,05
Total number of employees who left as a % of total employment	101	5,90

Additional information Table 3.5.3.

Termination Type	% of Total Employment	Total	Total Employment
Death	0,58	10	1 710,00
Resignation	0,87	15	1 710,00
Expiry of contract	1,57	27	1 710,00
Dismissal – operational changes	00	00	00
Dismissal – misconduct	00	00	00
Dismissal – inefficiency	00	00	00
Discharged due to ill-health	00	00	00
Retirement	2,51	43,00	1 710,00
Transfer to other Public Service Departments	0,11	02	1 710,00
Other, permanent	0,23	4,00	1 710,00
Total	5.90	101	1 710,00
Total number of employees who left as a % of total employment	5,90	101	1 710,00

Table 3.5.4 Promotions by critical occupation for the period 1 April 2024 and 31 March 2025

Occupation	Employees 1 April 2024	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
ADMINISTRATION CLERKS	49,00	0,00	0,00	42,00	85,70
ADMINISTRATION OFFICER	233,00	0,00	0,00	83,00	35,60
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER	24,00	1,00	4,20	14,00	58,30
ARCHITECT	1,00	0,00	0,00	1,00	100,00
AUXILIARY COMMUNITY DEVELOPMENT PRACTITIONER	5,00	0,00	0,00	3,00	60,00
CARETAKER/ CLEANER	1,00	0,00	0,00	0,00	0,00
CHIEF FINANCIAL OFFICER	1,00	0,00	0,00	0,00	0,00
COMMUNICATION AND MARKETING MANAGER	1,00	0,00	0,00	1,00	100,00
COMMUNICATION COORDINATOR	3,00	0,00	0,00	2,00	66,70
COMMUNITY DEVELOPMENT PRACTITIONER	3,00	0,00	0,00	1,00	33,30
COMPUTER NETWORK AND SYSTEMS ENGINEER	4,00	0,00	0,00	1,00	25,00

Occupation	Employees 1 April 2024	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
CONSTRUCTION PROJECT MANAGER	57,00	0,00	0,00	54,00	94,70
DATA SCIENTIST	4,00	0,00	0,00	2,00	50,00
DISASTER MANAGEMENT MANAGER	2,00	0,00	0,00	0,00	0,00
EMPLOYEE WELLNESS PRACTITIONER	2,00	0,00	0,00	0,00	0,00
ENGINEERING MANAGER	3,00	0,00	0,00	1,00	33,30
EVENTS MANAGER	2,00	0,00	0,00	0,00	0,00
FILING AND REGISTRY CLERK	8,00	0,00	0,00	6,00	75,00
FINANCE CLERK	49,00	0,00	0,00	46,00	93,90
FINANCE MANAGER	3,00	0,00	0,00	2,00	66,70
FINANCIAL ACCOUNTANT	29,00	2,00	6,90	12,00	41,40
FINANCIAL CLERKS AND CREDIT CONTROLLERS	0,00	0,00	0,00	1,00	0,00
GRAPHIC DESIGNER	2,00	0,00	0,00	2,00	100,00
HANDYPERSON	56,00	0,00	0,00	52,00	92,90
HEAD OF PROVINCIAL DEPARTMENT	2,00	0,00	0,00	0,00	0,00
HUMAN RESOURCE CLERK	14,00	1,00	7,10	13,00	92,90
HUMAN RESOURCE MANAGER	3,00	0,00	0,00	2,00	66,70
HUMAN RESOURCE PRACTITIONER	7,00	0,00	0,00	4,00	57,10
INDUSTRIAL/ LABOUR RELATIONS OFFICER	1,00	0,00	0,00	0,00	0,00
INFORMATION TECHNOLOGY & SYSTEMS MANAGER	2,00	0,00	0,00	1,00	50,00
LEGAL ADMINISTRATION OFFICER	2,00	0,00	0,00	1,00	50,00
LEGAL RELATED MANAGER	2,00	0,00	0,00	1,00	50,00
LIBRARIAN	4,00	0,00	0,00	3,00	75,00
LIGHT VEHICLE DRIVER	2,00	2,00	100,00	0,00	0,00
MACHINE SHORTHAND REPORTER	2,00	0,00	0,00	2,00	100,00
MESSENGERS	3,00	0,00	0,00	1,00	33,30
MIDD.MANAGER:HUMAN RESOURCE & ORGANISA.DEVEL.RELA	9,00	1,00	11,10	3,00	33,30
MIDDLE MANAGER: ADMINISTRATIVE RELATED	100,00	6,00	6,00	67,00	67,00

Occupation	Employees 1 April 2024	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
MIDDLE MANAGER: EMERGENCY SERVICES RELATED	2,00	0,00	0,00	0,00	0,00
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED	20,00	2,00	10,00	16,00	80,00
MIDDLE MANAGER: HEALTH SCIENCE RELATED	3,00	0,00	0,00	0,00	0,00
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED	5,00	0,00	0,00	3,00	60,00
MIDDLE MANAGER: LEGAL RELATED	11,00	0,00	0,00	8,00	72,70
MIDDLE MANAGER: SOCIAL SCIENCE RELATED	2,00	0,00	0,00	1,00	50,00
MIDDLE MANAGER:COMMUNICATION & INFORMATION RELATED	6,00	0,00	0,00	6,00	100,00
OFFICE CLEANER	147,00	0,00	0,00	123,00	83,70
OTHER MIDDLE MANAGER	17,00	1,00	5,90	9,00	52,90
OTHER OCCUPATIONS	174,00	0,00	0,00	0,00	0,00
PERSONAL ASSISTANT	14,00	0,00	0,00	10,00	71,40
POLICY AND PLANNING MANAGERS	1,00	1,00	100,00	1,00	100,00
PROFESSIONALS NOT ELSEWHERE CLASSIFIED.	0,00	1,00	0,00	0,00	0,00
RECEPTIONIST (GENERAL)	2,00	0,00	0,00	2,00	100,00
SECURITY OFFICER	148,00	0,00	0,00	71,00	48,00
SKILLS DEVELOPMENT FACILITATOR/ PRACTITIONER	1,00	0,00	0,00	0,00	0,00
SOCIAL AUXILIARY WORKER	355,00	0,00	0,00	342,00	96,30
SUPPLY CHAIN MANAGER	1,00	0,00	0,00	0,00	0,00
SURVEYING OR CARTOGRAPHIC TECHNICIAN	6,00	0,00	0,00	5,00	83,30
SURVEYOR_S ASSISTANT	12,00	0,00	0,00	12,00	100,00
SWITCHBOARD OPERATOR	1,00	0,00	0,00	1,00	100,00
TRAINING AND DEVELOPMENT PROFESSIONAL	4,00	0,00	0,00	1,00	25,00
URBAN AND REGIONAL PLANNER	20,00	0,00	0,00	19,00	95,00
TOTAL	1 647,00	18,00	1,10	1 054,00	64,00

Table 3.5.5 Promotions by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	Employees 1 April 2024	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	185,00	0,00	0,00	168,00	90,80
Skilled (Levels3-5)	246,00	2,00	0,80	150,00	61,00
Highly skilled production (Levels 6-8)	902,00	3,00	0,30	518,00	57,40
Highly skilled supervision (Levels 9-12)	264,00	12,00	4,50	196,00	74,20
Senior Management (Level 13-16)	41,00	1,00	2,40	22,00	53,70
Total	1638,00	18,00	8,00	1054,00	67,42

Additional information Table 3.5.5.

Occupation	Employees 1 April 2024	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
09 Other, Permanent	2,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5), Permanent	2,00	0,00	0,00	0,00	0,00
12 Contract (Levels 6-8), Permanent	1,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9- 12), Permanent	2,00	0,00	0,00	0,00	0,00
14 Contract (Levels >= 13), Permanent	2,00	0,00	0,00	0,00	0,00
Total	9,00	0,00	0,00	0,00	0,00

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 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Professionals	2,00	0,00	0,00	0,00	4,00	0,00	0,00	0,00	6,00
Technicians and associate professionals	87,00	0,00	0,00	0,00	145,00	1,00	0,00	2,00	235,00
Clerks	38,00	0,00	0,00	0,00	96,00	1,00	0,00	0,00	135,00
Service and sales workers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Skilled agriculture and fishery workers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Craft and related trades workers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Plant and machine operators and assemblers	4,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	4,00
Elementary occupations	116,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	116,00
Total	248,00	0,00	0,00	0,00	245,00	2,00	0,00	2,00	497,00
Employees with disabilities	10,00	0,00	0,00	0,00	7,00	0,00	0,00	1,00	18,00

Additional information Table 3.6.1

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
09 - LABOURERS AND RELATED WORKERS	126,00	0,00	0,00	0,00	48,00	0,00	0,00	0,00	174,00
MANAGERS	152,00	1,00	0,00	0,00	124,00	2,00	0,00	2,00	281,00
PROTECT RESCUE SOCIAL HEALTH SCIENCE SUPPORT PERS	207,00	0,00	0,00	0,00	287,00	0,00	0,00	0,00	494,00
Total	485,00	1,00	0,00	0,00	459,00	2,00	0,00	2,00	949
Employees with disabilities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2,00	0,00	0,00	0,00	3,00	0,00	0,00	0,00	5,00
Senior Management	23,00	0,00	0,00	0,00	11,00	1,00	0,00	0,00	35,00
Professionally qualified and experienced specialists and mid-management	141,00	1,00	0,00	0,00	124,00	1,00	0,00	2,00	269,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	402,00	0,00	0,00	0,00	482,00	3,00	0,00	2,00	889,00
Semi-skilled and discretionary decision making	99,00	0,00	0,00	0,00	134,00	0,00	0,00	0,00	233,00
Unskilled and defined decision making	66,00	0,00	0,00	0,00	100,00	0,00	0,00	0,00	166,00
Total	733,00	1,00	0,00	0,00	854	5,00	0,00	4,00	1597,00

Additional information Table 3.6.2.

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
07 Not Available, Permanent	27,00	0,00	0,00	0,00	79,00	0,00	0,00	0,00	106,00
08 Contract (Top Management), Permanent	1,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	2,00
10 Contract (Professionally Qualified), Permanent	3,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	3,00
12 Contract (Semi-Skilled), Permanent	1,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	2,00
Total	32	0,00	0,00	0,00	81	0,00	0,00	0,00	113,00

Table 3.6.3 Recruitment for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	2,00
Senior Management	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Professionally qualified and experienced specialists and mid-management	2,00	0,00	0,00	0,00	4,00	0,00	0,00	0,00	6,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8,00	0,00	0,00	0,00	5,00	0,00	0,00	0,00	13,00
Semi-skilled and discretionary decision making	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Unskilled and defined decision making	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	11,00	0,00	0,00	0,00	10,00	0,00	0,00	0,00	21,00
Employees with disabilities	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00

Additional, information Table 3.6.3.

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
07 Not Available, Permanent	26,00	0,00	0,00	0,00	84,00	0,00	0,00	0,00	110,00
08 Contract (Top Management), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
09 Contract (Senior Management), Permanent	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00
10 Contract (Professionally qualified), Permanent	5,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	5,00
11 Contract (Skilled technical), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00

12 Contract (Semi-skilled), Permanent	2,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	4,00
Total	36	0,00	0,00	0,00	87	0,00	0,00	0,00	123
Employees with disabilities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Table 3.6.4 Promotions for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<i>Top Management</i>	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management	14,00	0,00	0,00	0,00	8,00	1,00	0,00	0,00	23,00
Professionally qualified and experienced specialists and mid-management	109,00	1,00	0,00	97,00	0,00	0,00	0,00	1,00	208,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	190,00	0,00	0,00	0,00	328,00	2,00	0,00	1,00	521,00
Semi-skilled and discretionary decision making	39,00	0,00	0,00	0,00	113,00	0,00	0,00	0,00	152,00
Unskilled and defined decision making	68,00	0,00	0,00	0,00	100,00	0,00	0,00	0,00	168,00
Total	420,00	1,00	0,00	0,00	646,00	3,00	0,00	2,00	1072,00
Employees with disabilities	8,00	0,00	0,00	0,00	7,00	0,00	0,00	0,00	15,00

Table 3.6.5 Terminations for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00
Senior Management	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Professionally qualified and experienced specialists and mid-management	5,00	0,00	0,00	0,00	6,00	0,00	0,00	0,00	11,00
Skilled technical and academically qualified workers, junior management,	12,00	0,00	0,00	0,00	6,00	0,00	0,00	0,00	18,00

supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making	10,00	0,00	0,00	0,00	5,00	0,00	0,00	0,00	15,00
Unskilled and defined decision making	7,00	0,00	0,00	0,00	11,00	0,00	0,00	0,00	18,00
Total	47,00	0,00	0,00	0,00	38,00	0,00	0,00	0,00	85,00
Employees with Disabilities									

Additional information Table 3.6.5

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
07 Not Available, Permanent	2,00	0,00	0,00	0,00	5,00	0,00	0,00	0,00	7,00
09 Contract (Senior Management), Permanent	3,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	3,00
10 Contract (Professionally qualified), Permanent	4,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	4,00
11 Contract (Skilled technical), Permanent	0,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	2,00
12 Contract (Semi-skilled), Permanent	2,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	4,00
Total	11,00	0,00	0,00	0,00	9,00	0,00	0,00	0,00	20,00
Employees with Disabilities		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Table 3.6.6 Disciplinary action for the period 1 April 2024 to 31 March 2025

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Contravention of Public Service Regulations, 2016	11	0	0	0	7	0	0	0	18

Table 3.6.7 Skills development for the period 1 April 2024 to 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	201	1	0	0	225	1	1	2	431
Professionals	78	0	0	0	75	0	0	0	153
Technicians and associate professionals	3	0	0	0	2	0	0	0	5
Clerks	119	0	0	2	169	2	0	0	292
Service and sales workers	28	0	0	0	58	0	0	0	86
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	36	0	0	0	70	0	0	0	106
Total	465	1	0	2	599	3	1	2	1073
Employees with disabilities	10	0	0	0	8	0	0	0	18

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 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	3%
Salary Level 16	0	0	0	0
Salary Level 15	3	3	3	8%
Salary Level 14	9	9	9	24%
Salary Level 13	24	24	24	65%
Total	37	37	37	100%

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2024.

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

Reasons
None

Notes

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

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

Reasons
None

Notes

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

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2024 to 31 March 2025

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	0,00	755,00	0,00	0,00	0,00
Female	0,00	928,00	0,00	0,00	0,00
Asian					
Male	0,00	0,00	0,00	0,00	0,00
Female	0,00	0,00	0,00	0,00	0,00
Coloured					
Male	0,00	1,00	0,00	0,00	0,00
Female	0,00	5,00	0,00	0,00	0,00
White					
Male	0,00	0,00	0,00	0,00	0,00
Female	0,00	3,00	0,00	0,00	0,00
Total	0,00	18,00	0,00	0,00	0,00

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2024 to 31 March 2025

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0,00	166,00	0,00	0,00	0,00	0,00
Skilled (level 3-5)	0,00	233,00	0,00	0,00	0,00	0,00
Highly skilled production (level 6-8)	0,00	889,00	0,00	0,00	0,00	0,00
Highly skilled supervision (level 9-12)	0,00	269,00	0,00	0,00	0,00	0,00
Total	0,00	1557	0,00	0,00	0,00	0,00

Additional information Table 3.8.2.

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	
09 Other	0,00	106,00	0,00	0,00	0,00	0,00
11 Contract (Levels 3-5)	0,00	2,00	0,00	0,00	0,00	0,00
13 Contract (Levels 9-12)	0,00	3,00	0,00	0,00	0,00	0,00
Total	0,00	111,00	0,00	0,00	0,00	0,00

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2024 to 31 March 2025

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
ADMINISTRATION CLERKS	0,00	48,00	0,00	0,00	0,00
ADMINISTRATION OFFICER	0,00	231,00	0,00	0,00	0,00
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER	0,00	25,00	0,00	0,00	0,00
ARCHITECT	0,00	1,00	0,00	0,00	0,00
AUXILIARY COMMUNITY DEVELOPMENT PRACTITIONER	0,00	5,00	0,00	0,00	0,00
CARETAKER/ CLEANER	0,00	1,00	0,00	0,00	0,00
CHIEF FINANCIAL OFFICER	0,00	1,00	0,00	0,00	0,00
CLERICAL SUPPLEME.WORKERS NOT ELSEWHERE CLASSIFIED	0,00	61,00	0,00	0,00	0,00
COMMUNICATION AND MARKETING MANAGER	0,00	1,00	0,00	0,00	0,00
COMMUNICATION COORDINATOR	0,00	3,00	0,00	0,00	0,00
COMMUNITY DEVELOPMENT PRACTITIONER	0,00	3,00	0,00	0,00	0,00
COMPUTER NETWORK AND SYSTEMS ENGINEER	0,00	5,00	0,00	0,00	0,00
CONSTRUCTION PROJECT MANAGER	0,00	53,00	0,00	0,00	0,00
DATA SCIENTIST	0,00	4,00	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
DISASTER MANAGEMENT MANAGER	0,00	2,00	0,00	0,00	0,00
ELEMENTARY WORKERS NOT ELSEWHERE CLASSIFIED	0,00	42,00	0,00	0,00	0,00
EMPLOYEE WELLNESS PRACTITIONER	0,00	2,00	0,00	0,00	0,00
ENGINEERING MANAGER	0,00	3,00	0,00	0,00	0,00
EVENTS MANAGER	0,00	2,00	0,00	0,00	0,00
FILING AND REGISTRY CLERK	0,00	6,00	0,00	0,00	0,00
FINANCE CLERK	0,00	49,00	0,00	0,00	0,00
FINANCE MANAGER	0,00	3,00	0,00	0,00	0,00
FINANCIAL ACCOUNTANT	0,00	25,00	0,00	0,00	0,00
GRAPHIC DESIGNER	0,00	2,00	0,00	0,00	0,00
HANDYPERSON	0,00	49,00	0,00	0,00	0,00
HEAD OF PROVINCIAL DEPARTMENT	0,00	2,00	0,00	0,00	0,00
HUMAN RESOURCE CLERK	0,00	16,00	0,00	0,00	0,00
HUMAN RESOURCE MANAGER	0,00	3,00	0,00	0,00	0,00
HUMAN RESOURCE PRACTITIONER	0,00	6,00	0,00	0,00	0,00
INDUSTRIAL/ LABOUR RELATIONS OFFICER	0,00	1,00	0,00	0,00	0,00
INFORMATION TECHNOLOGY & SYSTEMS MANAGER	0,00	2,00	0,00	0,00	0,00
LEGAL ADMINISTRATION OFFICER	0,00	2,00	0,00	0,00	0,00
LEGAL RELATED MANAGER	0,00	2,00	0,00	0,00	0,00
LIBRARIAN	0,00	3,00	0,00	0,00	0,00
LIBRARY ASSISTANT	0,00	1,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVER	0,00	4,00	0,00	0,00	0,00
MACHINE SHORTHAND REPORTER	0,00	1,00	0,00	0,00	0,00
MESSENGERS	0,00	2,00	0,00	0,00	0,00
MIDD.MANAGER:HUMAN RESOURCE & ORGANISA.DEVEL.RELA	0,00	10,00	0,00	0,00	0,00
MIDDLE MANAGER: ADMINISTRATIVE RELATED	0,00	111,00	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
MIDDLE MANAGER: EMERGENCY SERVICES RELATED	0,00	2,00	0,00	0,00	0,00
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED	0,00	22,00	0,00	0,00	0,00
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED	0,00	3,00	0,00	0,00	0,00
MIDDLE MANAGER: LEGAL RELATED	0,00	10,00	0,00	0,00	0,00
MIDDLE MANAGER: SOCIAL SCIENCE RELATED	0,00	2,00	0,00	0,00	0,00
MIDDLE MANAGER: COMMUNICATION & INFORMATION RELATED	0,00	6,00	0,00	0,00	0,00
OFFICE CLEANER	0,00	132,00	0,00	0,00	0,00
OTHER MIDDLE MANAGER	0,00	18,00	0,00	0,00	0,00
OTHER OCCUPATIONS	0,00	175,00	0,00	0,00	0,00
PERSONAL ASSISTANT	0,00	12,00	0,00	0,00	0,00
POLICY AND PLANNING MANAGERS	0,00	1,00	0,00	0,00	0,00
RECEPTIONIST (GENERAL)	0,00	2,00	0,00	0,00	0,00
SECURITY OFFICER	0,00	136,00	0,00	0,00	0,00
SKILLS DEVELOPMENT FACILITATOR/ PRACTITIONER	0,00	1,00	0,00	0,00	0,00
SOCIAL AUXILIARY WORKER	0,00	353,00	0,00	0,00	0,00
SUPPLY CHAIN MANAGER	0,00	1,00	0,00	0,00	0,00
SURVEYING OR CARTOGRAPHIC TECHNICIAN	0,00	6,00	0,00	0,00	0,00
SURVEYOR_S ASSISTANT	0,00	12,00	0,00	0,00	0,00
SWITCHBOARD OPERATOR	0,00	1,00	0,00	0,00	0,00
TOTAL	0,00	1 710,00	0,00	0,00	0,00
TRAINING AND DEVELOPMENT PROFESSIONAL	0,00	3,00	0,00	0,00	0,00
URBAN AND REGIONAL PLANNER	0,00	19,00	0,00	0,00	0,00

Notes

- Critical occupations are defined as occupations or sub-categories within an occupation –

- (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 20YY to 31 March 20ZZ

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0,00	22,00	0,00	0,00	0,00	0,00
Band B	0,00	13,00	0,00	0,00	0,00	0,00
Band C	0,00	5,00	0,00	0,00	0,00	0,00
Band D	0,00	2,00	0,00	0,00	0,00	0,00
Total	0,00	42,00	0,00	0,00	0,00	0,00

Additional information Table 3,8,4.

Salary band	Personnel Cost SMS (R'000)
Band A	33 624,98
Band B	18 371,65
Band C	7 759,53
Band D	4 829,36
Total	64 585,51

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2024 and 31 March 2025

Salary band	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change

Lower skilled	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Lev. 6-8)	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Lev. 9-12)	1,00	0,00	1,00	0,00	0,00	0,00
Contract (level 9-12)	1,00	0,00	1,00	0,00	0,00	0,00
Contract (level 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
Total	0,00	0,00	0,00	0,00	0,00	0,00

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2024 and 31 March 2025

Major occupation	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	0	1	0	0	0
Total	1	0	1	0	0	0

3.10 Leave utilisation

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

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

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	347,00	93,70	38,00	7,10	9,00	258,00
Skilled (levels 3-5)	529,00	94,00	61,00	11,40	9,00	570,00
Highly skilled production (levels 6-8)	1 823,00	80,60	217,00	40,40	8,00	3 650,00
Highly skilled supervision (levels 9 -12)	1 444,00	85,10	183,00	34,10	8,00	4 995,00
Top and Senior management (levels 13-16)	137,00	90,50	27,00	5,00	5,00	709,00
Total	4 4280	88.66	526	19.6	7.8	10 182

Additional Information Table 3.10.1

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)
Contract (Levels 13-16)	4,00	75,00	1,00	0,20	4,00	33,00
Contract Other	27,00	77,80	10,00	1,90	3,00	13,00
Total	31,00	76.40	11,00	1.3	3.5	46,00

Salary band	Total number of Employees using Sick Leave	Total number of days with medical certification
Contract (Levels 13-16)	537,00	3,00
Contract Other	537,00	21,00
Lower Skills (Level 1-2)	537,00	325,00
Skilled (levels 3-5)	537,00	497,00
Highly skilled production (levels 6-8)	537,00	1 469,00
Highly skilled supervision (levels 9 -12)	537,00	1 229,00
Top and Senior management (levels 13-16)	537,00	124,00
Total	537,00	3 668,00

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2024 to 31 December 2024

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)	11,00	100,00	1,00	2,70	11,00	9,00
Skilled (Levels 3-5)	187,00	100,00	5,00	13,50	37,00	219,00
Highly skilled production (Levels 6-8)	360,00	100,00	17,00	45,90	21,00	802,00
Highly skilled supervision (Levels 9-12)	383,00	100,00	14,00	37,80	27,00	1313,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
Total	941,00	100,00	37,00	100,00	25,00	2 343,00

Additional Information Table 3.10.2

Salary band	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	11,00	37,00

Skilled (Levels 3-5)	187,00	37,00
Highly skilled production (Levels 6-8)	360,00	37,00
Highly skilled supervision (Levels 9-12)	383,00	37,00
Senior management (Levels 13-16)	0,00	0,00
Total	941,00	37,00

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

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

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	3 734,00	157,00	24,00
Skilled Levels 3-5)	5 512,00	216,00	26,00
Highly skilled production (Levels 6-8)	14 811,00	630,00	24,00
Highly skilled supervision(Levels 9-12)	6 911,00	266,00	26,00
Senior management (Levels 13-16)	843,00	38,00	22,00
Total	31 811	1 307	24.4

Additional Information Table 3.10.3

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	39,00	2,00	20,00
Contract (Levels 9-12)	2,00	1,00	2,00
Contract Other	216,00	56,00	4,00
Total	257	59	8.6

Table 3.10.4 Capped leave for the period 1 January 2024 to 31 December 2024

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2025
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	0,00	0,00	0,00	69,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	64,00

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2025
Highly skilled supervision (Levels 9-12)	0,00	0,00	0,00	74,00
Senior management (Levels 13-16)	0,00	0,00	0,00	61,00
Total	0,00	0,00	0,00	44.66

Additional Information Table 3.10.4.

Salary band	Total Number of Capped Leave Available at End of Period	Number of Employees as at End of Period
Contract (Levels 13-16)	0,00	0,00
Contract (Levels 3-5)	0,00	0,00
Contract (Levels 9-12)	0,00	0,00
Contract Other	0,00	0,00
Highly skilled production (Levels 6-8)	5 092,30	79,00
Highly skilled supervision (Levels 9-12)	4 156,92	56,00
Lower skilled (Levels 1-2)	0,00	0,00
Senior management (Levels 13-16)	610,95	10,00
Skilled (Levels 3-5)	1 665,32	24,00
TOTAL	11 525,49	169,00

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

Table 3.10.5 Leave payouts for the period 1 April 2024 and 31 March 2025

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2024/2025 due to non-utilisation of leave for the previous cycle	0,00	0,00	0,00
Capped leave payouts on termination of service for 20YY/ZZ	0,00	0,00	0,00
Current leave payout on termination of service for 20YY/ZZ	0,00	0,00	0,00
Total	0,00	0,00	0,00

Additional Information Table 3.10.5

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
ANNUAL - DISCOUNTING WITH RESIGNATION (WORK DAYS)	234,00	4,00	58 500,00
ANNUAL - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	2 150,00	56,00	38 393,00
CAPPED - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	3 027,00	17,00	178 059,00
Total	5 411,00	77	278 952
Leave Payouts (Actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567, 0698, 0699, 0701	5 405,00	60,00	90 083

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
Community Development Workers	HIV/Testing and screenings targeting Community development workers Awareness campaigns

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.	Yes		Chief Director: Human Resource Management and Development: Matlala M.L.
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.	Yes		Employee Wellness unit with a total of six officials and headed by a Deputy Director
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.	Yes		The Department is fully implementing Employee Health and Strategic framework for public service and the pillars below are being implemented. HIV & Aids and STI Management Wellness Management Health and Productivity SHERQ Management

Question	Yes	No	Details, if yes
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		1. Boshielo M.E 28 Market Street 2. Chuene C.M Sekhukhune District 3. Fenyane M.C. Sekhukhune District 4. Gumede M.K Hensa Towers 5. Kgare N.O. Waterberg District 6. Kgasago D.D. Waterberg District 7. Letsoalo M.W. 28 Market Street 8. Madadzhe M.T. Vhembe District 9. Madzena T.M. Capricorn District 10. Mahlaule R.G Mopani District 11. Maja N Capricorn District 12. Makhuele G Vhembe District 13. Makotanyane M.J. Sekhukhune District 14. Malebane N.R Capricorn District 15. Malemela S. O Mopani District 16. Maluleke N.E 28 Market Street 17. Mampa M.J Hensa Towers 18. Manamela M.K. Hensa Towers 19. Matambatshika N.E Vhembe District 20. Mathebula T.A Mopani District 21. Matjokotja T. S

Question	Yes	No	Details, if yes
			28 Market Street 22. Matlala K. N Mopani District 23. Maudu S. A Vhembe District 24. Mdluli M.C Hensa Towers 25. Mudau K Hensa Towers 26. Nchabeleng S.K Sekhukhune District 27. Nethononda N Hensa Towers 28. Netshidzati T.P Hensa Towers 29. Netshimbupfe I Hensa Towers 30. Ngolele M.J Mopani District 31. Phasha M.C. Sekhukhune District 32. Rabothata D.P 28 Market Street 33. Ragoasha G Hensa Towers 34. Sambo N.R Hensa Towers 35. Sekhaolelo H Hensa Towers 36. Tovhowani N.G. Vhembe District 37. Makhungo K Hlanganani Satelite office
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.	Yes		- Recruitment Policy - Employment Equity Policy - Skills Development Policy.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		HIV and AIDS and STI Policy

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.			Candlelight Memorial Day-23rd April 2024 40 officials from the district offices participated. Hensa Towers Health Screenings-23 April 2024 HIV testing and Counselling 30 (25 Females and 05 Males) Vhembe Health Screenings 04 June 2024 Health Screenings 26 (17 Females and 09 Males HCT 24 (15 Females and 09 Females) 2nd quarter activities Awareness campaign conducted on the 24 July at Blouberg Municipality and 37 officials tested. Health screenings conducted on the 8th August 2024 at Hensa Towers 20 officials tested. 3rd quarter activities <u>HEALTH SCREENINGS HENSA TOWERS 01ST OCTOBER 2024</u> 04 Officials tested for HIV. 391 Ribbons distributed. WORLD AIDS DAY BUILD -UP ACTIVITIES: OLD MOKABA STADIUM 216 females and 175 males= 391 employees (message of support and wearing red Ribbons) HIV Testing Services=14 (9 Females+ 4 Males) WORLD AIDS DAY COMMEMORATION: THOHOYANDOU INDOOR HALL (VHEMBE DISTRICT) 05 DECEMBER 2024 44 females and 46 males= 90 employees attended HTS: 08 (3 Females+ 5 Males) HTS: 02 December 2024 at Hensa Towers 09 officials tested (05 females and 04 males) 4th Quarter activities Health Screenings were conducted on the 18/02/2025 at Hensa Towers 111 officials attended.

Question	Yes	No	Details, if yes
			Awareness campaign conducted at Lenyenye-Mopani District on the 18/03/202 78 officials attended (28 Males+ 50 Females). HIV Counseling and testing were conducted on the 18/03/2025 (1 Male+2 Females=3).
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Monthly meetings and reporting Quarterly and Annual meetings and reporting Reviews

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2024 and 31 March 2025

Total number of Collective agreements	None
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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 2024 and 31 March 2025

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0	0%
Written warning	1	1%
Final written warning	17	17%
Suspended without pay	8	8%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not guilty	0	0%
Case withdrawn	0	0%
Total	26	26%

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2024 and 31 March 2025

Type of misconduct	Number	% of total
Contravention of Public Service Regulations, 2016	8	8%
Total	8	8%

Table 3.12.4 Grievances logged for the period 1 April 2024 and 31 March 2025

Grievances	Number	% of Total
Number of grievances resolved	10	100,00
Number of grievances not resolved	0	0%
Total number of grievances lodged	10	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2024 and 31 March 2025

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	0	0%
Total number of disputes lodged	3	3%

Table 3.12.6 Strike actions for the period 1 April 2024 and 31 March 2025

Total number of persons working days lost	06
Total costs working days lost	R7225.95
Amount recovered as a result of no work no pay (R'000)	R7225.95

Table 3.12.7 Precautionary suspensions for the period 1 April 2024 and 31 March 2025

Number of people suspended	1
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	60
Cost of suspension(R'000)	R45 792,34

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 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	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	54	0	30	2	0
	Male	81	0	50	1	0

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Professionals	Female	24	1	20	6	0
	Male	29	0	19	4	0
Technicians and associate professionals	Female	8	7	7	0	0
	Male	8	5	7	0	0
Clerks	Female	627	55	400	10	92
	Male	421	16	320	5	23
Service and sales workers	Female	2	0	2	0	0
	Male	1	0	1	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	103	0	50	25	0
	Male	75	0	25	15	0
Sub Total	Female	818	63	509	43	92
	Male	614	21	422	25	23
Total		1432	84	931	68	115

Table 3.13.2 Training provided for the period 1 April 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	54	0	0	231	2
	Male	81	0	0	203	1
Professionals	Female	24	0	01	78	4
	Male	29	0		75	4

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Technicians and associate professionals	Female	8	5	0	2	0
	Male	8	3	04	3	0
Clerks	Female	627	7	48	171	20
	Male	421	0	16	121	10
Service and sales workers	Female	2	0	0	58	0
	Male	1	0	0	28	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	103	0	0	60	10
	Male	75	0	0	26	10
Sub Total	Female	818	12	0	600	36
	Male	614	3	0	456	25
Total		1432	15	69	1056	61

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 2024 and 31 March 2025

Nature of injury on duty	Number	% of total
Required basic medical attention only	04	100%
Temporary Total Disablement	00	0%
Permanent Disablement	00	0%
Fatal	00	0%
Total	04	100%

3.15 Utilisation of Consultants

The following tables relate 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 2024 and 31 March 2025

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Competency Assessment	4	8	R 168 039.90
Personnel Suitability Checks (Verification)	1	47	R 151 702.74
Mr. Shikwambana Psychologist	1	1 year	R 4 040-00
Ms. Mandiwana Psychologist (Psychotherapy)	1	1 year	R 6 400-00
Parks-Med Pharmacy (Medication)	1	1 year	R 53 002-18
Dr Kewana MM Psychiatry	1	1 year	R 89 125-50
Dr Setwaba Mokgadi Psychologist (Psychotherapy)	1	1 year	R 3 760-50
Ms. Lebeso Moipone Psychologist (Psychotherapy)	1	1 year	R 15 400-00
Dr Mokgodi Beatrice Psychologist (Psychotherapy)	1	1 year	R191 748-90
Dr Selahle Lebogang Psychologist (Psychotherapy)	1	1 year	R 39 042-05
SANCA Castle Carey Rehabilitation	1	1 month	R 32 000-00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
14	14	8 years, 1 month and 55 days	R754, 260, 87

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2024 and 31 March 2025

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

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

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2024 and 31 March 2025

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)	00	00	00	00	00
Skilled Levels 3-5)	00	00	00	00	00
Highly skilled production (Levels 6-8)	00	00	00	00	00
Highly skilled supervision(Levels 9-12)	00	00	00	00	00

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	
Senior management (Levels 13-16)	00	00	00	00	00
Total	00	00	00	00	00

PART E: PFMA COMPLIANCE REPORT

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

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	1,250,982	578,952
Adjustment to opening balance	-	(53,855)
Opening balance as restated	1,250,982	525,097
Add: Irregular expenditure confirmed	1,018,695	731,597
Less: Irregular expenditure condoned	(24,123)	(633)
Less: Irregular expenditure not condoned and removed	(134,896)	(5,079)
Less: Irregular expenditure recoverable ¹	-	
Less: Irregular expenditure not recoverable and written off	-	
Closing balance	2,110,658	1,250,982

Irregular expenditure of 1,148,542 was under assessment as at the end of reporting period (2023/24) relating to multi - year projects - 680,696 is for prior year that was confirmed in the current financial year and 467, 846 relates to the current year reporting period. 10,784 irregular expenditure that was under assessment in the 2022/23 FY and confirmed. Irregular expenditure of 5,079 was removed last year and was only recorded under reconciliation notes and not in the table above, hence the adjusted opening balance. Irregular expenditure amounting to 24, 123 was condoned and irregular expenditure of 134,896 was removed.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	467,846	680,696
Irregular expenditure that relates to the prior year and identified in the current year	-	11,471
Irregular expenditure for the current year	550,849	39,430
Total	1,018,695	731,597

¹ Transfer to receivables

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

Description ²	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	-	1,148,542
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	1,018,695	573,282
Total	1,018,695	1,721,824

c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	24,123	(633)
Total	24,123	(633)

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

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	134,896	(5,079)
Total	134,896	(5,079)

Irregular expenditure of 134,896 was removed.

e) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	0	0
Total	0	0

² Group similar items

f) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	0	0
Total	0	0

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
None

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

Description	2024/2025 ^[4]	2023/2024
	R'000	R'000
Construction of Majeje Traditional Council by Rixaladza Trading Enterprise from Department of Public Works	0	6,670
Total	0	6,670

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

Disciplinary steps taken
Four (4) criminal cases were opened against directors of the companies
Final investigation reports were referred to Labour Relations Directorate, wherein 11 implicated officials were recommended for corrective measures.

³ Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	116,793	114,987
Adjustment to opening balance	-	0
Opening balance as restated	116,793	114,987
Add: Fruitless and wasteful expenditure confirmed	12	1,806
Less: Fruitless and wasteful expenditure recoverable ⁴	(812)	-
Less: Fruitless and wasteful expenditure not recoverable and written off	(16)	-
Closing balance	115,993	116,793

Include discussion here where deemed relevant.

The 12 thousand rands is for the late payment of the TV License confirmed and paid in the 2024/2025. The amount of 17,764 relates to possible F&W expenditure identified in the 2023/2024 still under assessment.

Reconciling notes

Description	2024/2025	2023/2024 ⁵
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	17,764
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	1,806
Fruitless and wasteful expenditure for the current year	12	-
Total	12	19,570

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

Description ⁶	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	17,764
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	115,993	114,988
Total	115,993	132,752

⁴ Transfer to receivables

⁵ Record amounts in the year in which it was incurred

⁶ Group similar items

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	115,993	132,752
Total	115,993	132,752

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

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

Disciplinary steps taken
None

1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
▲ Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable ⁷	-	-
Less: unauthorised not recoverable and written off ⁸	-	-
Closing balance	-	-

⁷ Transfer to receivables

⁸ This amount may only be written off against available savings

Reconciling notes

Description	2024/2025	2023/2024 ⁹
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

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

Description ¹⁰	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

1.4. Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii)¹¹

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

⁹ Record amounts in the year in which it occurred

¹⁰ Group similar items

¹¹ Information related to material losses must be disclosed in the annual financial statements.

c) Other material losses recoverable

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

d) Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	7593	2,308,307,723.61
Invoices paid within 30 days or agreed period	7858	2,251,518,943.74
Invoices paid after 30 days or agreed period	141	56,788,779.87
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

Pressure on HSDG resulted in the inability to pay housing claims time.

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Accommodation: 06 people	Mavi Travel	Quotation period less than prescribed period	Q003/24-25	9,676.80

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Accommodation	Uniquedelyle Travel	Quotation period less than prescribed period	Q004/23-24	10,108.80
Accommodation: MEC + 04 PPL	Uniquedelyle Travel	Quotation period less than prescribed period	Q011/24-25	11,586.00
Conference Package	Leeto Travel	Bid committee system not followed	Q002/24-25	31,152.00
Accommodation	JCK Travel	Quotation period less than prescribed period	Q005/24-25	24,500.00
Accommodation: 06 PPL	Abigerl Travel	Quotation period less than prescribed period	Q012/24-25	44,064.00
Accommodation	Rinaye Travels	Variation	Q015/24-25	16,200.00
Accommodation	Uniquedelyle Travel	Quotation period less than prescribed period	Q001/24-25	3,636.00
Publishing of general notices, by-laws and Legislations in the Government Gazette for 2024/25 financial year.	Government Printing Works	Government Printing Works is a governmental component that specializes in government printing publications in the government gazette.	Coghsta E01 / 2024-25 FY	0
Accommodation: 07 PPL	Batlokwa Travel	Bid committee system not followed	Q021/24-25	58,117.50
Accommodation	Dukes Supply	Variation	Q030/24-25	11,172.00
Accommodation: 07 PPL	Hazon Travel	Quotation period less than prescribed period	Q019/24-25	26,000.00
Accommodation: 02 PPL	JCK Travel	Quotation period less than prescribed period	Q033/24-25	3,672.00
Accommodation	Uniquedelyle Travel	Quotation period less than prescribed period	Q035/24-25	3,672.00
Accommodation	JCK Travel	Quotation period less than prescribed period	Q037/24-25	13,400.00
Accommodation	JCK Travel	Quotation period less than prescribed period	Q034/24-25	26,400.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Accommodation: 02 PPL	Rinaye Travels	Quotation period less than prescribed period	Q41/24-25	2,600.00
Accommodation	Rinaye Travels	Quotation period less than prescribed period	Q042/24-25	1,375.00
Conference Package	Rekopane Supply	Bid committee system not followed	Q045/24-25	49,500.00
Accommodation: 02 PPL	JCK Travel	Quotation period less than prescribed period	Q052/24-25	14,300.00
Accommodation	Leeto Travel	Bid committee system not followed	Q057/24-25	33,684.00
Catering: 30 PPL	Matema Catering + Cleaning	Quotation period less than prescribed period	Q039/24-25	10,800.00
Advertisement of post	Fundudzi (Sundry World)	Bid committee system not followed	Q014/23-24	322,000.00
Accommodation: 03 PPL	JCK Travel	Quotation period less than prescribed period	Q054/24-25	10,800.00
Accommodation	Algamated Lebone Travel Serv	Bid committee system not followed	Q049/24-25	43,329.60
Accommodation: 06 PPL	Leeto Travel	Quotation period less than prescribed period	Q059/24-25	25,560.00
Accommodation: 04 PPL	MAVI Travel	Quotation period less than prescribed period	Q068/24-25	16,324.00
Accommodation	Hazon Travel	Quotation period less than prescribed period	Q066/24-25	3,560.00
Accommodation: 04 PPL	JCK Travel	Quotation period less than prescribed period	Q069/24-25	16,140.00
Catering	Bana Ba Metsi Trading	Quotation period less than prescribed period	Q074/24-25	2,775.00
Accommodation: 02 PPL	Twinsglobal Travel	Quotation period less than prescribed period	Q076/24-25	9,936.00
Car Rental,Acco, Conference	Dukes Supply	Bid committee system not followed	Q067/24-25	70,000.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Accommodation: 04 PPL	Moonlight Travel	Quotation period less than prescribed period	Q058/24-25	29,223.72
Accommodation	Rinaye Travels	Quotation period less than prescribed period	Q080/24-25	8,600.00
Accommodation	Twinsglobal Travel	Quotation period less than prescribed period	Q077/24-25	64,000.00
Accommodation: 02 PPL	Jck Travel Agency	Quotation period less than prescribed period	Q084/24-25	7,620.00
Accommodation	Hazon Travel	Quotation period less than prescribed period	Q081/24-25	3,580.00
Accommodation	Image Travel	Quotation period less than prescribed period	Q087/24-25	3,255.00
Conference Package	Hazon Travel	Quotation period less than prescribed period	Q078/24-25	18,100.00
Purchase of library books.	N/A	N/A	Coghsta E02 / 2024-25 FY	0
Accommodation	Twinsglobal Travel	Bid committee system not followed	Q086/24-25	40,500.00
Accommodation	JCK Travel	Bid committee system not followed		137,000.00
Accommodation	Twinsglobal Travel	Bid committee system not followed	Q082/24-25	95,587.50
Accommodation	Twinsglobal Travel	Bid committee system not followed	Q090/24-25	30,600.00
Catering	Alaisha	Quotation period less than prescribed period	Q092/24-25	60,700.00
Conference Package	Clarob Travel Agency	Bid committee system not followed	Q085/24-25	43,700.00
Accommodation	All World Travel	Quotation period less than prescribed period	Q093/24-25	20,563.20
Accommodation	Tshonedi Travel	Quotation period less than prescribed period	Q097/24-25	10,695.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Accommodation	Rinaye Travels	Bid committee system not followed	Q098/24-25	38,300.00
Accommodation: 50 PPL	Rinaye Travels	Bid committee system not followed	Q072/24-25	237,200.00
Accommodation	Rinaye Travels	Quotation period less than prescribed period	Q107/24-25	7,160.00
Accommodation	Maredi Travel	Quotation period less than prescribed period	Q116/24-25	4,956.00
Accommodation	Taumokwena Holdings	Quotation period less than prescribed period	Q083/24-25	10,637.50
Accommodation	Maredi Travel	Bid committee system not followed	Q096/24-25	68,023.80
Accommodation	Talichacumi Travel Agency	Quotation period less than prescribed period	Q113/24-25	7,650.00
Accommodation	Hazon Travel	Quotation period less than prescribed period	Q115/24-25	5,370.00
Accommodation	Masingitas Travel	Quotation period less than prescribed period	Q130/24-25	10,005.00
Catering	Raytoo	Quotation period less than prescribed period	Q122/24-25	4,370.00
Accommodation	Masingitas Travel	Bid committee system not followed	Q140/24-25	339,660.00
Conference	Alaisha	Quotation period less than prescribed period	Q142/23-24	12,094.00
Accommodation	Maredi Travel	Quotation period less than prescribed period	Q144/24-25	26,587.50
Accom, Flightd & Car Rental	Twinsglobal Travel	Bid committee system not followed	Q145/24-25	42,295.00
Conference: 45 PPL	Algamated Lebone Travel	Quotation period less than prescribed period	Q156/24-25	23,364.00
Catering	Kwenahle Pty Ltd	Quotation period less than prescribed period	Q157/23-24	8,500.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Accommodation: 47 PPL	Fly Zone Travelling	Bid committee system not followed	Q192/24-25	86,200.00
Conference: 65 Ppl	Leeto Travel	Bid committee system not followed	Q191/24-25	66,924.00
Accommodation: 04 PPL	Dinyben Travel	Quotation period less than prescribed period	Q205/24-25	10,600.00
Catering: 60 PPL	Thole Events Management	Quotation period less than prescribed period	Q197/24-25	10,200.00
Accommodation: 05 PPL	Leeto Travel Services	Bid committee system not followed	Q214/24-25	37,332.00
Accommodation: 07 PPL	All World Travel	Bid committee system not followed	Q229/24-25	36,949.50
Appointment of service provider to provide provincial newspaper for advertisement of EPWP positions.	Northern Media Group	Northern Media Group has the capacity to reach all districts in the Province through its combo deal.	Coghsta E03 / 2024-25 FY	29 927.83
Catering	Pheeha Trading	Bid committee system not followed	Q363/24-25	41,140.50
Accommodation: 02 PPL	Hans Van Resburg Travel	Quotation period less than prescribed period	Q386/24-25	6,670.00
Procurement of publication of notice in the Provincial print media calling for nomination of members of Limpopo Rental Housing Tribunal	Northern Media Group	Northern Media Group has the capacity to reach all districts in the Province through its combo deal.	Coghsta E04 / 2024-25 24 FY	R 51 105.95
Procurement of publication of notice in the Provincial print media calling for nomination of members of Limpopo Housing Tribunal Advisory Panel	Northern Media Group	Northern Media Group has the capacity to reach all districts in the Province through its combo deal.	Coghsta E06 / 2024-25 FY	R 48 178.48
Accommodation: 09 PPL	Rinaye Travels	Bid committee system not followed	Q399/24-25	148,400.00
Accom, Flight & Car Rental	Reakgona Travel	Variation	Q407/24-25	655,852.50

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Accommodation & Transport	Maredi Travel	Bid committee system not followed	Q401/24-25	279,843.60
Accommodation: 03 PPL	Mavi Travel	Quotation period less than prescribed period	Q421/24-25	22,608.80
Accommodation: 02 PPL	Leeto Travel Services	Quotation period less than prescribed period	Q433/24-25	7,000.00
Accommodation: 01 PPL	Mavi Travel	Bid committee system not followed	Q423/24-25	51,307.20
Accommodation	Fly Zone Travelling	Quotation period less than prescribed period	Q443/24-25	3,825.00
Accommodation	Hazon Travel	Quotation period less than prescribed period	Q446/24-25	22,500.00
Appointment of service provider for annual license fees renewal of Frama Franking Machine	Frama Pty Ltd	Frama Pty Ltd is a sole supplier authorized operator of a remote meter-setting system approved by the South African Post Office.	Coghsta E08 / 2024-25 FY	R 3 660.45
CATERING	MOKGALEMA TRADING	Quotation period less than prescribed period	Q454/24-25	25,500.00
Car Rental, Accommm & Flight: 04 PPL	Mavi Travel	Bid committee system not followed	Q442/24-25	78,500.00
Shuttle, Accommm,Flight	Hazon Travel	Bid committee system not followed	Q450/24-25	30,400.00
Car Rental, Accommm & Flight: 02 PPL	Abigerl Travel Agency	Bid committee system not followed	Q455/24-25	48,529.98
Car Rental, Accommm & Flight: 03 PPL	Fly Zone Travelling	Bid committee system not followed	Q469/24-25	75,000.00
Conference	Jck Travel	Variation	Q473/24-25	37,674.00
Accommodation	Leeto Travel Services	Quotation period less than prescribed period	Q479/24-25	9,840.00
Accommodation: 04 PPL	Uniquedelyle Travel Agency	Quotation period less than prescribed period	Q481/24-25	10,509.60

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Accommodation: 08 Ppl	Uniquedelyle Travel Agency	Quotation period less than prescribed period	Q484/24-25	29,264.00
Catering	Maididi Catering	Quotation period less than prescribed period	Q351/24-25	9,000.00
Accommodation	Hazon Travel	Bid committee system not followed	Q489/24-25	593,900.00
Interim Accommodation	Jowis Travel	Bid committee system not followed	Q466/24-25	52,486.80
Interim Accommodation	Jowis Travel	Bid committee system not followed	Q466/24-25	52,486.80
Accom, Flight & Car Rental	Reakgona Travel	Bid committee system not followed	Q480/24-25	359,627.40
Car Rental, Accom & Flight	Uniquedelyle Travel Agency	Bid committee system not followed	Q490/24-25	62,836.18
Car Rental, Accom & Flight	Maredi Travel	Bid committee system not followed	Q496/24-25	54,962.50
Accommodation	Leeto Travel Services	Quotation period less than prescribed period	Q493/24-25	5,270.00
Procurement of Catering	Makapu General Supplier	Quotation period less than prescribed period	Q475/24-25	8,820.00
Accommodation: 01 PPL	Maredi Travel	Quotation period less than prescribed period	Q513/24-25	3,641.40
Conference	Maredi Travel	Quotation period less than prescribed period	Q491/24-25	33,696.00
Catering	Mash African Cuisine	Quotation period less than prescribed period	Q519/24-25	6,750.00
Accommodation, meals, car rental & flights	Hey Traveller	Bid committee system not followed	CoGHSTA Q541/24-25FY	102 660.00
Accommodation, meals, car rental & flights	Litha-Lethu Management Solutions	Bid committee system not followed	CoGHSTA Q543/24-25FY	37 342.20
Accommodation & meals for 6 officials	Rinay Travels	Bid committee system not followed	CoGHSTA Q563/24-25FY	33 000.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Conference 75 people/PLK	Travel Reps	Bid committee system not followed	CoGHSTA Q541/24-25FY	44 040.00
Accommodation & meals	Talithacumi Travel Agency & Projects	Bid committee system not followed	CoGHSTA Q553/24-25FY	30 600.00
Accommodation & meals	Rinaye Travel & Projects	Bid committee system not followed	CoGHSTA Q544/24-25FY	38 300.00
Accommodation, meals, flights & car rental	Serenity Travel	Bid committee system not followed	CoGHSTA Q544/24-25FY	122 448.00
Acc & meals	KLM TRAVEL	Bid committee system not followed	CoGHSTA Q565/24-25FY	330 114.40
Accommodation, meals, flights & car rental	Clarob Travel	Bid committee system not followed	CoGHSTA Q569/24-25FY	49 608.00
Acc & meals	Travel Reps	Bid committee system not followed	CoGHSTA Q574/24-25FY	58 509.20
Acc & meals	Hazon Travel and Projects	Bid committee system not followed	CoGHSTA Q578/24-25FY	81 800.00
Acc & meals	Dukes Supply and Projects	Bid committee system not followed	CoGHSTA Q579/24-25FY	45 532.80
Acc & meals	Fly Zone Travelling Agency	Bid committee system not followed	CoGHSTA Q581/24-25FY	40 780.00
Acc & meals for 7 Officials	All world Travel	Bid committee system not followed	CoGHSTA Q582/24-25FY	49 266.00
Acc & meals	Casopus Travel & Projects	Bid committee system not followed	CoGHSTA Q586/24-25FY	87 141.63
Competency Base Assessment	Treetops Management and Development Consultants	Bid committee system not followed	CoGHSTA Q587/24-25FY	56013.3
Acc & meals 4 officials	Maredi Travel	Bid committee system not followed	CoGHSTA Q584/24-25FY	54 100.00
Flights, acc & meals	Leeto Travel	Bid committee system not followed	CoGHSTA Q589/24-25FY	71 102.00
Acc & meals	KML Travel	Bid committee system not followed	CoGHSTA Q601/24-25FY	86 445.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Acc & meals	Hazon Travel and Projects	Bid committee system not followed	CoGHSTA Q605/24-25FY	51 600.00
Acc & meals for 10 officials Pta	Rinaye and Projects	Bid committee system not followed	CoGHSTA Q607/24-25FY	144 400.00
Competency Base Assessment	Assesment Toolbox	Bid committee system not followed	CoGHSTA Q603/24-25FY	65 348.85
Confernece & accommodation	Hazon Travel and Projects	Bid committee system not followed	CoGHSTA Q620/24-25FY	327 900.00
Acc & meals	Hazon Travel and Projects	Bid committee system not followed	CoGHSTA Q628/24-25FY	107 700.00
Acc & meals	Rinaye Travel	Bid committee system not followed	CoGHSTA Q625/24-25FY	152 100.00
Acc & meals	Fly Zone Travelling Agency	Bid committee system not followed	CoGHSTA Q633/24-25FY	80 000.00
Acc & meals	Fly Zone Travelling Agency	Bid committee system not followed	CoGHSTA Q634/24-25FY	87 000.00
Acc & meals	Maredi Travel	Bid committee system not followed	CoGHSTA Q636/24-25FY	46 200.00
Acc & meals	Maredi Travel	Bid committee system not followed	CoGHSTA Q648/24-25FY	41 284.80
Flights, acc & meals	Mavi Travel	Bid committee system not followed	CoGHSTA Q661/24-25FY	42 690.24
Flihgts, Acc & meals Moshwana DJ and Mamabole Cape Town	Maredi Travel	Bid committee system not followed	CoGHSTA Q643/24-25FY	43 920.20
Venue, coference, acc, meals	Rinaye Travels & Projects	Bid committee system not followed	CoGHSTA Q544/24-25FY	460 000.00
Transport	Venda Travelling Agency	Bid committee system not followed	CoGHSTA Q679/24-25FY	48 000.00
Transport	Merakong Enterprise	Bid committee system not followed	CoGHSTA Q677/24-25FY	362 100.00
Transport Mopani	Maredi Travel	Bid committee system not followed	CoGHSTA Q676/24-25FY	193 125.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Transport	Maredi Travel	Bid committee system not followed	CoGHSTA Q678/24-25FY	395 206.80
Conference for 50 officials	Maredi Travel	Bid committee system not followed	CoGHSTA Q67/24-25FY	34 375.00
Transport Capricorn	Fly Zone Travelling Agency	Bid committee system not followed	CoGHSTA Q689/24-25FY	94 400.00
Acc & meals	Ba Mokhomole Trading Projects	Bid committee system not followed	CoGHSTA Q641/24-25FY	107 526.60
Acc & meals 20 officials	Leeto Travel	Bid committee system not followed	CoGHSTA Q687/24-25FY	36 108.00

3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Implementing Agent for vingerkraal informal settlement (For Design and installation of bulk bulk services and construction of 215 units)	Housing development Agency	Variation	N21060008/1	R84 128 000.00	R0	R0
Installation of the Bulk Engineering at Masakaneng to conduct Geotechnical Investigation, design and installation of bulk Engineering	Morula Consulting Engineering	Variation	COGHSTAB1 9/18-19FY	R35 927 000.00	R0	R0

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
services (Water, Sewer and N11 Intersection)						
Conduct Geotechnical Investigation, design and install engineering services of 420 sites at Makhado local municipality	Rhandzo Project	Expansion	COGHSTAB19/18-19FY	R19 913 700.00	R0	R3 448 620.00
Implementing Agent for construction and completion of 225 units which is the remainder of 1445 units within Sekhukhune and Capricorn district municipality	Housing development Agency	Variation	COGHSTAE18/2017-18FY	R26 002 575.00	R0	R483 100.00
Informal settlements upgrading programme to conduct geotechnical design and install engineering services of 200 sites at Belabela Ext 25	Loato Engineers	Variation	COGHSTB12/2021-22FY	R11 000 000.00	R0	R1 100 000.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
settlements upgrading programme to conduct geotechnical design and install engineering services of 200 sites at Bela-Bela Ext 25	Zakumi Engineers	Variation	COGHSTB12/2021-22FY	R11 000 000.00	R0	R1 100 000.00
Development of 80 Housing Units at Elias Motsoaledi Local Municipality within Sekhukhune District Municipality	Bateline Investment	Variation	COGHSTAB10/21-22FY	R11 177 760.00	R0	(R 3 630 172)
Development of 36 Housing Units at Makhuduthamga Local Municipality within Sekhukhune District Municipality	Silver Edge	Variation	COGHSTAB04/19-20FY	R5 029 992.00	R0	(R 5 029 992)
Development of 36 Housing Units at Makhuduthamga Local Municipality within Sekhukhune District Municipality	Bonumart	Variation	COGHSTAB04/19-20FY	R5 029 992.00	R0	(R 1 816 386)

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Development of 200 Housing Units at Elias Motsoaledi Local Municipality within Sekhukhune District Municipality	Capotex Trading	Variation	COGHSTAB10/21-22FY	R27 944 400.00	R0	(R8 942 208)
Development of 200 Housing Units at Makhado Local Municipality within Vhembe District Municipality	Tubatse Products	Variation	COGHSTAB10/21-22FY	R27 944 400.00	R0	(R 13 972 200)
Development of 200 Housing Units at Fetakgomo Tubatse Local Municipality within Sekhukhune District Municipality	Ntsiana Trading Enterprise	Variation	COGHSTAB10/21-22FY	R27 944 400.00	R0	(R15 229 698)
Development of 80 Housing units in Makhado Local Municipality within Vhembe District Municipality	Mahlogo A Pheladi	Variation	COGHSTAB10/21-22FY	R 11 177 760.00	R0	(R 1 956 108)
Development of 80 Rural housing units at Polokwane Local Municipality	Todani (Pty) Ltd	Variation	COGHTAB04/2019-20FY	R 9 245 360.00	R0	(R 279 444)

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
within Capricorn District Municipality						
Informal Settlements Upgrading Program. For the Detailed Design, Contract Documentation and Construction Monitoring and Control for Bulk Engineering Services for the Bulk Water Pipeline (Estimated at 1.0km), Elevated Tower, Booster pump, Boreholes Assessment and Connector lines at Senwabarwana Within Blouberg Local Municipality.	MVE Consulting Engineers. Development at Agency	Variation	COGHSTA RFP 32/2022-23FY	R6 832 000.00	R0	R1 321 435.50
Development of 136 Housing Units at Elias Motsoaledi Local Municipality Within Sekhukhune District Municipality	Capotex Trading Enterprise	Variation	COGHSTAB10/2021-22FY/24(TS-200	R19 002 192.00	R0	(R4 471 104.00)

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Rural and Urban Subsidies Top Structures The Development of 200 Housing Units at Thabazimbi Local Municipality Within Waterberg District Municipality Housing Project Number	Seedi Development Projects	Variation	COGHSTA B10/2021-22FY/08	R27 944 400.00	R0	(R5 449 158.00)
Rural and Urban Ubsidies top structure The Development of 45 Housing Units and unblocking of 06 at Greater Letaba Local Municipality Within Mopani District Municipality Housing Project Number	Fluid Con Trading & Projects	Variation	COGHSTAB10/2021-22FY/42	R6 880 900.56	R0	R784 210.00
For the Detailed Design , Contract Documentation and Construction Monitoring and Control for Bulk Engineering Services for the Bulk Water Pipeline (Estimated at 1.150km), Elevated Storage	Ziloprox	Variation	COGHSTA RFP 30/2022-23FY	R6 325 101.25	R0	R7 489 770.01

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
(0.2ml) With Booster Pump and Boreholes Assessment at Mogwadi Within Molemole Local Municipality						
Development of 80 housing units at Collins Chabane Local Municipality within Vhembe District Municipality	Mokhutloane Trading Enterprise cc	Variation	COGHSTAB10/2021-22FY/20(TS)	R942 940.00	R0	R47 104.72
Transfer of 500 properties (Government Subsidies' houses) Residential properties / units which includes registration and endorsement and transfer of 15 properties at Polokwane ext 127 in Polokwane Local Municipality with Capricorn municipality	Ramaite Nesengani	Variation	COGHSTAB03/2023/24FY	R226 300.00	R0	R20 250.00
Transfer of 1002 properties (Government Subsidies' houses) Residential	Phaleng Podile	Variation	COGHSTAB03/2023/24FY	R132 175.00	R0	R20 250.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
properties / units which includes registration and endorsement						
Development of 36 Housing Units at Magalakwena Local Municipality within Waterberg District Municipality	Hlales Business Enterprise	Variation	COGHSTAB04/19-20FY	R5 029 992.00	R0	R586 832.40
Installation of internal services for 200 sites at Bela Bela Ext 25 in Bela Bela Municipality	Siyeza Consulting Engineers	Variation	COGHSTB12/2021-22FY	R11 000 000.00	R0	R534 876.40
Installation of internal services for 187 sites at Bela Bela Ext 25 in Bela Bela Municipality	Mont Consulting Engineering	Variation	COGHSTB12/2021-22FY	R10 285 000.00	R0	R359 876.40
Installation of internal services for 200 sites at Game Farm in Elias Motsoaledi Municipality	BPM2 Consulting Enginners	Variation	COGHSTB12/2021-22FY	R11 000 000.00	R0	R534 072.00
Development of 181 housing units at Lephalale local Municipality	Mokiblelo Investment Holding	Variation	COGHSTAB10/21-22FY/82/(TS181)	R32 792 132.00	R0	R1 719 000.00
Development of 182 housing units at Lephalale local Municipality	Khum Mk investment	Variation	COGHSTAB10/21-22FY/78/(TS182)	R32 973 304.00	R0	R1 729 000.00
Development of 183 housing	RSMM Construction	Variation	COGHSTAB10/21-	R33 154 476.00	R0	R950 000.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
units at Thabazimbi local municipality			22FY/84/(TS183)			
Development of 45 Housing units at Mogalakwena local Municipality	Shabback Business Enterprise MAAA0467516	Variation	COGHSTAB10/21-22FY/107/(TS45)	R8 152 400.00	R0	R332 500.00
Development of 183 Housing units at Mogalakwena & Thabazimbi local Municipality	Xiluvelweni Projects cc	Variation	COGHSTAB10/21-22FY/83/(TS183)	R33 154 476.00	R0	R380 000.00
Development of 180 Housing units at Greater Tzaneen local municipality	Asima Solution	Variation	COGHSTAB10/21-22FY/69/(TS180)	R32 610 960.00	R0	R1 710 000.00
Development of 45 Housing units at Greater Letaba local municipality	Hlanhlane Developers	Variation	COGHSTAB10/21-22FY/106/(TS45)	R8 152 400.00	R0	R389 500.00
Development of 186 Housing units at Greater Giyani local municipality	Jammnar Construction	Variation	COGHSTAB10/21-22FY/68/(TS186)	R33 697 992.00	R0	R1 767 000.00
Development of 45 Housing units at Greater Tzaneen local municipality	Mc Tee Holding	Variation	COGHSTAB10/21-22FY/99/(TS45)	R8 152 400.00	R0	R427 500.00
Development of 72 Housing units at Greater Tzaneen local municipality	Sophy and Jack Shop Training and Civil Construction	Variation	COGHSTAB10/21-22FY/90/(TS72)	R13 044 384.00	R0	R684 000.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Development of 72 Housing units at Greater Letaba local municipality	Mokhutloane Trading Enterprise	Variation	COGHSTAB10/21-22FY/87/(TS72)	R13 044 384.00	R0	R684 000.00
Development of 192 Housing units at Maruleng local municipality	Ramatsobane Developers	Variation	COGHSTAB10/21-22FY/80/(TS192)	R34 785 024.00	R0	R1 824 000.00
Development of 72 Housing units at Bluberg local municipality	Emole Group Jv Kgahlodi	Variation	COGHSTAB10/21-22FY/89/(TS72)	R13 044 384.00	R0	R684 000.00
Development of 192 Housing units at Lepelle Nkumpi local municipality	Ixplore CC	Variation	COGHSTAB10/21-22FY/66/(TS192)	R34 787 024.00	R0	R1577 000.00
Development of 45 Housing units at Blouberg local municipality	Maweja Management Development Project	Variation	COGHSTAB10/21-22FY/100/(TS45)	R8 152 400.00	R0	R427 500.00
Development of 45 Housing units at Molemole local municipality	Mona Holding	Variation	COGHSTAB10/21-22FY/98/(TS45)	R8 152 400.00	R0	R427 500.00
Development of 70 Housing units at Molemole local municipality	Nax Most Construction	Variation	COGHSTAB10/21-22FY/96/(TS70)	R12 682 040.00	R0	R665 000.00
Development of 183 Housing units at Makhado local municipality	Arocon Jv Tentamount	Variation	COGHSTAB10/21-22FY/70/(TS183)	R33 154 476.00	R0	R1738 500.00
Development of 183 Housing units at Thulamela local municipality	Ledile Trading	Variation	COGHSTAB10/21-22FY/81/(TS183)	R33 154 476.00	R0	R1 729 000.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Development of 183 Housing units at musina local municipality	Muthathe Building Construction	Variation	COGHSTAB10/21-22FY/79/(TS183) R33 154 476.00	R33 154 476.00	R0	R1 738 500.00
Development of 45 Housing units at Collins Chabane local municipality	Nicole Construction and Projects	Variation	COGHSTAB10/21-22FY/104/(TS45)	R8 152 400.00	R0	R427 500.00
Development of 183 Housing units at musina local municipality	T and C Civils	Variation	COGHSTAB10/21-22FY/76/(TS183)	R33 154 476.00	R0	R1 738 500.00
Development of 179 Housing units at fetakgomo Tubatse local municipality	Chisa Multi Projects	Variation	COGHSTAB10/21-22FY/73/(TS179)	R32 429 788.00	R0	R1 700 500.00
Development of 179 Housing units at fetakgomo Tubatse local municipality	Ecotroopers	Variation	COGHSTAB10/21-22FY/77/(TS179)	R32 429 788.00	R0	R1 700 500.00
Development of 72 Housing units at fetakgomo Tubatse local municipality	Manekwane Business Enterprise	Variation	COGHSTAB10/21-22FY/94/(TS-72)	R130 044 384.00	R0	R684 000.00
Development of 76 Housing units at Ephraim mogale local municipality	Masailor Construction	Variation	COGHSTAB10/21-22FY/92/(TS76)	R13 769 072.00	R0	R722 000.00
Development of 45 Housing units at fetakgomo	Moafrica Construction	Variation	COGHSTAB10/21-22FY/105/(TS45)	R8 152 400.00	R0	R427 500.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Tubatse local municipality						
Development of 179 Housing units at elias motsoaledi local municipality	Sibongile Thembesile Florence Trading	Variation	COGHSTAB10/21-22FY/72/(TS179)	R32 429 788.00	R0	R1 700 500.00
Development of 200 housing units, 02 Military Veterans Housing units and Unblocking of 13 Units at Collins Chabane and Thulamela Local Municipalities within Vhembe Districts Municipality	Nhlohlorhi Trading Enterprise Trading T/A Telegenix Development Agency	Variation	COGHSTA 10/2021-22FY /16/(TS 200)	R27 944 400.00	R0	R190 672.00
Development of 200 housing units at Lepelle Nkumpi local municipality within Capricorn District Municipality	Mamondo Development and Construction	Variation	COGHSTAB10/2021-22FY/03(TS-200)	R27 944 400.00	R0	R1 711 594.50
Allocation of units for construction of low-cost houses (RDP) for 2024/2025 financial year	Ramkol Construction and Projects	Variation	COGHSTA B10/2021-2022FY	R27 944 400.00	R0	R4 471 104.00
Allocation of units for construction of low-cost houses	Zorha Khan Developers	Variation	COGHSTA B10/2021-22FY	R29 168 692.00	R0	R7 065 708.00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
(RDP) for 2024/25 financial year						
Request for reduction of scope of work (100 units) for Brooklyn project 21 cc in Makhuduthamaga Local Municipality	Brooklyn project 21 cc	Variation	COGHSTA B10/2021-22FY	R34 422 680.00	R0	(R19 067 200.00)
Construction project management services to human settlements programmes and projects in the five (05) district municipalities in Limpopo Province	Face of Earth	Variation	COGHSTAB11/2020-21FY	R 9,4273,000.00	R0	R9 303 325.00
Request for relocation of asbestos removal from Seshego to Polokwane extension 44 and extension of scope of work for 45 removals of asbestos within Polokwane Municipality	Housing Development Agency (HAD)	Variation	n/a	R 53,600,000.00	R0	R 1 584 797.79

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Procurement of accomodation, meals, flight and car rental for MEC Makamu, two protectors and two officials who will be attending meeting in Cape Town.	Abigerl Travel Agency	Variation	CoghstaQ457-24-25FY	R 89 121,43	R0	R 32 570,80
Procurement of accomodation, meals, flights and shuttle for MEC, 2 officials and head of department who will be attending 12 th world urban forum in Egypt international exhibition centre Cairo on the 03-09 November 2024.	Reakgona Travel Services	Variation	CoghstaQ407-24-25FY	R 606 670,00	R0	R 49 182,50
Procurement of accommodation and meals for MEC, two protectors and one official.	Maredi Travel Services	Variation	CoghstaQ396-24-25FY	R 9 259,80	R0	R 2 140,20
Accomodation, meals and flights for three officials who will be attending 2 nd African association of accountant general	Reakgona Travel Services	Variation	CoghstaQ480-24-25FY	R 359 627.40	R0	R 6 566,25

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
conference in arusha international conference centre, arusha-Tanzania from the 02 to 06 December 2024						
The development of 200 housing units at Makhado Local Municipality within Vhembe District Municipality	Tubatse products	Variation	COGHSTA B10/2021-22FY /05/(TS 200)	R27 944 400.00	R0	(R838 332.00)
The development of 183 housing units at Thulamela local Municipality within Vhembe District Municipality housing project	Ledile Trading	Variation	COGHSTAB10/2021-22FY/81(TS-183)	R33 154 476.00	R0	R9 500.00
To conduct geotechnical investigation, design and install engineering services (water and sewer reticulation, grading of all roads, fire-hydrants and provision for house	Akwethu Engineering and Development (Pty) Ltd	Variation	COGHSTA B12/2021-22FY/15	R3 355 000.00	R0	(R110 000.00)

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
connections) of 61 sites at masakaneng in Elias Motsoaledi local municipality within Sekhukhune District Municipality						
Dedicated Virtual Private Network (VPN) services	SITA	Variation	Anne O to SLA 1030	R24 033 373.76	R0	N/A
Development of 40 housing units at Makhado local municipality within Vhembe District	Splish Splash	Variation	COGHSTA B10/2021-22FY	R5 588 880.00	R0	R838 332.00
To conduct geotechnical investigation, design and install engineering services (water and sewer reticulation, grading of roads, fire hydrants and provision of house connections) of 200 sites at Bela-Bela Local Municipality extension 25 in Waterberg District Municipality	Loato Engineering	Variation	COGHSTB12/2021-22FY/12	R11 000 000.00	R0	R483 219.88

PART F: FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to Limpopo Provincial Legislature on vote no. 11: Department of Co-operative Governance, Human Settlements and Traditional Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA) set out on pages 213 to 308, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and 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 Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA) as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the requirements of Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act of South Africa 24 of 2024 (DoRA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International *Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Significant uncertainties

7. With reference to note 25.1 of the financial statements, the department is currently involved in litigation with various service providers and third parties. The ultimate outcome of these matters could not be determined and no provision for any liability that may result has been made in the financial statements.

Impairment of receivables

8. As disclosed in note 14.6 to the financial statements, the department made an impairment provision of R15 990 000 (2024: R15 226 000) in respect of doubtful receivables.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 298 to 312 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 thereon.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

13. 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.

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 211 of the annexure to the auditor's report, forms part of my auditor's report.

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
16. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

[Programme]	Page numbers	Purpose
Programme 2: Human settlements	[42-51]	To ensure the provision of housing development, access to adequate accommodation in relevant well-located areas, access to basic services and access to social infrastructure and economic opportunities.
Programme 3: Cooperative governance	[52-62]	The programme aims to provide technical and oversight support to municipalities in terms of implementing their mandates.

17. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
18. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included

- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

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

20. I did not identify any material findings on the reported performance information for the programme 3: Cooperative Governance.

AND

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

Programme 2 – Human settlements

Various indicators

22. An achievement of the indicators listed below was reported against the targets as listed below. I could not determine if the reported achievement was correct, as the processes established to consistently measure and report achievements were inadequate. Adequate supporting evidence was also not provided for auditing. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Indicator description	Target	Reported achievement
2.3.1. Number of pre-1994 title deeds registered.	30	28
2.3.2. Number of post-1994 title deeds registered.	514	267
2.3.3. Number of post 2014 title deeds registered.	325	360
2.3.4. Number of new title deeds registered.	591	258

2.2.3 Number of integrated implementations programmes for priority development areas completed per year

23. No target was set for this indicator. However, the reasons for this did not agree to the audit evidence. Consequently, the target is not useful for measuring and monitoring progress against the department's planned objectives.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

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

26. The tables that follow provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 44 to 61.

Programme 2: Human settlements

<i>Targets achieved: 63.2%</i>		
<i>Budget spent: 99.9%</i>		
Key [service delivery] indicator not achieved	Planned target	Reported achievement
2.2.2 Hectares of land acquired	20 ha	0
2.2.6 Number of serviced sites delivered	5 309	3 254
2.2.8 Number of Community Residential Units (CRU) delivered	514	0
2.2.9 Number of job opportunities created through construction of houses and servicing of sites	3200	1317
2.3.1 Number of pre-1994 title deeds registered	30	28
2.3.2 Number of post 1994 title deeds registered	514	267
2.3.2 Number of new title deeds registered	591	258

Programme 3: Cooperative Governance

Targets achieved: 96.2%		
Budget spent: 94.3%		
Key [service delivery] indicator not achieved	Planned target	Reported achievement
3.4.8. Number of work opportunities reported through Community Work Programme (CWP) (MTSF 2019-2024, Priority 2)	30 000	21 489

Material misstatements

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 2: Human Settlements. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

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

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

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

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

Annual financial statements

32. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1) (a) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.

Asset management

33. Processes and procedures were not in place at the department for the efficient use of the institution's assets, as required by treasury regulation 10.1.2.

Procurement and contract management

34. Some of the contracts were awarded to bidders based on evaluation/adjudication criteria that differed from those stipulated in the original invitation for bidding as required by Treasury Regulation 16A6.3(a) and (b). Similar non-compliance was also reported in the prior year.

Strategic planning and performance management

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

Other information in the annual report

36. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
37. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
38. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
39. The other information I obtained prior to the date of this auditor's report are the PFMA compliance report and the accounting officer's report, and the audit committee's report is expected to be made available to us after 31 July 2025.
40. When I do receive and read the audit committee's report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

41. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
42. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
43. The accounting officer did not maintain adequate oversight and monitoring controls to ensure adherence to internal policies and procedures, reliability of quarterly performance reporting and the monitoring of the post audit action plan. Furthermore, leadership did not address control deficiencies as identified in the prior year.
44. Management did not generate accurate and complete internal reports to support reported results and compliance with legislation, whilst the lack of adequate internal controls compounds these deficiencies. Consequently, management was unable to prepare performance reports that were free from material misstatements or to ensure compliance with laws and regulations.
45. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support performance reporting.
46. Management did not establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities. A slow response from management to address the inadequate systems of internal controls resulted in us allowing adjustments to the financial statements.
47. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored. The department has incurred irregular expenditure which was disclosed in the financial statements.

Other reports

48. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
49. The National Treasury appointed an external service provider to investigate an allegation of irregular appointment of one service provider on the database for engineering consultants to conduct geotechnical investigations designs and install engineering services at the request of the

department, which covered the period 2018-19 to 2021-22. The investigation was in progress at the date of this auditor's report.

Polokwane

31 July 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

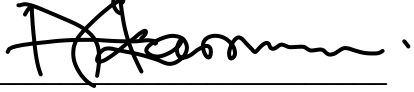
Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 38(1)(a)(iv); 38(1)(b); 38(1)(c)(i)-(ii); Sections 38(1)(d); 38(1)(h)(iii); 39(1)(a); 39(2)(a); Sections 40(1)(a) and (b); 40(1)(c)(i); Sections 43(4); 44; 45(b); 51(1)(a)(iv); 57(b)
Treasury regulations	TR 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); TR 5.3.1; 6.3.1(a) - (d); 6.4.1(b); 7.2.1; TR 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; TR 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; TR 12.5.1; 15.10.1.2(c); TR 16A3.2 (fairness); 16A3.2(a); 16A6.1; TR 16A6.2(a) and (b); 16A6.3(a) - (c); 16A6.3(e); TR 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A.7.3; TR 16A7.6; 16A.7.7; 16A8.3; 16A8.4; TR 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2(a)(ii); TR 17.1.1; 18.2; 19.8.4
Annual Division of Revenue Act (DoRA)	Sections 11(6)(a); 12(5) Sections 16(3) / 16(3)(a)(i) / 16(3)(a)(ii)(bb)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Sections 1(i); 2.1(a),(b) and (f)
Preferential Procurement regulations (PPR), 2011	Regulations 4.1; 4.3; 5.5; 6.1; 6.5; 7.1; Regulations 9.1; 9.5; 11.2; 11.5
Preferential Procurement regulations (PPR), 2017	Regulations 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; Regulations 6.1; 6.2; 6.3; 6.5; 6.6; 6.8; Regulations 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulations 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)
Public Service regulations (PSR), 2016	Regulations 18(1); 18(2); 25(1)(e)(i) and (iii)
State Information Technology Agency Act 88 of 1998 (SITA)	Section 7(3)
NT SCM Instruction Note 05 of 2009/10	Par 3.3
NT SCM Instruction Note 04 of 2015/16	Par 3.4
NT SCM Instruction Note 03 of 2016/17	Par 8.1; 8.2; 8.3; 8.5
NT SCM Instruction Note 4A of 2016/17	Par 6
NT SCM Instruction Note 07 of 2017/18	Par 4.3
NT SCM Instruction note 03 of 2019/20 [Annexure A - FIPDM]	Par 5.5.1(vi); 5.5.1(x)
NT SCM Instruction Note 08 of 2019/20	Par 3.1.1; 3.6; 3.7.2; 3.7.6(i) - (iii)
NT SCM Instruction Note 03 of 2020/21	Par 3.6; 3.7; 5.1(i); 6.1; 6.3

Legislation	Sections or regulations
NT SCM Instruction Note 05 of 2020/21	Par 3.2; 3.7; 4.3; 4.6; 4.8; 4.9; 5.3
Erratum NT SCM Instruction Note 05 of 2020/21	Par 1; 2
Second Amendment to NT SCM Instruction Note 05 of 2020/21	Par 1
NT Instruction Note 11 of 2020/21	Par 3.1; 3.4(b); 3.9
NT SCM Instruction Note 02 of 2021/22	Par 3.2.1; 3.2.4(a); 3.3.1; 4.1
SCM Practice Note 8 of 2007/08	Par 3.3.1; 3.3.3; 3.4.1; 3.5
SCM Practice Note 7 of 2009/10	Par 4.1.2

2. ANNUAL FINANCIAL STATEMENTS

For the year ended
31 March 2025

Date authorised for issue: 31 July 2025

Authorised by: 

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

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**LIMPOPO DEPARMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
VOTE 11**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Appropriation per programme									
2024/25								2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
ADMINISTRATION	387,327	-	(8,000)	379,327	364,042	15,285	96.0%	372,742	342,979
HUMAN SETTLEMENTS	1,552,281	-	1,132	1,553,413	1,547,592	5,821	99.6%	1,715,745	1,651,037
COOPERATIVE GOVERNANCE	363,696	-	(1,322)	362,374	341,614	20,760	94.3%	298,408	293,465
TRADITIONAL INSTITUTIONAL DEVELOPMENT	576,137	-	8,190	584,327	557,654	26,673	95.4%	631,661	558,963
.....									
Subtotal	2,879,441	-	-	2,879,441	2,810,902	68,539	97.6%	3,018,556	2,846,444
Statutory Appropriation	2,245	-	-	2,245	2,245	-	100.0%	2,159	2,159
Member of Executive Council	2,245	-	-	2,245	2,245	-	100.0%	2,159	2,159
TOTAL	2,881,686	-	-	2,881,686	2,813,147	68,539	97.6%	3,020,715	2,848,603

**LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
VOTE 11**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

	2024/25				2023/24	
	Final Budget	Actual Expenditure			Final Budget	Actual Expenditure
	R'000	R'000			R'000	R'000
TOTAL (brought forward)						
Departmental receipts	4,468				4,072	
Actual amounts per statement of financial performance (Total revenue)	2,886,154				3,024,787	
Actual amounts per statement of financial performance (Total expenditure)		2,813,147				2,848,603

LIMPOPO DEPARMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Appropriation per economic classification									
2024/25								2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1,293,247	(2,933)	(470)	1,289,844	1,265,865	23,979	98.1%	1,223,957	1,195,318
Compensation of employees	1,060,697								
Goods and services	232,550								
Interest and rent on land	-	-	-	-	-	-	-	1	1
Transfers and subsidies	1,483,577	3	-	1,483,580	1,466,178	17,402	98.8%	1,611,315	1,542,439
Provinces and municipalities	48,073	3	-	48,076	38,874	9,202	80.9%	419	64
Departmental agencies and accounts	81	-	-	81	81	-	100.0%	16	-
Non-profit institutions	10,323	-	-	10,323	5,736	4,587	55.6%	12,886	7,274
Households	1,425,100	-	-	1,425,100	1,421,487	3,613	99.7%	1,597,994	1,535,101
Payments for capital assets	104,862	2,930	-	107,792	80,635	27,157	74.8%	184,203	109,606
Buildings and other fixed structures	43,026	(2,648)	-	40,378	40,060	318	99.2%	48,500	35,988
Machinery and equipment	61,193	5,578	-	66,771	40,575	26,196	60.8%	133,159	72,921
Intangible assets	643	-	-	643	-	643	-	2,544	697

LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Payments for financial assets	-	-	470	470	469	1	99.8%	1,240	1,240
Total									

Statutory appropriation per economic classification									
2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	2,245	-	-	2,245	2,245	-	100.0%	2,159	2,159
Compensation of employees	2,245	-	-	2,245	2,245	-	100.0%	2,159	2,159
Total	2,245	-	-	2,245	2,245	-	100.0%	2,159	2,159

**LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
VOTE 11**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Programme 1: ADMINISTRATION									
2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Corporate Services	275,912	3,304	-	279,216	266,218	12,998	95.3%	264,500	245,837
2. Office of the MEC	7,376	(1,305)	-	6,071	5,959	112	98.2%	8,420	6,350
3. Office of the HOD	11,075	(1,127)	-	9,948	9,173	775	92.2%	11,674	10,928
4. Financial Management	92,964	(872)	(8,000)	84,092	82,692	1,400	98.3%	88,148	79,864
Total for sub programmes	387,327	-	(8,000)	379,327	364,042	15,285	96.0%	372,742	342,979
Economic classification									
Current payments	372,080	(2,933)	(8,470)	360,677	351,916	8,761	97.6%	340,909	331,281
Compensation of employees	198,038	-	(8,000)	190,038	189,928	110	99.9%	184,306	178,578
Goods and services	174,042	(2,933)	(470)	170,639	161,988	8,651	94.9%	156,602	152,702
Interest and rent on land	-	-	-	-	-	-	-	1	1
Transfers and subsidies	1,761	3	-	1,764	1,679	85	95.2%	1,877	1,189
Provinces and municipalities	73	3	-	76	73	3	96.1%	419	64
Departmental agencies and accounts	81	-	-	81	81	-	100.0%	16	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1,607	-	-	1,607	1,525	82	94.9%	1,442	1,125
Payments for capital assets	13,043	2,930	-	15,973	9,978	5,995	62.5%	27,412	9,812

LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
VOTE 11

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	13,043	2,930	-	15,973	9,978	5,995	62.5%	27,412	9,812
Intangible assets	443	-	-	443	-	443	-	2,544	697
Payments for financial assets	-	-	470	470	469	1	99.8%	-	-
Total	387,327	-	(8,000)	379,327	364,042	15,285	96.0%	372,742	342,979

Programme 2: HUMAN SETTLEMENT									
2024/25								2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. HOUSING NEEDS, RESEARCH AND PLANNING	82,693	(10,548)	-	72,145	69,778	2,367	96.7%	28,945	27,625
2. HOUSING DEVELOPMENT, IMPLEMENTATION, PLANNING AND TARGETS	1,415,835	12,286	-	1,428,121	1,426,353	1,768	99.9%	1,640,793	1,578,075
3. HOUSING ASSET MANAGEMENT AND PROPERTY MANAGEMENT	53,753	(1,738)	1,132	53,147	51,461	1,686	96.8%	46,007	45,337
Total for sub programmes	1,552,281	-	1,132	1,553,413	1,547,592	5,821	99.6%	1,715,745	1,651,037
Economic classification									

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for the year ended 31 March 2025

Current payments	132,283	-	1,132	133,415	130,127	3,288	97.5%	123,525	120,035
Compensation of employees	114,982	-	1,132	116,114	116,113	1	100.0%	108,161	107,300
Goods and services	17,301	-	-	17,301	14,014	3,287	81.0%	15,364	12,735
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1,419,101	-	-	1,419,101	1,417,405	1,696	99.9%	1,592,210	1,531,002
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1,419,101	-	-	1,419,101	1,417,405	1,696	99.9%	1,592,210	1,531,002
Payments for capital assets	897	-	-	897	60	837	6.7%	10	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	697	-	-	697	60	637	8.6%	10	-
Intangible assets	200	-	-	200	-	200	-	-	-
Payments for financial assets									
Total	1,552,281	-	1,132	1,553,413	1,547,592	5,821	99.6%	1,715,745	1,651,037

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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 3: CORPORATE GOVERNANCE									
2024/25								2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. LOCAL GOVERNANCE	308,898	(1,923)	-	306,975	292,791	14,184	95.4%	247,802	245,434
2. DEVELOPMENT PLANNING	54,798	1,923	(1,322)	55,399	48,823	6,576	88.1%	50,606	48,031
Total for sub programmes	363,696	-	(1,322)	362,374	341,614	20,760	94.3%	298,408	293,465
Economic classification									
Current payments	310,467	-	(1,322)	309,145	301,201	7,944	97.4%	295,378	291,275
Compensation of employees	291,727	-	(1,322)	290,405	287,801	2,604	99.1%	279,396	278,034
Goods and services	18,740	-	-	18,740	13,400	5,340	71.5%	15,982	13,241
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	50,282	-	-	50,282	40,413	9,869	80.4%	1,780	950
Provinces and municipalities	48,000	-	-	48,000	38,801	9,199	80.8%	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2,282	-	-	2,282	1,612	670	70.6%	1,780	950
Payments for capital assets	2,947	-	-	2,947	-	2,947	-	10	2,947

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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2,947	-	-	2,947	-	2,947	-	10	2,947
Intangible assets	-	-	-	-	-	-	-	1,240	1,240
Payments for financial assets									
Total	363,696	-	(1,322)	362,374	341,614	20,760	94.3%	298,408	293,465
Programme 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT									
2024/25								2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. TRADITIONAL INSTITUTIONAL ADMIN	555,222	(777)	8,190	562,635	535,144	27,491	95.1%	584,038	511,750
2. ADMINISTRATION OF HOUSE OF TRADITIONAL LEADERS	20,915	777	-	21,692	22,510	(818)	103.8%	47,623	47,213
Total for sub programmes	576,137	-	8,190	584,327	557,654	26,673	95.4%	631,661	558,963
Economic classification									
Current payments	476,172	-	8,190	484,362	480,376	3,986	99.2%	461,986	450,568
Compensation of employees	453,705	-	8,190	461,895	461,234	661	99.9%	444,384	437,465

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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Goods and services	22,467	-	-	22,467	19,142	3,325	85.2%	17,602	13,103
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	12,433	-	-	12,433	6,681	5,752	53.7%	15,448	9,298
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	10,323	-	-	10,323	5,736	4,587	55.6%	12,886	7,274
Households	2,110	-	-	2,110	945	1,165	44.8%	2,562	2,024
Payments for capital assets	2,947	-	-	2,947	-	2,947	-	10	2,947
Buildings and other fixed structures	43,026	(2,648)	-	40,378	40,060	318	99.2%	48,500	35,988
Machinery and equipment	44,506	2,648	-	47,154	30,537	16,617	64.8%	105,727	63,109
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets									
Total	576,137	-	8,190	584,327	557,654	26,673	95.4%	631,661	558,963

**LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025**

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-H of the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	379,327	364,042	15,285	4%

The underachievement of 4% is attributed to Compensation of Employees due to delays in the recruitment processes and on Goods and Services is due to the contract for MTN which expired in September 2024 and led to the exclusion of cell phones (devices) payments from the contract.

Human Settlements	1,553,413	1,547,592	5,821	0.37%
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N/A

Corporate Governance	362,374	341,614	20,760	6%
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The overall underspending of 6% is due to delays in appointing service providers for review and update of the Disaster Management Plan, partial delivery of GIS and GPS equipment, and delays in delivery of trucks to Thabazimbi Municipality.

**LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Traditional Institutional Development	584,327	557,654	26,673	5%
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The overall underspending of 5% on capital assets was due to delay in the appointment of contractors for new offices, late procurement of furniture for Traditional Council Offices and partial delivery of vehicles for Traditional Leaders.

4.2 Per economic classification

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
Economic classification	R'000	R'000	R'000	%
Current payments				
Compensation of employees	1,060,697	1,057,321	3,376	0.32%
Goods and services	229,147	208,544	20,603	9%
Transfers and subsidies				
Provinces and municipalities	48,076	38,874	9,202	19%
Departmental agencies and accounts	81	81	-	0%
Non-profit institutions	10,323	5,736	4,587	44%
Households	1,425,100	1,421,487	3,613	0.25%
Payments for capital assets				
Buildings and other fixed structures	40,378	40,060	318	1%
Machinery and equipment	66,771	40,575	26,196	39%
Land and subsoil assets	643	-	643	100%
Intangible assets	470	469	1	0.21%
Total	2,881,686	2,813,147	68,539	

Compensation of employees: N/A

Goods and Services: The underspending of 9% is attributed to delays in cell phone devices delivery by MTN.

Non-profit institutions: The underspending of 19% is due to trucks not yet delivered to Thabazimbi Municipality.

Households: N/A

Buildings and other fixed structures: Underspending of 1% is due to delay in the finalisation of the appointment of contractors for the new offices.

Machinery and equipment: Underspending of 39% is attributed to late delivery of laptops and desktops by the service provider. The laptops and desktops were delivered at the end of the financial year and payment could not be processed until they were verified. The late appointment of service providers for review and update of the Disaster Management Plan, partial delivery of GIS and GPS equipment, and delays in delivery of trucks to Thabazimbi Municipality also led to the underspending.

Software and other intangible assets: Late procurement of Auto-CAD software.

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025**

4.3 Per conditional grant

			Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
			R'000	R'000	R'000	%
Human Settlements Development Grant			1,092,897	1,091,918	979	0.09%
Informal Settlement Upgrading Partnership Grant			272,310	271,991	319	0.12%
Expanded Public Works Programme (EPWP)			2,128	2,005	123	6%
Total			1,367,335	1,365,914	1,421	6.21%

The overall underspending is on EPWP due to late appointment of participants.

4.4 Per Statutory Appropriation

			Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
			R'000	R'000	R'000	%
Statutory Appropriation						
Member of Executive Council			2,245	2,245	-	0%
Total			2,245	2,245	-	0%

**(LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND
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**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2025**

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
REVENUE			
Annual appropriation	1	2,879,441	3,018,556
Statutory appropriation	2	2,245	2,159
Departmental revenue	3	4,468	4,072
TOTAL REVENUE		2,886,154	3,024,787
EXPENDITURE			
Current expenditure			
Compensation of employees	5	1,057,322	1,003,536
Goods and services	6	208,543	191,781
Interest and rent on land	7	-	1
Total current expenditure		1,265,865	1,195,318
Transfers and subsidies			
Transfers and subsidies	9	1,466,178	1,542,439
Total transfers and subsidies		1,466,178	1,542,439
Expenditure for capital assets			
Tangible assets	10	80,635	109,606
Total expenditure for capital assets		80,635	109,606
Payments for financial assets	8	469	1,240
TOTAL EXPENDITURE		2,813,147	2,848,603
SURPLUS/(DEFICIT) FOR THE YEAR		73,007	176,184
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		68,539	172,112
Annual appropriation		67,118	111,570
Statutory appropriation		-	-
Conditional grants		1,421	60,542
Departmental revenue and NRF receipts	19	4,468	4,072
SURPLUS/(DEFICIT) FOR THE YEAR		73,007	176,184

**LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND
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**STATEMENT OF FINANCIAL POSITION
as at 31 March 2025**

	Note	2024/25 R'000	2023/24 R'000
ASSETS			
Current assets		71,721	175,498
Cash and cash equivalents	11	48,461	81,906
Other financial assets	12	-	-
Prepayments and advances	13	5,000	5,000
Receivables	14	18,260	88,592
Non-current assets		1,698	162
Prepayments and advances	13	-	-
Receivables	14	1,698	162
Other financial assets	12	-	-
TOTAL ASSETS		73,419	175,660
LIABILITIES			
Current liabilities		72,229	175,316
Voted funds to be surrendered to the Revenue Fund	17	68,539	172,112
Statutory Appropriation to be surrendered to the Revenue Fund	18	-	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	19	117	307
Payables	21	3,573	2,897
Non-current liabilities			
Payables	22	-	-
TOTAL LIABILITIES		72,229	175,316
NET ASSETS		1,190	344
	Note	2024/25 R'000	2023/24 R'000
Represented by:			
Recoverable revenue		1,190	344
TOTAL		1,190	344

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**STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2025**

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Recoverable revenue			
Opening balance		344	371
Transfers:		846	-27
Debts recovered (included in departmental revenue)		-102	-251
Debts raised		948	224
Closing balance		1,190	344
 TOTAL		 1,190	 344

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**CASH FLOW STATEMENT
as at 31 March 2025**

		2024/25	2023/24
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		2,886,154	3,023,803
Annual appropriation funds received	1.1	2,879,441	3,018,556
Statutory appropriation funds received	2	2,245	2,159
Departmental revenue received	3	4,154	2,669
Interest received	3.3	314	419
Net (increase)/decrease in net working capital			
Surrendered to Revenue Fund		71,008	861
Surrendered to RDP Fund/Donor		-176,770	-247,962
Current payments		-	-
Interest paid	7	-1,265,865	-1,195,317
Payments for financial assets	8	-	-1
Transfers and subsidies paid		-469	-1,240
Net cash flow available from operating activities	23	47,880	37,705
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	10	-80,635	-109,606
Proceeds from sale of capital assets	3.4	-	984
(Increase)/decrease in non-current receivables	14	-1,536	48
(Increase)/decrease in non-current prepayments and advances	13	-	-
Net cash flow available from investing activities		-82,171	-108,574
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		846	-27
Net cash flows from financing activities		846	-27
Net increase/(decrease) in cash and cash equivalents		-33,445	-70,896
Cash and cash equivalents at beginning of period			
Unrealised gains and losses within cash and cash equivalents		81,906	152,802
Cash and cash equivalents at end of period	24	48,461	81,906

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**ACCOUNTING POLICIES
for the year ended 31 March 2025**

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information. The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.	
1.	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	Going concern The financial statements have been prepared on a going concern basis.
3.	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
4.	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	Comparative information
5.1	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.
5.2	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.
6.	Revenue
6.1	Appropriated funds Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

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	Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
6.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	Accrued departmental revenue Accruals in respect of departmental revenue 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. Write-offs are made according to the department's debt write-off policy.
7.	Expenditure
7.1	Compensation of employees
7.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
7.1.2	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.
7.2	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.

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	Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
7.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.
7.4	Leases
7.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
7.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. At commencement of the finance lease term, finance lease assets acquired are recorded and measured at: - the fair value of the leased asset; or if lower, - the present value of the minimum lease payments. Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.
8.	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.
	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.
9.	Financial assets
10.1	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.

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	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.
10.2	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.
10.	Payables Payables recognised in the statement of financial position are recognised at cost.
11.	Capital assets
12.1	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.
12.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
12.3	Intangible capital assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

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	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.
12.4	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.
12.	Provisions and contingents
13.1	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.
13.2	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.
13.3	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.
13.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
13.	Unauthorised expenditure Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

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	• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure recorded in the notes to the financial statements comprise of • unauthorised expenditure that was under assessment in the previous financial year; • unauthorised expenditure relating to previous financial year and identified in the current year; and • Unauthorised expenditure incurred in the current year.
14.	Fruitless and wasteful expenditure Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of: • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
15.	Irregular expenditure Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of: • irregular expenditure that was under assessment in the previous financial year; • irregular expenditure relating to previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.
16.	Changes in accounting policies, estimates and errors Changes in accounting policies are applied in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
17.	Events after the reporting date

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	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.
18.	Principal-Agent arrangements The department is party to a principal-agent arrangement for <i>[include details here]</i>. In terms of the arrangement the department is the <i>[principal / agent]</i> and is responsible for <i>[include details here]</i>. 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.
19.	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
20.	Related party transactions Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements.
21.	Inventories <i>(Effective from date determined by the Accountant-General)</i> <i>[Inventories]</i> 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.
22.	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
23.	Receivables 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.
24.	Donations Received

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	Donations received are recorded in the notes & annexures to the financial statements at cost or fair value at the reporting date.
25.	Payments for financial assets Payments for assets represent debts write-offs are made according to the department's debt write-off policy subject to availability of budget savings on goods and services.

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PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1. Annual Appropriation

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

Programmes	2024/25			2023/24		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	437,459	437,459	-	398,028	398,028	-
Human Settlements	1,501,926	1,501,926	-	1,720,108	1,720,108	-
Cooperative Governance	348,730	348,730	-	314,432	314,432	-
Traditional Institutional Development	591,326	591,326	-	585,988	585,988	-
Total	2,879,441	2,879,441	-	3,018,556	3,018,556	-

The decrease in budget is as a result of the higher additional budget of R394,105 (R250,000 plus rollover amounting to R144,105 for 2023/24) as compared to R260,542 (R200,000 additional funds as well as R60,542 for the rollover) in the year under review.

1.2. Conditional grants

Note	2024/25 R'000	2023/24 R'000
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Total grants received	45	1,367,335	1,591,477
Provincial grants included in total grants received		-	-

No provincial grants were received. A decrease in conditional grants is a result of lesser additional funds allocated in the year under review for HSDG. Conditional grants are composed of Human Settlement Development Grant (HSDG) of R1,092,897, Informal Settlement Upgrading Partnership Grant (ISUPG) of R272,310 and Expanded and Public Works Programme (EPWP) of R2,128. Provincial Treasury added a R50,000 spent for HSDG and it was reported on the relevant Annexure 1G.

2. Statutory Appropriation

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Members' remuneration		2,245	2,159
Total		2,245	2,159
Actual Statutory Appropriation received		2,245	2,159
Statutory Appropriation not requested / not received		-	-

Statutory appropriation for MEC is included in the equitable share. All funds were received. An increase is as a result of cost-of-living adjustment paid to the MEC as per Gazette No. 50757 of 2024.

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3. Departmental revenue

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Sales of goods and services other than capital assets	3.1	1,144	1,271
Interest, dividends and rent on land	3.3	473	552
Sales of capital assets	3.4	-	984
Transactions in financial assets and liabilities	3.5	2,851	1,265
Total		4,468	4,072

The increase in revenue collection resulted from the recoveries of Military Veterans top-up of R390 accrued in the previous year as well as the sales of RT24 properties.

3.1. Sales of goods and services other than capital assets

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Sales of goods and services produced by the department		1,144	1,096
Sales by market establishment		235	218
Administrative fees		21	19
Other sales		888	859
Sales of scrap, waste and other used current goods		-	175
Total	3	1,144	1,271

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The decrease is a result of auction sales that did not take place as compared to the previous year.

3.2. Interest, dividends and rent on land

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Interest		314	419
Dividends		-	-
Rent on land		159	133
Total	3	473	552

The decrease in interest is a result of Risima Housing Finance Cooperation interest not received as its funds on hand were exhausted. An increase in rent on land is due to the escalation of property rental tariffs.

3.3. Sales of capital assets

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Tangible capital assets	3	-	984
Machinery and equipment		-	984
Total	3	-	984

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There was no auction for tangible capital assets in the year under review.

3.4. Transactions in financial assets and liabilities

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Receivables		736	253
Other receipts including Recoverable Revenue		2,115	1,012
Total	3	2,851	1,265

An increase in Receivables is as a result of debt collected. An increase in Other Receipts including Recoverable Revenue RT24 were as a result of houses which were sold as well as the recovery of Military Veterans top-ups accrued in the previous year.

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

	<i>Note</i>	2024/25 R'000	2023/24 R'000
	<i>Annex 1H</i>		
Donations		9	114
Total gifts, donations and sponsorships received in kind		9	114

Various products (e.g., caps, notepads, USB cable chargers, laptop bag, etc.) from Microsoft and lunch from Mustek, FirstTech and FOE. In the previous year 2023/24 the department received scanners from the Limpopo Provincial Treasury which had higher value.

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4. Compensation of employees

4.1. Analysis of balance

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Basic salary		565,816	542,394
Service based		461	1,224
Compensative/circumstantial		12,532	6,279
Other non-pensionable allowances		352,785	333,893
Total		931,594	883,790

An increase in Compensation of Employees is a result of salary adjustments of 4,7%, appointment of 61 interns, 42 newly appointed staff and 78 newly recognised Traditional Leaders. Compensation/circumstantial expenditure increased due to overtime payments as result of staff shortages and work pressures of divisions.

4.2. Social contributions

Employer contributions	<i>Note</i>	2024/25 R'000	2023/24 R'000
Pension		72,415	69,806
Medical		52,654	49,405
Bargaining council		192	184
Insurance		467	351
Total		125,728	119,746

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Total compensation of employees	1,057,322	1,003,536
Average number of employees	1,612	1,712

An increase in Compensation of Employees is a result of salary adjustments of 4,7%, 42 newly appointed staff and 78 newly recognised newly recognised Traditional Leaders.

5. Goods and services

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Administrative fees		1,071	1,047
Advertising		884	1,430
Minor assets	6.1	7	5
Bursaries (employees)		1,655	2,357
Catering		1,806	1,605
Communication		11,172	12,541
Computer services	6.2	16,855	23,713
Consultants: Business and advisory services	6.9	10,547	5,061
Legal services		10,836	9,707
Contractors		4,510	3,587
Entertainment		-	598
Audit cost - external	6.3	10,734	11,974
Fleet services		7,371	6,525

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Consumables	6.5	5,805	6,546
Operating leases		34,219	31,806
Property payments	6.6	42,886	38,222
Travel and subsistence	6.7	38,769	29,341
Venues and facilities		5,973	3,284
Training and development		2,898	2,307
Other operating expenditure	6.8	545	125
Total		208,543	191,781

A decrease in advertising was due to the lesser activities that required marketing. A decrease in bursary was due to lesser number of employees awarded the bursaries. A decrease in computer services is due to the fact that in 2023/24 additional 320 licences for Traditional Affairs, Community Development Workers and newly appointed staff were acquired. An increase in operating leases is due to the increase in rental tariffs. Consumables has decreased as uniform, and clothing were purchased in smaller quantities as compared to the previous year. An increase in travel and subsistence was as a result of an increase in travelling by project managers to monitor various human settlements projects constitution of traditional councils, intervention in Thabazimbi Municipality and Disaster Management Team overseeing the disasters. An increase in foreign travel and subsistence were as a result of World Urban Forum in Egypt and 2nd International Conference (African Association of Accountant's General) in Arusha Tanzania attended by officials. An increase in property payments resulted from the escalation of rates and taxes by the municipality. An increase in venues and facilities is due to gatherings/meetings that were attended outside the department. An increase in professional bodies, membership and subscription fees is a result of members subscribed to non-statutory professional bodies that are mandatory required to renew their memberships compared to statutory professional bodies. Additionally, there were new members subscribing to those professional bodies and entrance fee is being charged for the first-time applicants.

5.1. Minor assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		7	5
Machinery and equipment		7	5

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Total	6	<u>7</u>	<u>5</u>
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The acquisition of desktop monitors in the year under review resulted in increase in minor assets.

5.2. Computer services

	<i>Note</i>	2024/25 R'000	2023/24 R'000
SITA computer services		7,255	6,789
External computer service providers		9,600	16,924
Total	6	<u>16,855</u>	<u>23,713</u>

A decrease in computer services is due to the fact that in 2023/24 additional 320 licences for Traditional Affairs, Community Development Workers and newly appointed staff were acquired.

5.3. Audit cost - external

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Regularity audits		10,734	9,686
Performance audits		-	2,288
Total	6	<u>10,734</u>	<u>11,974</u>

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General increases in prices of goods and services led to the increase in expenditure as compared to the previous year.

5.4. Consumables

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Consumable supplies		1,706	3,151
Uniform and clothing		340	1,274
Household supplies		1,338	1,125
Building material and supplies		20	29
IT consumables		8	-
Other consumables		-	723
Stationery, printing and office supplies		4,099	3,395
Total	6	5,805	6,546

Uniform and clothing were purchased in smaller quantities as compared to the previous year.

5.5. Property payments

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Municipal services		6,319	4,299
Other		36,567	33,923

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Total	6	42,886	38,222
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The increase in prices of municipal services is a result of the escalation of municipal rates and taxes. Other relates to cleaning and security costs expenditure incurred for the year. The increase is a result of normal price adjustments included in the cleaning and security contracts.

5.6. Travel and subsistence

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Local		37,759	29,324
Foreign		1,010	17
Total	6	38,769	29,341

The increase in travel and subsistence is a result of travelling by project managers to monitor various human settlements projects, constitution of traditional councils, intervention in Thabazimbi Municipality and Disaster Management Team overseeing the disasters. An increase in foreign travel and subsistence were as a result of World Urban Forum in Egypt and 2nd International Conference (African Association of Accountant's General) in Arusha Tanzania attended by officials.

5.7. Other operating expenditure

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Professional bodies, membership and subscription fees		545	125
Total	6	545	125

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An increase in professional bodies, membership and subscription fees is a result of members subscribed to non-statutory professional bodies that are mandatory required to renew their memberships compared to statutory professional bodies. Additionally, there were new members subscribing to those professional bodies and entrance fee is being charged for the first-time applicants.

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

	<i>Note</i>	2024/25	2023/24
Name of Commission / Committee of Inquiry		R'000	R'000
Limpopo Housing Advisory Panel		445	767
Limpopo Rental Housing Tribunal		1,252	1,588
Risk Management Committee Chairperson		165	151
Total		1,862	2,506

A decrease in remuneration of committee members is due to a change in how their services are classified. The payments for Limpopo Housing Advisory Panel members now fall under “business and advisory services (research)” instead of “business and advisory services (board and committee members).”

6. Interest and rent on land

	<i>Note</i>	2024/25	2023/24
		R'000	R'000
Interest paid		-	1
Total		-	1

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There was no interest charged on overdue accounts in the year under review.

7. Payments for financial assets

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Debts written off	8.3	469	1,240
Total		469	1,240

The amount written off as irrecoverable which relates to the deceased Traditional Leaders.

7.1. Debts written off

Nature of debts written off	<i>Note</i>	2024/25 R'000	2023/24 R'000
Other debt written off			
Traditional leaders' allowances		469	1,240
Total		469	1,240
Total debt written off	8	469	1,240

The amount written off as irrecoverable relates to deceased Traditional Leaders.

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8. Transfers and subsidies

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Provinces and municipalities	46,47	38,873	64
Departmental agencies and accounts	Annex 1B	81	-
Non-profit institutions	Annex 1F	5,736	7,274
Households	Annex 1G	1,421,488	1,535,101
Total		1,466,178	1,542,439

The amount of R73 was paid to Polokwane Municipality for rates and taxes. Further, the amount of R38,800 was paid on behalf of Thabazimbi Municipality to fast-track service delivery. A decrease in households is a result of lesser additional funds allocated to Human Settlements as compared to 2023/24 financial year.

9. Expenditure for capital assets

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Tangible capital assets		80,635	109,606
Buildings and other fixed structures		40,060	35,988
Machinery and equipment		40,575	73,618
Total		80,635	109,606

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An increase in the expenditure for building and other fixed structures is as a result of the additional Traditional Councils' Offices that were identified for construction of new offices and refurbishment such as Bashai Ditlou TC, Litho Ndzundza TC, Mampane TC, Mapela TC and Makuya TC. Fewer motor vehicles for Senior Traditional Leaders were procured in the year under review compared to 2023/24 financial year. Additions amounting to R1,439 relates to the supply and installation of solar panels for the completed Traditional Council Offices such as Masia TC, Rambuda T and Mudavula TC.

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

Name of entity	2024/25		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets			
Buildings and other fixed structures	40,060	-	40,060
Machinery and equipment	40,575	-	40,575
Total	80,635	-	80,635

An increase in the expenditure for building and other fixed structures is as a result of the additional Traditional Councils' Offices that were identified for construction of new offices and refurbishment such as Bashai Ditlou TC, Litho Ndzundza TC, Mampane TC, Mapela TC, and Makuya TC. Fewer motor vehicles for Senior Traditional Leaders were procured in the year under review compared to 2023/24 financial year. Additions amounting to R1,439 relates to the supply and installation of solar panels for the completed Traditional Council Offices such as Masia TC, Rambuda T and Mudavula TC.

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

Name of entity	2024/25		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets			
Buildings and other fixed structures	35,988	-	35,988
Machinery and equipment	73,618	-	73,618
Total	109,606	-	109,606

9.3. Finance lease expenditure included in Expenditure for capital assets

	Note	2024/25	2023/24
		R'000	R'000
Tangible capital assets		1,371	587
Machinery and equipment		1,371	587
Total		1,371	587

The increase in finance lease is a result of cell phone devices that were not separated from subscription fees (i.e., data and airtime).

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10. Cash and cash equivalents

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General Account		48,456	81,906
Disbursements		5	-
Total		48,461	81,906

The decrease in Cash and Cash Equivalents is due to the improvement in the overall expenditure of the department. All cash held at the end of 2024/25 is available for use.

11. Prepayments and advances

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Prepayments (Not expensed)	13.2	5,000	5,000
Total		5,000	5,000

Analysis of Total Prepayments and advances

Current Prepayments and advances	5,000	5,000
Total	5,000	5,000

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The R5,000 represent an amount paid in advance to the Attorneys to defend the department against claims during the Administration (Section 100) intervention. There are still legal proceedings by TASET 13 PTY(LTD) against the department.

11.1. Prepayments (Not expensed)

		2024/25				
		Amount as at 1 April 2024	Less: Amounts expensed in current year	Add / Less: Other	Add Current year prepay-ments	Amount as at 31 March 2025
	Note	R'000	R'000	R'000	R'000	R'000
Transfers and subsidies		5,000	-	-	-	5,000
Total	13	5,000	-	-	-	5,000

The R5 million represent an amount paid in advance to the attorneys to defend the application for summary judgement against the department. The cases are still on-going, and no invoice has been submitted yet to the department. Thus, the prepayments can only be reduced as and when invoices are received from the State Attorneys.

		2023/24				
		Amount as at 1 April 2023	Less: Amounts expensed in current year	Add / Less: Other	Add Current year prepay-ments	Amount as at 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
Transfers and subsidies		5,000	-	-	-	5,000
Total	13	5,000	-	-	-	5,000

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11.2. Advances paid (Expensed) (*“advances expensed” not permitted from 1 April 2024*)

	Amount as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Public entities	10,439		10,439	-
Other entities	8,430		8,430	-
Total	18,869		18,869	-

All the amounts transferred were fully spent on the projects.

	2023/24				
	Amount as at 1 April 2023	Less: Received in the current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Public entities	68,933	-	-58,494	-	10,439
Other entities	8,430	-	-	-	8,430
Total	77,363	-	-58,494	-	18,869

Include discussion here were deemed relevant.

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12. Receivables

	<i>Note</i>	2024/25			2023/24		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	14.1	1,360		1,360	71,148	-	71,148
Trade receivables	14.2	28	4	32	30	-	30
Recoverable expenditure	14.3	256		266	152	-	152
Staff debt	14.4	1,616	1,694	3,300	2,262	162	2,424
Other receivables	14.5	15,000		15,000	15,000	-	15,000
Total		18,260	1,698	19,958	88,592	162	88,754

A decrease in claims recoverable is a result of settlement of R69,646 relating to over surrendered paid to Limpopo Provincial Treasury in 2021/22. An increase in staff debt (non-current) is a result of delays in the recovery of debts. Other receivables is Fruitless & wasteful expenditure that was paid to the service provider.

12.1. Claims recoverable

	<i>Note</i>	2024/25	2023/24
		R'000	R'000
National departments		60	254
Provincial departments		1,300	70,894
Total	14	1,360	71,148

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The decrease in receivables is a result of claims recoverable paid to the department. The amount of R1,300 was not transferred to the Department by the Provincial Treasury, which led to the shortfall. As result, an interdepartmental claim will be raised with the Limpopo Provincial Treasury to recover the money. A decrease in claims recoverable is a result of settlement of R69,646 relating to over surrendered paid to Limpopo Provincial Treasury in 2021/22 financial year.

12.2. Trade receivables

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Service provider		32	30
Total	14	32	30

A service provider was erroneously paid, and attempts are being made to recover the money.

12.3. Recoverable expenditure

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			
Sal: Tax Debt		3	1
Disallowance Miscellaneous		255	133
Sal: Medical Aid		8	9
Sal: Pension Fund		-	9
Total	14	266	152

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An increase in Disallowance Miscellaneous is due to overpayments made to Traditional Leaders. The balance results from the late interface of transactions between the financial systems.

12.4. Staff debt

	<i>Note</i>	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			
Traditional Allowance overpayments		2,989	2,062
Tax debts		11	19
Bursary debts		60	79
Staff overpayments		240	264
Total	14	3,300	2,424

Staff debts increased due to natural attrition of Traditional Leaders.

12.5. Other receivables

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure		15,000	15,000
Total	14	15,000	15,000

Other receivables is Fruitless & wasteful expenditure that was paid to the service provider.

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12.6. Impairment of receivables

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Estimate of impairment of receivables		15,990	15,226
Total		15,990	15,226

More impairments were instituted in the year under review.

13. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Opening balance		172,112	243,713
Prior period error	17.2		
As restated		172,112	243,713
Transferred from statement of financial performance (as restated)		68,539	172,112
Paid during the year		-172,112	-243,713
Closing balance		68,539	172,112

A decrease in amount to be surrendered is a result of an increase in expenditure compared to the previous financial year.

13.1. Reconciliation on unspent conditional grants

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		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Opening balance		60,542	-
Total conditional grants received	1.2	1,367,335	1,591,477
Total conditional grants spent		-1,365,914	-1,530,935
Unspent conditional grants to be surrendered		61,963	60,542
Less: Paid to the Provincial Revenue Fund by Provincial department		-60,542	
Approved for rollover		-60,542	
Closing balance		1,421	60,542

A roll-over was applied for the balance of R1,421.

14. Statutory Appropriation to be surrendered to the Revenue Fund

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Opening balance		-	-
Prior period error	18.1		
As restated		-	-
Transferred from statement of financial performance (as restated)		-	-
Statutory appropriation not requested/not received	2	-	-
Paid during the year		-	-
Closing balance		-	-

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

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Opening balance		307	484
Prior period error	19.1		
As restated		307	484
Transferred from statement of financial performance (as restated)		4,468	4,072
Paid during the year		-4,658	-4,249
Closing balance		117	307

A decrease in departmental revenue and NRF receipts is a result of revenue

16. Payables - current

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Advances received	21.1	3,051	2,720
Clearing accounts	21.2	522	177
Total		3,573	2,897

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The increase is as a result of payments made by Senior Traditional Leaders for the top up of motor vehicles. An increase is as a result of late interface between financial systems.

16.1. Advances received

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Other institutions		3,051	2,720
Total	21	3,051	2,720

Advances paid for the top up of motor vehicles for Senior Traditional Leaders.

16.2. Clearing accounts

Description	<i>Note</i>	2024/25 R'000	2023/24 R'000
<i>Identify major categories, but list material items</i>			
Sal: Income Tax		511	177
Sal: Bargaining Council: CL		1	-
Sal: Pension Fund: CL		10	-
Total	21	522	177

An increase is as a result of late interface between financial systems.

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17. Net cash flow available from operating activities

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Net surplus/(deficit) as per Statement of Financial Performance		73,007	176,184
Add back non-cash/cash movements not deemed operating activities		-25,127	-138,479
(Increase)/decrease in receivables		70,332	-1,811
Increase/(decrease) in payables - current		676	2,672
Proceeds from sale of capital assets			-984
Expenditure on capital assets		80,635	109,606
Surrenders to Revenue Fund		-176,770	-247,962
Net cash flow generated by operating activities		47,880	37,705

An increase is as a result of Voted Funds amounting to R1,300 not received in the year under review. Additionally, the amount of R69,646 for claim recoverable was paid to the department hence an increase in net cash flow generated by operating activities. An additional top up for Senior Traditional Leaders' vehicles which was less as compared to the previous financial year. The decrease in proceeds from sale of capital assets is as a result of auction which did not take place in the year under review. Fewer motor vehicles for Senior Traditional Leaders were procured in the year under review compared to 2023/24 financial year. A decrease in amount surrendered to Revenue Fund is a result of increase in overall expenditure.

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

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General account		48,456	81,906
Disbursements		5	-
Total		48,461	81,906

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A decrease resulted from an increase in the overall expenditure of the department. All cash held at the end of 2024/25 is available for use.

19. Contingent liabilities and contingent assets

19.1. Contingent liabilities

Liable to	Nature	Note	2024/25 R'000	2023/24 R'000
Claims against the department		<i>Annex 3B</i>	269,113	273,415
Other		<i>Annex 3B</i>	2,123	2,123
Total			271,236	275,538

The decrease is as a result of settlement of cases amounting to R4,302. The department has an approved Standard Operating Procedure (SOP) on how to deal with litigation cases and contingent liabilities. The department (Legal Services) has assessed and categorised each case and recommend whether the claimed amount should remain in the register as is or not. The cases against the department by headmen/headwomen who are identified by their royal families but not recognised by government and gazetted that they are appointed in line with applicable legislation i.e. TKLA 3 of 2019 (TLGFA Act 23 of 2003), were assessed to an estimated amount of zero. This determination was made in line with TKLA on the process for appointment of traditional leaders. All other cases were assessed to the claimed amount except the Kobe Enos & Other case SCA1204/2021 (Bahananwa) which is on appeal. It is not practicable to determine the Plaintiff's legal fees, sheriff fees, legal costs, and other related costs (including interest). Other reflects under-payments to Traditional Leaders. The under-payments are still under investigation.

19.2. Contingent assets

Nature of contingent asset	Note	2024/25 R'000	2023/24 R'000
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Recovery of overpayment	735	735
Recovery of subsidised motor vehicle	-	30
Lost assets	112	74
Total	847	839

The approval was granted to write-off the amount of R30 in respect of Seholela P.S for subsidised motor vehicle due to insufficient evidence to process the matter further. An increase in lost assets emanate from the officials who lost laptops of the Department. It is not practicable to determine the Plaintiff's legal fees, sheriff fees, legal costs, and other related costs (including interest).

20. Capital commitments

	2024/25	2023/24
<i>Note</i>	R'000	R'000
Buildings and other fixed structures	54,657	20,540
Machinery and equipment	9,089	40,797
Total	63,746	61,337

Capital commitments include commitments for construction of new and refurbishment of Traditional Councils' Offices as well as machinery and equipment. An increase is as a result of Traditional Councils that were identified for construction and refurbishment in the year under review such as Bashai Ditlou TC, Litho Ndzundza TC, Mampane TC, Mapela TC, and Makuya TC. Machinery and equipment have decreased as a result of outstanding orders issued in 2023/24 that were paid during the year under review. Adjustment was made on buildings and other fixed structures to account for commitment amounting to R2,188 as per COMAF 21 of 2025.

21. Accruals and payables not recognised

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21.1. Accruals

	<i>Note</i>	2024/25			2023/24
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Listed by economic classification					
Goods and services		6,361	2,038	8,399	4,929
Transfers and subsidies		61,151	-	61,151	6,116
Capital assets		941	-	941	-
Total		68,453	2,038	70,491	11,045

	<i>Note</i>	2024/25	2023/24
Listed by programme level		R'000	R'000
Programme 1: Administration		4,226	3,713
Programme 2: Human Settlements		62,562	6,416
Programme 3: Cooperative Governance		427	50
Programme 4: Traditional Institutional Development		3,276	866
Total		70,491	11,045

21.2. Payables not recognised

	<i>Note</i>	2024/25			2023/24
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Listed by economic classification					
Goods and services		2,698	212	2,910	4,360
Transfers and subsidies		27,433		27,433	57,606
Total		30,131	212	30,343	61,966

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Listed by programme level	<i>Note</i>	2024/25 R'000	2023/24 R'000
Programme 1: Administration		2,910	2,574
Programme 2: Human Settlements		27,433	58,464
Programme 3: Cooperative Governance		-	422
Programme 4: Traditional Institutional Development		-	506
Total		30,343	61,966

The department received additional funds to settle most of the invoices. Adjustment was made to disclose gFleet Management amounting to R212.

22. Employee benefits

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Leave entitlement		60,214	56,087
Service bonus		23,460	22,812
Performance awards		17,666	16,376
Capped leave		20,928	22,643
Other		897	454
Total		123,165	118,372

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At this stage the department is not able to reliably measure the long-term portion of the long service awards. Other employee benefits include long service awards of R897 (2024: R454) and pay progression amounting to R17,666 (2024: R16,376). Leave entitlement includes negative values amounting to R127 (2024: R114). The increase in total value is caused by newly appointed and promoted staff.

23. Lease commitments

23.1. Operating leases

2024/25					
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year			198		198
Total lease commitments	-	-	198	-	198

2023/24					
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than 5 years	-	-	-	-	-
Total lease commitments	-	-	-	-	-

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The amount of R198 relates to contract entered with Emunah Real Estate in respect of the Deputy Chair of the House that will expire in December 2025. The adjustment aims to rectify the error in the operating lease commitment for buildings and other fixed structures. The existing contract was revoked by the Department of Public Works and replaced with a month-to-month agreement, necessitating the reclassification of the opening balance for the operating lease commitment.

No assets were subleased.

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Rental earned on sub-leased assets	3	-	-
Total		-	-

23.2. Finance leases **

	2024/25			
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment
	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	29
Later than 1 year and not later than 5 years	-	-	-	25
Total lease commitments	-	-	-	54

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2023/25				
Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	1,910	1,910
Later than 1 year and not later than 5 years	-	-	88	88
Total lease commitments	-	-	1,998	1,998

A contract on equipment (cell phones) entered with MTN has expired in September 2024. Therefore, from September 2024 to March 2025, the contract was running on a month-to-month basis with the payment of subscriptions (airtime and data) only, except for 4 cell phones that are still active.

No assets were subleased.

23.3. Operating lease future revenue

2024/25				
Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
R'000	R'000	R'000	R'000	R'000
Not later than 1 year		38		38

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Later than 1 year and not later than 5 years	-	-	-
Later than 5 years	-	-	-
Total operating lease revenue receivable	38	-	38

2023/24				
Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
R'000	R'000	R'000	R'000	R'000
Not later than 1 year		146		146
Later than 1 year and not later than 5 years		38		38
Later than 5 years		-		-
Total operating lease revenue receivable		184		184

Rent paid by MTN to the department for towers.

24. Accrued departmental revenue

	2024/25	2023/24
	R'000	R'000
Sales of capital assets	382	358
Transfers received	1,516	1,460
Other	1,404	2,272
Total	3,302	4,090

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In the previous financial year, the interest received from Espag Magwai was classified under transactions in financial assets and liabilities. A prior period error adjustment was made to correct the misallocation in line with Chapter 4 (Accounting Policies, Estimates and Errors) of the Accounting Manual for Departments. The amount of R1,404 is to be recovered from the Department of Military Veterans for the top-up of standard Breaking New Ground (BNG) houses constructed for military veterans. A decrease in other accrued departmental revenue resulted from the recovery of the Military Veterans top-up accrued in the previous year.

24.1. Analysis of accrued departmental revenue

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Opening balance		4,090	2,443
Less: amounts received		1,179	267
Add: amounts recorded		391	900
Other (<i>Specify</i>)		-	1,014
Closing balance		3,302	4,090

25. Unauthorised, Irregular and Fruitless and wasteful expenditure

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Irregular expenditure - current year		1,018,695	731,597
Fruitless and wasteful expenditure - current year		12	1,806
Total		1,018,707	733,403

Irregular expenditure of R1,018,695 was incurred as a result of unfair disqualification of bids, deviation on the variation orders and non-compliance to various pieces of legislation, as identified by AGSA during 2023/24FY audit cycle (recurring contracts). Irregular expenditure of R24,123 was condoned during the financial year

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2024/25 and irregular expenditure of R134,896 was removed. Reinstatement of the opening balance of the irregular expenditure previously under assessment but confirmed amounting to R692,167. Fruitless and wasteful expenditure of R1 806 incurred as a result of overpayment made to two headmen and a foundation that was demolished at Bakone TC. The treatment of disclosed amounts is in line with the requirements as directed by National Treasury. Fruitless and wasteful amounting to R16 has been written off as irrecoverable. An adjustment of R253 was made to account for the actual expenditure incurred on fruitless and wasteful expenditure after demolishing the foundation for Bakone TC. The write-off of fruitless and wasteful expenditure amounting to R12 for the late payment to GEPP that relates to 2023/24 financial year. The R12 is for late payment of TV license that relates to 2024/25 financial year. The comparative figure was updated with irregular expenditure confirmed in the year under review, yet it was incurred in 2023/24 financial year. Irregular expenditure to the value of R158,831,875.37 that relates to the year under review, as a result of non-compliance with SCM is still under assessment and is not yet confirmed. Fruitless and wasteful expenditure to the value of R49,606,364.04 that relates to the year under review is still under assessment and is not yet confirmed.

26. Related party transactions

		2024/25	2023/24
		R'000	R'000
In-kind goods and services (provided)/received	<i>Note</i>		
<i>List in-kind goods and services between the department and related party</i>			
Shared Internal Audit Services		5,933	3,034
Audit Committee Services		398	387
Limpopo Provincial Treasury		-	114
DPWRI - Employee costs		-	1,735
LEDET - Employee Costs		-	1,248
Total		6,331	6,518

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=> *Provincial Department of Public Works, Roads and Infrastructure*

The Department utilised the office buildings belonging to the Provincial Department of Public Works, Roads, and Infrastructure.

The department of Public Works, Roads and Infrastructure does not charge the Department any rental for the use of buildings. The department is an implementing agent for CoGHSTA for construction and refurbishment of Traditional Council office. Mr Seroka DT was seconded to the department with effect from 01/05/2024. The department received the services of the official with no amount expected to be paid back to DPWRI.

=> *Shared Internal Audit Services*

The Department makes use of shared internal audit services provided by the Limpopo Provincial Treasury.

=> *Shared Audit Committee*

The department make use of shared audit committee services provided by the Limpopo Provincial Treasury.

160,3 hours were spent

=> *National Home Builders Registration Council*

The entity is a member of the same economic entity as Coghsta that ensure quality assurance of the construction of low-cost housing.

=> *Housing Development Agency (HDA)*

The entity is an agency of the same economic entity as Coghsta that implements the projects relating to Human Settlements.

=> *Limpopo Rental Housing Tribunal*

Limpopo Rental Housing Tribunal is a board that was appointed by the MEC in terms of section 9(4) of the Rental Housing Act No. 50 of 1999 as amended
=> The MEC Advisory Panel

Limpopo Housing Advisory panel which was appointed by the MEC in terms of Housing Act No 2 of 2006.

=> *Limpopo Provincial Treasury*

All Provincial Departments and Public Entities operate together to attain mutual objectives determined by the Provincial Legislature.

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27. Key management personnel

	2024/25	2023/24
	R'000	R'000
Political office bearers <i>(provide detail below)</i>	2,245	2,159
Officials:		-
Level 15 to 16	10,274	7,946
Level 14	15,947	15,357
Other with significance influence	1,910	2,430
Family members of key management personnel	1,513	1,410
Total	31,889	29,302

An increase is a result of new appointments at executive level and the Cost-of-Living Adjustment.

28. Provisions

	2024/25	2023/24
	R'000	R'000
	<i>Note</i>	
Retentions	3,499	3,174
Total	3,499	3,174

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Retention based on 10% of expenditure held by the department in respect of Traditional Councils' Offices.

28.1. Reconciliation of movement in provisions - Current year

2024/25

	Retentions	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	3,174			3,174
Increase in provision	325			325
Closing balance	3,499			3,174

2023/24

	Retentions	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	3,174			3,174
Increase in provision	-			-
Closing balance	3,174			3,174

Retention in respect of construction of the Traditional Council Offices will be settled to service providers when all legal contractual obligations are complied with.

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Provision based on 10% expenditure incurred on construction of some of the Traditional Councils' Offices.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Value adjustments	Additions	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	122,523		39,204	131,090
Transport assets	31,442		30,525	31,442
Computer equipment	47,063		5,572	52,523
Furniture and office equipment	37,783		2,913	40,696
Other machinery and equipment	6,235		194	6,429
SPECIALISED MILITARY ASSETS	-		39,204	131,090
Specialised military assets	-		30,525	31,442
			5,572	52,523
FINANCE LEASE ASSETS	7,558		-	7,558
Finance lease assets	7,558		-	7,558
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	130,081	-	39,204	136,564

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The opening balance for other machinery and equipment was amended to account for finance lease as required by the MCS (change in accounting policies). 731 assets in the Assets Register do not have asset tracking numbers due to a technical glitch on LOGIS during the capturing thereof. The existence, valuation, accuracy, and completeness of the Asset Register is not affected. Finance lease was adjusted to account for printers that were returned to service providers upon the expiry of the contract amounting to R2,084.

Movable Tangible Capital Assets under investigation

	<i>Note</i>	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		126	5,236
Total		126	5,236

Major assets that were not verified during the year under review and are still under investigation.

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

2023/24				
Opening balance	Prior period error	Additions	Disposals	Closing balance
R'000	R'000	R'000	R'000	R'000

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MACHINERY AND EQUIPMENT	109,855	-72	71,115	58,375	122,523
Transport assets	29,251		55,323	53,132	31,442
Computer equipment	44,718		7,216	4,871	47,063
Furniture and office equipment	29,626	-72	8,363	134	37,783
Other machinery and equipment	6,260		213	238	6,235
FINANCE LEASE ASSETS	7,558	-	-	-	7,558
Finance lease assets	7,558	-	-	-	7,558
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	117,413	-72	71,115	58,375	130,081

29.1.1. Prior period error

Nature of prior period error	<i>Note</i>	2023/24 R'000
Relating to 2022/23 <i>[affecting the opening balance]</i>		-72
Furniture and office equipment		-72
Relating to 2023/24		-
Total prior period errors		-72

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The adjustment of opening balance of R72 was due to the reversal of assets disposed in 2022/23 that were included when migrating from BAUD to LOGIS. The correction was done in line with Chapter 4 (Accounting Policies, Estimates and Errors) of the Accounting Manual for Departments.

29.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

2024/25

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance		13	-	17,538	-	-	17,551
Additions				7			7
Total Minor assets	-	13	-	17,545	-	-	17,558

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of minor assets at cost		4		9,682			9,686
Total number of minor assets	-	4	-	9,682	-	-	9,686

Number of minor assets at cost includes machinery and equipment as well as library books. The total number of library books is 3312 amounting to R3,252

Minor capital assets under investigation

Number **Value**

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	Note	R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:		
Machinery and equipment	104	256

Number of minor assets at cost includes machinery and equipment as well as library books. The total number of library books is 3312 amounting to R3,252. Minor assets that were not verified during the year under review and are still under investigation.

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

2023/24

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	13	-	18,027	-	-	18,040
Additions	-	-	-	5	-	-	5
Disposals	-	-	-	494	-	-	494
Total Minor assets	-	13	-	17,538	-	-	17,551

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of minor assets at cost	-	4	-	9,680	-	-	9,684
Total number of minor assets	-	4	-	9,680	-	-	9,684

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30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	3,333	-	-	3,333
TOTAL INTANGIBLE CAPITAL ASSETS	3,333	-	-	3,333

No new intangible capital assets were acquired.

30.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	3,333	-	-	-	3,333
TOTAL INTANGIBLE CAPITAL ASSETS	3,333	-	-	-	3,333

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31. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	8,939	41,948	4,011	46,876
Non-residential buildings	8,932	41,948	4,011	46,876
Other fixed structures	7	-	-	7
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	8,939	41,948	4,011	46,876

The R4,011 disposals result from 3 Traditional Councils (TCs) that were transferred in the period under review. These include Bungeni TC, Mamaila TC and Pheeha TC. The transfers were done directly by the department to the TCs. Additions amounting to R41,948 relates to the supply and installation of solar panels for the completed Traditional Council Offices such as Masia TC, Rambuda T and Mudavula TC amounting to R1,439. Included in the amount of R41,948 are the Traditional Councils (i.e., Raphahlelo, Matlala, Mphaphuli and Davhana) that are marked as ready for use in response to COMAF 43 of 2025 amounting to R40,509. The Traditional leader for Mothiba Traditional Council was reluctant to sign-off a transfer certificate due to some disputes at the Traditional Council. The total cost of the construction amounted to R1,104.

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

2023/24

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	54,828	-	300	46,189	8,939
Non-residential buildings	54,821	-	300	46,189	8,932
Other fixed structures	7	-	-	-	7
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	54,828	-	300	46,189	8,939

31.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

2024/25

	Opening balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	340,037	133,655	40,509	433,415
Total	340,037	133,887	40,509	433,415

*Note
Annex 7*

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The capital work-in-progress (CWIP) for the Traditional Councils' Offices that are under construction amounting to R38,852. However, we were required to remove ready for use Traditional Councils (i.e., Raphahlelo, Matlala, Mphaphuli and Davhana) from the work-in-progress as per COMAF 43 of 2025. Buildings and other infrastructures include CRUs (Marapong, Tshikota and Talana) still in construction amounting to R95,035.

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

		2023/24				
		Opening balance 1 April 2023	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures		275,883	-	64,154	-	340,037
Total		275,883	-	64,154	-	340,037

32. Principal-agent arrangements

32.1. Department acting as the principal

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Risima (Admin fees)		10,000	148
H D A (Transfer transactions plus fees)		76,298	66,991
Total		86,298	67,139

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Risima Housing Finance Corporation

"Provide a description of the nature:

Risima Housing Finance is assisting the Department in implementing the Finance Linked Individual Subsidy Programme project to low-cost housing market and lower-middle income households. An amount of R10,000 was paid to Risima Housing Finance Cooperation for the implementation of the First Home Finance Programme.

Circumstances:

Risima is the only viable financial service provider in the province to assist qualifying beneficiaries who are unable to get assistance from the banks.

Significant judgment applied: A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit. Coghsta is a principal.

Significant terms and conditions: Coghsta has entered into a service level agreement /protocol with Risima ending on 31 March 2026. This protocol explains the mandates of each party.

Significant risks: There is a risk of failure to achieve the deliverables in terms of the protocol.

Benefits/purpose relating to the arrangements with the agents:

Risima is to provide innovative and affordable housing to low-cost housing market.

Risima will facilitates housing finance accessible for lower-middle income households."

Housing Development Agency

"Provide a description of nature:

The Housing Development Agency (HDA) has an existing Implementation Protocol (IP) with the Limpopo Department of Cooperative Governance, Human Settlement and Traditional Affairs (CoGHSTA) that was signed in on 29th July 2010. HDA provides support for land assembly and Housing Programme Implementation. The department acting as the principal, entered into a binding arrangement with HDA to undertake the following transactions: - MTOP -R15,103, Distressed Mining Towns -R11,031, Bela-Bela- Vingerskraal ISUPG programme- R34,382, and Disaster Housing -Asbestos -R13,270 and Tittle Deeds-R2,512.

Circumstances: HDA is one of the state entities that provides support for land assembly and Housing Programme Implementation.

Significant judgment applied:

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A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit. Coghsta is a principal.

Significant terms and conditions:

Coghsta has entered into various service level agreements with HDA. These service level agreements explain the mandates of each party.

Significant risks:

There is a risk of failure to achieve the deliverables in terms of the protocol /service level agreements.

Benefits/purpose relating to the arrangements with the agents

H D A will assist in the construction of RDP houses in identified areas where CoGHSTA lacks capacity."

Department of Public Works, Roads, and Infrastructure

"Provide a description of nature:

The department entered into an agreement with Department of Public works, Roads and Infrastructure in the construction and refurbishment of Traditional council Offices.

Circumstances:

Exco in the province approved the Infrastructure Delivery Management Systems which served as a framework for delivery of infrastructure in the province

Significant judgment applied:

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit. Coghsta is a principal.

Significant terms and conditions:

Coghsta has entered into a service level agreement with DPWRI. These service level agreements explain the mandates of each party.

Significant risks:

There is a risk of failure to achieve the deliverables in terms of the protocol /service level agreements.

Benefits/purpose relating to the arrangements with the agents:

DPWR&I will assist in the construction of traditional councils in identified in the province as CoGHSTA lacks this capacity.

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Risima Housing Finance Corporation

If the principal-agent arrangement is terminated, the implementing agent will be entitled to payment for work done which was not paid subject to the principal satisfaction with the quality of the said work. Any balance of resources will be surrendered to the Department as the principal.

Housing Development Agency

If the principal-agent arrangement is terminated, the implementing agent will be entitled to payment for work done which was not paid subject to the principal satisfaction with the quality of the said work. Any balance of resources will be surrendered to the Department as the principal.

Department of Public Works, Roads and Infrastructure

If the principal-agent arrangement is terminated, the service providers employed by the implementing agent will be entitled to payment for work done which was not paid subject to the client satisfaction with the quality of the said work. The delivery of the infrastructure programmes will be ceased.

As at 31 Mar 2025, the resources that are under the custodianship of the agents are as follows:

▮ Housing Development Agency

Resources amounting to R0.00 (2024: R10,439) have been recorded by the agent.

▮ Risima Housing Finance

Resources amounting to R0.00 (2024: R0.00) have been recorded by the Agent.

Fees paid amounted to R0.00 (2024: R148).

▮ Department of Public Works, Roads, and Infrastructure

There are no resources that have been recorded by the agent.

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32.2. Changes in accounting policies

		2024/25				
		Opening balance before the change (1 Apr 2023)	Adjust-ment of opening balance	Restated opening balance after the change (1 Apr 2023)	Adjustment for 2023/24	Restated closing balance (31 Mar 2024)
Nature of change in accounting policy	Note	R'000	R'000	R'000	R'000	R'000
Finance lease assets						
Movable Tangible Capital Assets	38	122,523	7,558	130,081		130,081

The opening balance for other machinery and equipment was amended to account for finance lease as required by the MCS (change in accounting policies). Included in the opening balances for 2022/23 and 2023/24 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively.

33. Prior period errors

33.1. Correction of prior period errors

		2023/24		
	Note	Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Revenue:				
Accrued Departmental Revenue (Transactions Financial Assets and liabilities)	Note 30	1,771	-311	1,460

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Accrued Departmental Revenue (Interest, Dividends and Rent on Land)	Note 30	47	311	358
Net effect		1,818	-	1,818

In the previous financial year, the interest received from Espag Magwai was classified under transactions in financial assets and liabilities. A prior period error adjustment was made to correct the misallocation in line with Chapter 4 (Accounting Policies, Estimates and Errors) of the Accounting Manual for Departments. The correction was done in line with Chapter 4 (Accounting Policies, Estimates and Errors) of the Accounting Manual for Departments.

		2023/24		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Expenditure:				
Operating leases (building and other fixed structures)	Note 29.1	66,554	-66,554	-
Net effect		66,554	-66,554	-

The adjustment is to correct the error on operating lease commitment for building and other fixed structures wherein the existing contract was revoked by the Department of Public Works, Roads and Infrastructure and replaced with the month-to-month contract hence the reclassification of opening balance on operating lease commitment. The correction was done in line with Chapter 4 (Accounting Policies, Estimates and Errors) of the Accounting Manual for Departments.

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		2023/24		
		Amount bef error correction	Prior period error	Restated
	Note	R'000	R'000	R'000
Liabilities:				
Housing Development Agency	Annexure 8A	16,046	-5,607	10,439
Retentions	Note 36	6,814	-3,640	3,174
Net effect		22,860	-9,247	13,613

Adjustment of the opening balance for Housing Development Agency. The correction was done in line with Chapter 4 (Accounting Policies, Estimates and Errors) of the Accounting Manual for Departments to account for changes in the Commitment and Retention registers.

34. Statement of conditional grants received

Name of grant	2024/25									2023/24	
	GRANT ALLOCATION					SPENT					
	Division of Revenue Act / Provincial grants	Roll overs	DORA Adjust- ments	Other Adjust- ments	Total Available	Amount received by depart- ment	Amount spent by depart- ment	Under- / (Oversp ending)	% of available funds spent by depart- ment	Division of Revenue Act / Provincial grants	Amount spent by depart- ment
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Human Settlement Development	892,884	13	200,000	-	1,092,897	1,092,897	1,091,918	979	99.9%	1,200,766	1,199,962

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Informal Settlement Upgrading Partnership	212,572	59,738	-	-	272,310	272,310	271,991	319	99.9%	388,942	329,204
EPWP	2,128	-	-	-	2,128	2,128	2,005	123	94.2%	1,769	1,769
TOTAL	1,107,584	59,751	200,000	-	1,367,335	1,367,335	1,365,914	1,421		1,591,477	1,530,935

35. Statement of conditional grants and other transfers paid to municipalities

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocation by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Name of municipality									
Polokwane Municipality	73	-	-	73	73	-		419	64
Thabazimbi Municipality	48,000	-	-	48,000	38,801	-		-	-
TOTAL	48,073	-	-	48,073	38,874	-	-	419	64

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ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

Name of Municipality	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
	DoRA and Other transfers	Roll overs	Adjust-ments	Total Availabl e	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amou nt receiv ed by munic ipality	Amount spent by municip ality	Unspent funds	% of availabl e funds spent by municip ality	DORA and other transfers	Actual transfer s
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Polokwane Municipality	73	-	-	73	73	-						419	64
Thabazimbi Municipality	48,000	-	-	48,000	38,801	-						16	-
TOTAL	48,073	-	-	48,073	38,874	-	-	-	-	-	-	435	64

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ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2024/25						2023/24	
	TRANSFER ALLOCATION				TRANSFER			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental Agencies (SABC)	81	-	-	81	81	100.0%	16	-
TOTAL	81	-	-	81	81	100.0%	16	-

ANNEXURE 1F

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Non-profit institutions	10,323	-	-	10,323	5,736	55.6%	12,886	7,274

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Total	10,323	-	-	10,323	5,736	12,886	7,274
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ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
H/H Empls/Ben: Leave gratuity	7,762	-	-	7,762	5,574	71.8%	6,432	4,166
Human Settlements Development Grant	50,000	-	-	50,000	50,000	100.0%	-	-
Total	57,762	-	-	57,762	55,574		6,432	4,166
Subsidies								
Human Settlements Development Grant	892,884	13	200,000	1,092,897	1,091,918	99.9%	1,200,766	1,199,962
Informal Settlement Upgrading Partnership	212,572	59,738	-	272,310	271,991	99.9%	388,942	329,204
EPWP	2,128	-	-	2,128	2,005	94.2%	1,769	1,769
Total	1,107,584	59,751	200,000	1,367,335	1,365,914		1,591,477	1,530,935
TOTAL	1,165,346	59,751	200,000	1,425,097	1,421,488		1,597,909	1,535,101

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ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

		2024/25	2023/24
Name of organisation	Nature of gift, donation or sponsorship	R'000	R'000
<u>Received in cash</u>			
<u>Received in kind</u>			
Donations			
Limpopo Provincial Treasury	LOGIS scanners	-	114
Mustek, FirstTech and FOE	Various products	9	-
Total donations		9	114
Subtotal – received in kind		9	114
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		9	114

Various products (e.g., caps, notepads, USB cable chargers, laptop bag, etc.) from Microsoft and lunch from Mustek, FirstTech and FOE.
In the previous year 2023/24 the department received scanners from the Limpopo Provincial Treasury which had higher value.

ANNEXURE 1K

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

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Grant Type	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Housing Settlements Development Grant	111,456	64,753	78,899	126,874	141,193	109,396	142,269	67,687	32,162	5,353	163,993	47,883	1,091,918
Informal Settlements Upgrading Partnership Grant	15,124	8,312	35,995	35,831	21,994	18,119	10,045	15,585	8,300	20,454	36,636	45,596	271,991
EPWP	-	-	-	-	-	435	195	189	188	286	439	273	2,005
TOTAL	126,580	73,065	114,894	162,705	163,187	127,950	152,509	83,461	40,650	26,093	201,068	93,752	1,365,914

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ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Various cases	273,415	-	4,302	-	269,113
Subtotal	273,415	-	4,302	-	269,113
Other					
Over-payments of salaries of Traditional Leaders	2,123	-	-	-	2,123
Subtotal	2,123				2,123
TOTAL	275,538	-	4,302	-	271,236

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ANNEXURE 4
CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024 /25*	
							Receipt date up to six (6) working days after year end	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024		Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
GAUTENG DEPT OF INFRASTRUCTURE	-	121	-	-	-	121	-	-
DEPARTMENT OF PUBLIC WORKS	-	-	60	60	60	60	-	-
LIMPOPO PROVINCIAL TREASURY	-	-	1,300	69,646	1,300	69,646	-	-
NATIONAL PROSECUTING AUTHORITY	-	-	-	32	-	32	-	-
NATIONAL DEPARTMENT OF WATER AND SANITATION	-	-	-	41	-	41	-	-
LEDET	-	-	-	1,248	-	1,248	-	-
					-	-	-	-
Subtotal	-	121	1,360	71,027	1,360	71,148	-	-
TOTAL	-	121	1,360	71,027	1,360	71,148	-	-

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ANNEXURE 5

INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *	
							Payment date up to six (6) working days after year end	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024		Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT	-	-	1,143	-	1,143	-	-	-
DEPARTMENT OF HEALTH	-	-	140	-	140	-	-	-
HOUSING DEVELOPMENT AGENCY			52,870	-	52,870		-	-
Subtotal	-	-	54,153	-	54,153	-	-	-
Total Departments	-	-	54,153	-	54,153	-	-	-
TOTAL INTERGOVERNMENT PAYABLES	-	-	54,153	-	54,153	-	-	-

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ANNEXURE 6
INVENTORIES

	Bulk Services	RDP Houses	Total
Inventories for the year ended 31 March 2025	R'000	R'000	R'000
Opening balance	1,094,811	274,404	1,369,215
Add: Additions/Purchases - Cash	404,767	936,865	1,341,632
(Less): Issues	-	(872,057)	(872,057)
Closing balance	1,499,578	339,212	1,838,790

The amount of R339,212 (2024: R274,404) is composed of work-in-progress of houses which are still at various stages of construction (foundation, wall plate, roof and finishing). Furthermore, the amount of R1,499,578 (2024: R1,094,811) represent bulk service still in progress and not yet transferred to the municipalities.

	Bulk Services	RDP Houses	Total
Inventories for the year ended 31 March 2024	R'000	R'000	R'000
Opening balance	668,032	97,238	765,270
Add: Additions/Purchases - Cash	426,779	1,094,379	1,521,158
(Less): Issues	-	(917,213)	(917,213)
Closing balance	1,094,811	274,404	1,369,215

The amount of R274,404 (2023: R97, 238) is composed of work-in-progress of houses which are still at various stages of construction (foundation, wall plate, roof and finishings). Furthermore, R1,094,841 represent bulk services still in progress and not yet transferred to the municipalities. R244,872 represent CRUs (Marapong, Tshikota and Talana) still in construction.

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ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2025

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	340,038	133,887	40,509	433,416
Dwellings	244,872	95,035	-	339,907
Non-residential buildings	95,166	38,852	40,509	93,509
Other fixed structures				
TOTAL	340,038	133,887	40,509	433,416

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	275,884	-	64,154	-	340,038
Dwellings	216,706	-	28,166	-	244,872
Non-residential buildings	59,178	-	35,988	-	95,166
Other fixed structures		-		-	-
TOTAL	275,884	-	64,154	-	340,038

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ANNEXURE 8A

INTERENTITY ADVANCES PAID (Note 13)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
PUBLIC ENTITIES						
Housing Development Agency	-	10,439	-	-	-	10,439
Subtotal	-	10,439	-	-	-	10,439
OTHER ENTITIES						
FETAKGOMO	-	-	-	8,429	-	8,429
Subtotal	-	-	-	8,429	-	8,429
TOTAL	-	10,439	-	8,429	-	18,868

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ANNEXURE 8B

INTERENTITY ADVANCES RECEIVED (Note 21 AND Note 22)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER ENTITIES						
Current						
Top up for motor vehicles for Senior Traditional Leaders	3,051	2,720	-	-	3,051	2,720
Subtotal	3,051	2,720	-	-	3,051	2,720
Non-current						
Subtotal						
TOTAL	3,051	2,720	-	-	3,051	2,720
Current	3,051	2,720	-	-	3,051	2,720
Non-current	-	-	-	-	-	-

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ANNEXURE 10

DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE CLASSIFICATION

[Human Settlements Departments: Transition Guide on Classification of Expenditure]

	Note	2024/25 R'000	2023/24 R'000
Inventories			
<i>List the items for correct expenditure</i>			
Assets for distribution		1,363,909	1,363,909
Subtotal		1,363,909	1,529,166
TOTAL		1,363,909	1,529,166

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ANNEXURE 12

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2.1 AND 13.1 to 13.4)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid /advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Prepayments									
Espag Magwai	Legal Services	Payment of security funds for the purpose of defending the legal claim.	Goods and services						
				5,000	5,000	-	-	-	5,000
Total prepayments				5,000	5,000	-	-	-	5,000
Advances									

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Housing Development Agency	Housing Agency	Housing construction services	-	10,439	-	(10,439)	-	-
Fetakgomo-Tubatse Municipality	Municipality	Construction of stormwater drainages	-	8,430	-	(8,430)	-	-
Total advances			-	18,869	-	(18,869)	-	-
TOTAL PREPAYMENTS AND ADVANCES				23,869	-	(18,869)	-	5,000

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