

ANNUAL REPORT 2016/17



**ANNUAL REPORT
2016/17
VOTE 5**



agriculture, rural development,
land & environmental affairs
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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**Annual Report
2016/17
Vote 5**

Hon. VR Shongwe
MEC for Department of Agriculture, Rural Development, Land and Environmental Affairs

As per the requirement of the Public Finance Management Act (Act No.1 of 1999 as amended), I have the honour of submitting the Annual Report of the Department of Agriculture, Rural Development, Land and Environmental Affairs for the year ended 31 March 2017.

A handwritten signature in black ink, consisting of a large, stylized 'V' and 'R' followed by a horizontal line and a small flourish.

HON. VR SHONGWE
MEMBER OF THE EXECUTIVE COUNCIL
DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT LAND
& ENVIRONMENTAL AFFAIRS
31st MAY 2017

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GENERAL INFORMATION



PART A

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ACRONYMS

LIST OF ACRONYMS	
AEL	Atmospheric Emission License
AGRISETA	Agricultural Sector Education Training Authority
AGSA	Auditor General South Africa
AIDS	Acquired Immune Deficiency Syndrome
APP	Annual Performance Plan
AQMP	Air Quality Management Plan
AQMS	Air Quality Monitoring Station
CARA	Conservation of Agricultural Resources Act
CASP	Comprehensive Agricultural Support Programme
CD	Chief Director
CFO	Chief Financial Officer
CFT	Compile Fixation Test
CRDP	Comprehensive Rural Development Programme
CWP	Community Workers Programme
DAFF	Department Agriculture, Forestry and Fisheries
DARDLEA	Department of Agriculture, Rural Development, Land and Environmental Affairs
DEA	Department of Environmental Affairs
DFA	Development Facilitation Act
DoRA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DRDLR	Department of Rural Development and Land Reform
DWA	Department of Water Affairs
EEP	Employment Equity Plan
EIP	Environmental Implementation Plan
EIA	Environmental Impact Assessment
EMI	Environmental Management Inspector
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
ERM	Enterprise Risk Management
ERP	Extension Recovery Plan
FET	Further Education and Training
FIFO	First in First Out
FMCMM	Financial Management Capability Maturity Model
FMD	Foot and Mouth Disease
GEF	Global Environment Facility
GDP	Growth Domestic Product
GGP	Gross Geographic Product
GIAMA	Government Immovable Assets Management Act
GIS	Geographical Information Systems
GSD	Gert Sibande District
HAR	Hygiene Assessment Report
HET	Higher Education and Training
HIV	Human Immune Virus
HOD	Head of Department
HOA	Home Owner Allowance
HR	Human Resources
HRD	Human Resource Development

LIST OF ACRONYMS

HRM	Human Resource Management
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
ISPPIA	International Standards for the Professional Practice of Internal Auditing
IT	Information Technology
IWMP	Integrated Waste Management Plan
LCA	Lowveld College of Agriculture
LIP	Livestock Improvement Programme
LUMS	Land Use Management Systems
MANCOM	Management Committee
MBSP	Mpumalanga Biodiversity Sector Plan
ME	Masibuyele Emasimini
MEC	Member of Executive Council
MESP	Masibuyele Esibayeni Programme
MINMEC	Ministers and Members of Executive Council
MPAT	Management Performance Assessment Tool
MPL	Member of Provincial Legislature
NARS	National Abattoir Rating Scheme
NAEIS	National Atmospheric Emissions Inventory System
NEAS	National Environmental Authorization System
NECER	National Environmental Compliance & Enforcement Report
NGO	Non-governmental Organization
NQF	National Qualification Framework
OHS	Occupational Health Safety
OSD	Occupation Specific Dispensation
OTP	Office of the Premier
PAA	Public Audit Act
PAHC	Primary Animal Health Care
PAIA	Promotion to Access to Information Act
PERSAL	Personnel Salary
PFMA	Public Finance Management Act
PMDMC	Performance Management Development Moderating Committee
PPECB	Perishable Products Export Control Board
PPP	Public Private Partnership
PSA	Public Service Act
PSCBC	Public Service Coordinating Bargaining Council
PSR	Public Service Regulations
QPR	Quarterly Performance Report
RWOPS	Remunerative Work Outside Public Service
SALGA	South African Local Government Agency
SANAS	South African National Accreditation System
SAQA	South African Qualifications Authority
SAWS	South African Weather Service
SDF	Spatial Development Framework
SDIP	Service Delivery Improvement Plan
SMS	Senior Management Service
SMME	Small, Medium & Micro Enterprise Businesses
STATSA	Statistics South Africa
SP	Strategic Plan

LIST OF ACRONYMS

SPSS	Statistical Package for Social Sciences
TB	Tuberculosis
ToR	Terms of Reference
TUT	Tshwane University of Technology
UL	University of Limpopo
VPH	Veterinary Public Health
WIS	Waste Information System

3. FOREWORD BY THE MEC



MEC VR Shongwe

As per the requirement of the Public Finance Management Act (Act No. 1 of 1999 as amended), I have the honour of submitting the Annual Report of the Department of Agriculture, Rural Development, Land and Environmental Affairs for the year ended 31 March 2017.

The National Development Plan (NDP) empowers the Department to lead in the building of a South Africa that must be free from poverty, inequality and unemployment. Agriculture as a sector is at the centre of the fight against the triple challenges as identified by the NDP.

It is a known fact that Mpumalanga is a rural Province in nature and thus, the Department is focused on agriculture as one of the key sectors to drive industrial development and creation of the much needed jobs to respond positively to the persistent triple challenges.

The Department managed to intensify collaborative partnerships with key stakeholders which include emerging and commercial farmers, manufacturers of agricultural machinery, as well as universities and research institutions. These collaborative efforts provide bases for developing a focused approach in the development of agriculture as a viable and inclusive economic activity to realize radical economic transformation.

The construction of the International Fresh Produce Market is on course and supporting work is being done to ensure that this market will stimulate increased agricultural production to supply domestic and international markets.

The Department continues to ensure that it prepares our farmers for the increased demand to supply the Agri-parks and the International Fresh Produce Market. In addition, the Executive Council's decision to introduce the Government Nutrition Programme has also increased the market for the farmers. The support is in the form of providing production inputs to increase productivity. To maximize this effort, the Department implemented and is currently rolling out the Fortune 40 Young Farmer Incubator Programme.

It should be noted that the economy is still not growing fast enough to create the jobs that we need. The majority of the youth continue to be the most highly affected group and the Fortune 40 Young Farmer Incubator Program remained an important strategic intervention to deal with the problem. The program ensured a focused approach to youth unemployment and creation of opportunities in the agricultural sector. Its packaging and execution is in line with the Nine-Point Plan to reignite growth so that the economy can create the much-needed jobs, particularly the Agriculture sector.

The financial year under review was characterised by drought and erratic weather conditions, which resulted in the Department scaling down on programs like Masibuyele Emasimini. The department has since intensified the implementation of the disaster mitigation strategies. Key to that is the provision of drought-resistant production inputs and water saving devices. Fortunately our farmers received some much needed good rains towards the end of the third quarter. This ensured that we do not reprioritize the budget, instead, we effectively used it to intensify farmer support to till the land and feed the nation.

The province was also faced with the invasion of the Fall Army Worm pest that affected some of our emerging farmers. The Department's response to the Fall Army Worm was handled with due diligence and minimum crop attacks were recorded and the damage managed accordingly. However, the Department remains on high alert particularly in the areas of Ehlanzeni where crop planting takes place throughout the year.

The Department has also noted that the use of the land in some communal property associations remains one of the areas that are a cause for concern. As part of our work to improve the management and general coordination in the Communal Property Associations, the Department held a number of summits to develop joint strategies to address these challenges.

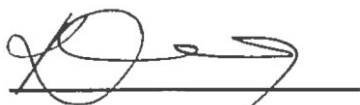
Amongst the challenges are issues of infighting amongst project beneficiaries which are sometimes perpetuated by their failure to work according to their constitutions. These unending infightings lead to some of the projects that we have funded being rendered non-viable.

The Department continues to identify and focus on key anchor projects with the sole intention of scaling up developed structures and focus on short and long terms goals as everything cannot be achieved at the same time.

This strategic direction will intensify the Department's efforts to establish its own value chain on the identified projects. These projects includes the increasing of crop production in which the department will have to identify farms to be supported and come up with cost effective ways of producing on a large scale to support the Lekwa Oil Crushing Plant, for instance, in Standerton.

I would like to take this opportunity to thank and appreciate the support and guidance provided to me by the Honourable Premier DD Mabuza, the members of the Executive Council, the members of the various Portfolio Committees. I would further like to appreciate the administrative support given to me by the Director General Mr T Mdakane and the Head of Department, Ms SP Xulu, including the staff in my office and the entire Department.

Lastly, express my appreciation to my family, in particular my wife for the reliable support given to me.



MR VR SHONGWE
MEMBER OF EXECUTIVE COUNCIL
DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT LAND
& ENVIRONMENTAL AFFAIRS
31st MAY 2017

4. REPORT BY THE ACCOUNTING OFFICER



Head: **DARDLEA,
SP XULU**

Overview of the operations of the Department

The National Development Plan (Vision 2030) is a clear depiction of South Africa's foresight regarding the current trends and future pressures with regard to poverty and inequality. The plan sets forth a motion by government in attenuating and ultimately reversing the current status of an economy that is; (i) unsustainably resource intensive, (ii) employs too few people, and, (iii) has inadequate infrastructure. To this effect, the department has adopted a number of programmes whose aim is to propel the country towards the achievement of the goals set in Chapter 6 of the NDP.

The Fortune 40 Young Farmer Incubator Programme has taken centre stage in spearheading the department's new vision regarding the transformation of the sector. The programme has been able to make a significant contribution to the agricultural sector by; (i) creating employment for youth and linked them to various cooperatives, (ii) identified a total of 17 farm units where these cooperatives were placed for their incubation, (iii), trained these cooperative on a number of unit standards including high value crops for export markets, precision farming, plant and animal production. Seven of these farming units have reached production stage and will further be making a significant impact on the Government Nutrition Programme and the Fresh Produce Market.

In addressing the challenge of markets for the farmers, the department is accelerating the construction of Agri-hubs, where the farmers will be marketing their produce. The Dr JS Moroka Agri-hub is in its final stages of construction and requires equipping. The department will further be constructing two more Agri-hubs in Mkhondo and Bushbuckridge Local Municipalities. Farmers in Dr JS Moroka have already been identified and receive continuous extension support in ensuring that they meet the demand of the agri-hub as well as the Government Nutrition Programme.

The scourge of the Fall Army Worm was felt throughout the sector, especially by the grain farmers. The department mobilized its resources in extension and research and thus ensured the provision of diagnostic services to the farmers. The department further worked closely with its partners in the Agricultural Research Council in ensuring that there is early diagnosis of the pest.

Veterinary Services continued to provide farmers with critical animal health, veterinary public health and clinical health services. The department received a total of 25 student state veterinarians through the Compulsory Community Service and successfully retained 4. South Africa maintained the Foot and Mouth Disease free status with the Organization on Animal Health (OIE), which is a reflection of the effectiveness of our disease management and eradication efforts. Furthermore, through the intensified rabies vaccination programme, the department was able to significantly reduce the number of rabies cases in the province. More animals are being brought to the diptanks for inspections as a result of intensified disease awareness campaigns. The department is also experiencing higher than normal primary animal health care interactions.

The department has adopted a third-generation Research and Development (R&D) management strategy, which allowed us to take a holistic view of the full range of our research activities and organize them in way that integrates research into the mainstream of the functional management of the sector in the province.

To this effect, the department commissioned a new state-of-the-art soil analytical laboratory. This facility will be used as a diagnostic tool that will inform crop management, water quality considerations in irrigation, and plant health. The facility will further add tremendous value to the Masibuyele Emasimini programme by ensuring prudent fertilizer applications and optimal yields.

Trees play a critical role in the management of carbon by sequestering carbon and reducing the carbon footprint in the atmosphere and hence climate change. The department planted 3583 trees and ensured the participation of 690 school in the Climate Change Literacy Environmental Empowerment Programmes. Furthermore, 5 state-of-the-art air quality monitoring stations were commissioned in the Highveld area of the province. These stations provide scientifically sound and credible air quality data which is then fed into the National Atmospheric Emissions Inventory System (NAEIS).

Overview of the financial results of the Department

The final appropriation for the Department was R 974 133 million. The Department spent R 968 719 million with a variance of R 5 414 million by the end of the financial year. The expenditure represented 99.4% of the total budget, with the variance of 0.6%.

Reasons for under/over spending

The low spending is attributed to resignations, transfers of officials and deceased officials that were not replaced due to the moratorium.

Departmental receipts

Departmental Receipts	2016/2017			2015/2016		
	Estimate	Actual Collected Amount	(Over)/Under Collection	Estimate	Actual Collected Amount	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sales of goods and services other than capital assets	3,327	4,131	804	2,900	3,867	967
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	1,000	1,397	397	5,000	1,435	3,565
Interest, dividends and rent on land	12	1,600	1,588	-	1,069	-1069
Sale of Capital assets	-	225	225	109	99	-10
Financial transactions in assets and liabilities	-	620	620	-	8,512	-8,512
TOTAL	4,339	7,973	3,634	8,009	14,982	-5,059

Programme Expenditure

Per Programme	2015/2016			2016/2017		
	Final Appropriation R'000	Actual expenditure R'000	(Over) Under Expenditure R'000	Final Appropriation R'000	Actual expenditure R'000	(Over) Under Expenditure R'000
Pr 1 : Administration	141,325	141,088	237	138,573	137,803	770
Pr 2 : Sustainable Resource Management	97,457	96,098	1,359	70,519	69,507	1,012
Pr 3: Farmer Support and Development	437,264	435,921	1,343	450,129	449,652	477
Pr 4: Veterinary Services	116,146	116,021	125	111,778	111,593	185
Pr 5: Research and Technology Development Services	47,322	47,309	13	63,149	62,885	264
Pr 6: Agricultural Economics Services	21,600	21,593	7	10,941	10,890	51
Pr 7: Structured Agricultural Education and Training	20,510	20,391	119	16,255	16,163	92
Pr 8: Rural Development Coordination	34,945	41,148	(6,203)	20,782	20,284	498
Pr 9: Environmental Affairs	86,055	85,777	278	92,007	89,942	2,065
Total	1,002,624	1,005,346	(2,722)	974,133	968,719	5,414

Virements

The details of the projected unspent funds / savings on the various programmes are as follows;

Programme:	From R'000	%	To R'000	
Programme 2: Sustainable Resource Management	Engineering Services Compensation of Employees R 3,066 Payment of Capital Assets R 0,274 LandCare Services Compensation of Employees R 1,146 Disaster Risk Management Compensation of Employees R 0,120		PR1: Administration Transfer & Subsidies R 1,336 Payments of financial assets R 0,274 PR3: Extension Advisory: Transfer & Subsidies: R 2,116 PR8: Comprehensive Rural Dev: Goods & Services R 0,368 Transfer & Subsidies R 0,512	
TOTAL	R 4,606	7%		R4,606
Programme 4: Veterinary Services	Animal Health Compensation of Employees R 0,150 Transfers & Subsidies (CASP) R 0,265 Payment of Capital Assets(CASP) R 1,970 Vet Public Health Compensation of Employees R 0,530 Veterinary Lab Services Compensation of Employees R 0,160		PR3: : Extension and Advisory Goods & Services R 0,150 PR3: Extension and Advisory Goods & Services(CASP) R 0,265 Payment of Capital Assets(CASP) R 1,970 PR3: : Extension and Advisory Goods & Services R 0,530 PR3: : Extension and Advisory Goods & Services R 0,160	
TOTAL	R 3,075	3%		R 3,075

Programme:	From R'000	%	To R'000	
Programme 5: Research & Tech, Dev Serv	Research Compensation of Employees R 1,200 Technology Transfer Services Compensation of Employees R 0,400 Infrastructure Services Compensation of Employees R 0,400		PR3: Extension and Advisory Services Goods & Services R0,800 PR6: Agricultural Economics Compensation of Employees R1,200	
Total	R 2,000	3%		R 2,000
Programme: 6 Agricultural Economics	Agricultural Economics Compensation of Employees R 0,020 Goods & Services R 0,055		PR8: Comprehensive Rural Dev: Goods & Services R 0,075	
Total	R 0,075	0%		R 0,075
Programme 7: Structured Agriculture Education and Training	Further Education & Training Compensation Of Employees R 1,100 Goods & Services R 0,100		PR8: Comprehensive Rural Dev: Compensation of Employees R 0,540 Goods & Services R 0,660	
TOTAL	R 1,200	7%		R 1,200
Programme 9: Environmental Affairs	CD Office Support Compensation of Employees R 0,165 Poll waste & Impact Management Compensation of Employees R 0,400 Compliance & Monitoring Compensation of Employees R 0,290 Environmental Quality Management: Payment of capital assets: R 2,100		PR1: ADMINISTRATION Transfers & Subsidies R 0,580 Payment of capital assets: R 0,188 PR3: Extension Advisory Services Payment of capital assets: R 1,812 PR8: Comprehensive Rural Dev: Goods & Services R 0,190 PR3: Extension and Advisory Compensation Of Employees R 0,085 Research Payment of capital assets: R 0,100	
TOTAL	R 2,955	4%		R 2,955

Shifting of Funds

Programme	From	To	Amount R,000
Programme 1 Administration	Corporate Services Compensation of Employees R 3,900 Office of the MEC Compensation of Employees R 0,540 Goods and Services R 0,100 Communication Services Compensation of Employees R 0,400	Senior Management Compensation of Employees R 0,040 Goods & Services R 2,260 Financial Management Goods & Services R 0,340 Corporate Services Goods & Services R 1,120 Financial Management Goods & Services R 0,500 Goods & Services R 0,100 Transfers & subsidies R 0,580	R 4,940

Programme	From	To	Amount R,000
Programme 2: Sustainable Resource Management	Engineering Services : Compensation of employees R 0,780	Engineering Services Goods & Services R 0,780	R 0,780
Programme 3: Farmer Support Development	Farmer Settlement: Goods & Services R 1,133 Payment of capital assets R 2,500 Food Security Compensation of Employees R 1,911 Goods & Services R 0,810 Transfer & Subsidies R 1,000	Extension Advisory Services Goods & Services R 0,133 Transfers & Subsidies R 1,000 Payment of capital assets R 2,500 Extension Advisory Services Compensation of Employees R 2,191 Goods & Services: R 0,500 Transfers & Subsidies R 1,030	R 7,354
Programme 4: Veterinary Services	Vet Public Health : Compensation of Employees R 0,248	Vet Public Health Goods & Services R 0,248	R 0,248
Programme 5: Research & Tech, Dev Serv	Research Compensation of Employees R 0,861	Research: Goods & Services R 0,861	R 0,861
Programme 6: Agricultural Economics	Agric, Business dev & sup Compensation of Employees R 0,220	Macro Economics Support Compensation of Employees R 0,220	R 0,220
Programme 9: Environmental Affairs	CD Office Support Compensation of Employees R 0,540 Environmental Empowerment: Compensation of Employees R 2,600 Environmental Quality Management Compensation of Employees R 0,660	CD Office Support Goods & Services R 0,540 Environmental Empowerment: Goods & Services R 2,600 Environmental Quality Management Goods & Services R 0,660	R 3,800
TOTAL			R 18,165

Programme	From	To	Amount R,000
Programme 2: Sustainable Resource Management	Land Care Conditional Grant: LandCare Transfer and Subsidies R 6,208 Disaster Risk Management Conditional Grant : CASP Transfer and Subsidies R 18,326	Land Care Conditional Grant: LandCare Goods and Services R 6,208 Disaster Risk Management Conditional Grant : CASP Goods and Services R 17,841 Payment of Capital Assets R0,485	R 24,534
Programme 3: Farmer Support Development	Extension and Advisory Transfer & Subsidies R7,555 Conditional Grant : CASP Transfer and Subsidies R 51,150 Ilima/Letsema Transfer and Subsidies R 49,136 Food Security Transfer and Subsidies R 16,015	Extension and Advisory Goods and Services R4,275 Payment for Capital Assets R3,280 Conditional Grant : CASP Goods and Services R 30,538 Payment for Capital Assets R20,612 Ilima/Letsema Goods and Services R 49,136 Food Security Goods and Services R16,015	R123,856
Programme 8: Rural Development	Conditional Grant : CASP Transfer and Subsidies R0,512	Conditional Grant : CASP Goods and Services R0,512	R 0,512
TOTAL			R 148,902

REASONS FOR VIREMENTS

The Department applied for Virements to defray excess expenditure within and between Programmes and economic classifications under the same vote in terms of section 43(3) of the Public Finance Management Act (PFMA), Act no. 1 of 1999.

REQUEST FOR ROLLOVERS

In the year under review the Department did not request any rollovers.

REASONS FOR UNAUTHORIZED, FRUITLESS AND WASTEFUL EXPENDITURE AND THE AMOUNTS INVOLVED AS WELL AS STEPS TAKEN TO ADDRESS AND PREVENT A RECURRENCE

The Department has not incurred any unauthorized, fruitless and wasteful expenditure in the 2016/17 financial year.

COST CONTAINMENT MEASURES IMPLEMENTED

The Department's operations continue to be affected by annual budget overlaps. However accruals decreased from R26 million in 2015/16 to R17 million 2016/17. The implication of this is that the current allocation for the department will be affected by payment of accruals. To address this, various cost containment measures with minimal impact on service delivery were introduced during the financial year.

Future plans of the department

For the realization of the Vision 2030 of the National Development Plan, the Department has geared its self towards achieving the following objectives;

- a) Creating more jobs through agricultural development, based on effective land reform and the growth of irrigated agriculture and crop production.
- b) Providing basic services that enable people to develop capabilities to take advantage of opportunities around the country, enabling them to contribute to their communities.
- c) Developing industries such as Agro-processing, Conservation, Fisheries and Small Enterprises where potential exists

The Department has also put more emphasis on the following key approaches

- Strengthen elevate farmer support programmes into a comprehensive and integrated approach where more emphasis will be directed towards commercial production.
- Accelerate the development and implementation of youth economic development in the agricultural sector.
- The Department will in the MTSF period implement the Fortune-40 programme. Through this programme 20 farms will be developed comprehensively as youth development programme.
- Resuscitate the irrigation schemes by rejuvenating irrigation systems.
- To maintain the management of 18 controlled and notifiable animal diseases.
- Strengthen and enhance protection of environmental assets and natural resources.

Public Private Partnerships

The Department has no plans or received any proposals for the formulation of public private partnerships during the year under review.

Discontinued activities/activities to be discontinued

The Department has no discontinued activities in the year under review.

Effect on the operations of, and service delivery by the department

The Department had no discontinued activities in the year under review.

Financial implications of each discontinued activity

The Department had no discontinued activities in the year under review.

New or proposed activities

The Department has not proposed any new significant changes to activities in the New Year.

Reasons for new activities

The Department has not proposed any new significant changes to activities in the New Year.

Effect on the operations of the department

The Department has not proposed any new significant changes to activities in the New Year.

Financial implications of each new activity

The Department had no new activities in the year under review and therefore no financial implications.

Supply chain management

- There were no unsolicited bids in the year under review.
- The Department has fully-fledged Supply Chain Management (SCM) processes and systems - All SCM policies, procedure manuals and process flows are in place
- SCM has a 60% vacancy rate which cannot be filled due to moratorium – the unit has tried to distribute function within the available staff complement

Gifts and Donations received in kind from non-related parties

The Department did not receive any gifts and donations in kind from non-related parties.

Exemptions and deviations received from the National Treasury

None

Events after the reporting date


None

ACKNOWLEDGEMENT

The department would like to express its utmost gratitude to the farmers, both individually and in their bodies of affiliation, who remain an engine that drives food security in the country. The department would further like to acknowledge and thank all the technical and political committees for their criticism and support that continues to make this department a better one. The department remains steadfast in its quest to tackle poverty, unemployment and inequality and would like to thank all the emerging farmers for their patience and continued support. Together we move the Department of Agriculture, Rural Development, Land and Environmental Affairs forward.

CONCLUSION

The department remains committed in ensuring and contributing towards sustainable economic development.



MS SP XULU
ACCOUNTING OFFICER
DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT,
LAND & ENVIRONMENTAL AFFAIRS

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2017.

Yours faithfully



MS SP XULU
ACCOUNTING OFFICER
DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT,
LAND & ENVIRONMENTAL AFFAIRS

31st MAY 2017

6. STRATEGIC OVERVIEW

6.1 Vision

Vibrant, equitable, integrated and sustainable urban and rural communities with a united and prosperous agricultural sector.

6.2 Mission

To facilitate an integrated, comprehensive & sustainable social & Agricultural development in rural and urban communities through ensuring cohesion and collaboration by all sectors of society.

6.3 Values

Guided by the principles of Batho Pele, we will render services particularly based on the following values:

- Result orientated and professional staff;
- Sensitivity to the needs of all citizens, particularly the poor, women, youth, the elderly and the disabled;
- Driven by community based development;
- A learning organization that is participatory in its approach and grows from its experiences and new knowledge;
- Promote and improve effective, efficient and responsive departmental systems and use of resources; and
- Act with honesty, impartiality and integrity.

7. LEGISLATIVE AND OTHER MANDATES

The Department of Agriculture, Rural Development, Land and Environmental Affairs (The Department) derives its mandates from a number of policies and acts, which include (but are not limited to), the following:

Constitutional mandates

The Department is an integral part of the South African Public Service established in terms of Section 197 of the Constitution read with section 7- (1) and 7- (2) of the Public Services Act of 1994.

- The Department derives its core mandate from the provisions of schedules 4 and 5, and section 104-(1)-(b) of the Constitution of the Republic of South Africa.
- As a concurrent national and provincial legislative competency listed in schedule 4 of the Constitution, the Department, as part of the system of concurrent governance, derives its administrative mandate from both National Parliament and Provincial Legislature.

Acts

The following are some of the key acts that guided the department during the course of the year under review:

Agriculture, Rural Development and Land related acts:

- Comprehensive Rural Development Framework Version 2 of 2009.
- Agricultural Product Standards Act 1990 (Act Number 119 of 1990), which sets standards for all agricultural products.
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983), which provides framework for the protection of all natural resources such as water, soil and vegetation. Good sustainable farming practices are promoted through the use of this legislation.
- Strategic Plan for South African Agriculture, November 2001, which is a policy framework that guides the agricultural development imperatives in South Africa.
- The Labour Tenant Act, 1996 (Act 3 of 1996), which set the criteria to qualify individuals as a labour tenant.
- AgriBEE Framework of the Broad-Based Black Economic Empowerment Act, 2004.
- National Water Act 36 of 1998, Regulates water allocation.
- Plant Breeders' Rights Act 15 of 1976, Regulates registration of plants.
- Plant Improvement Act 53 of 1976, Regulates the improvements of plants.
- Agricultural Products Standards Act 119 of 1990 provides for the standardisation of quality norms for agricultural and related products.
- Animal Diseases Act 35 of 1992: This Act provides measures for the control of animal diseases as well as animal parasites and promotes animal health.

- Animal Protection Act 71 of 1962: Relates to the prevention and protection of animals against any form of cruelty.
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act 36 of 1947: Provides for the registration and regulation of fertilizers, farm feeds, agricultural remedies, stock remedies, sterilizing plants and pest control operators.
- Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972: Controls the sale, manufacture and importation of foodstuffs, cosmetics and disinfectants. This act protects the consumer against foodstuff that is harmful or detrimental to his/her health (including products from animal origin).
- Meat Safety Act 40 of 2000: Promotes meat safety and safety of animal products, which includes standards in respect of abattoirs and the importation and exportation of meat.
- Abattoir Hygiene Act 121 of 1992, Provide standards for maintenance of hygiene in abattoirs.
- Veterinary and Para-Veterinary Professions Act 19 of 1982: Provides for the registration and control of people practising a veterinary profession and para-veterinary profession, which include veterinarians, animal health technicians and laboratory technologists.
- Animal Identification Act 6 of 2002: Provides for the registration of animal identification marks and matters related to it.
- Livestock Improvement Act 62 of 1998: Provides for the breeding, identification and utilisation of genetically superior animals in order to improve the production and performance of animals in the interest of South Africa.
- The Marketing of Agricultural Products Act 47 of 1996: Provides for the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products.
- Medicines and Related Substances Control Act 101 of 1965: Makes provision for the registration and control of medicine intended for human and animal use and the registration of medical devices.
- Pounds Ordinance 13 of 1972 (Transvaal): To provide for establishment and management of livestock pounds.
- Stock Theft Act 54 of 1972: To provide for the prevention of and control of theft of livestock.
- Performing Animal Protection Act 24 of 1935: Regulates the exhibition and training of performing animals and the use of dogs for safeguarding.

- Health Act 63 of 1977: Provides for various issues associated with human health including the hygiene requirements for food premises and the transporting of food (products of animal origin).
- Perishable Products Export Control Act 9 of 1983, Regulates the control of export of perishable products.
- South African Abattoir Corporation Act 120 of 1992, Regulates the abattoir industry.

Environmental Management related Acts

- National Environment Management Act, Act 107 of 1998
- The Environmental Impact Assessment Regulation 543, 544, 545, 546, and 547 in term of the National Environment Management Act, 1998, as amended.
- National Environment Management: Protected Areas Act 57 of 2003.
- Biodiversity Act 10 of 2004.
- Air Quality Act, 39 of 2004.
- Waste Act, 59 of 2008.
- Provincial Gazette No.1723 of 30 September 2009, in accordance with Chapter 3 (Sections 11 – 16) of National Environment Management Act, Act 107 of 1998

Administrative Acts:

The department is guided by some of the following are some of the administrative related acts:

- Public Finance Management Act
- Treasury Regulations.
- Public Service Act no. 92 of 1994 (PSA).
- Labour Relations Act no. 66 of 1995.
- Promotion of Access to Information Act no.2 of 2000.
- Promotion of Administrative Justice Act no.3 of 2000.
- Employment Equity Act, 1998 (No. 55 of 1998) as amended
- Skills Development Act, 1998 (No. 97 of 1998)
- Skills Development Levies Act, 1999 (No.9 of 1999)
- Promotion of Equality and Prevention of Unfair Discrimination Act (PEPUDA), 2000 (no. 2 of 2000)
- Basic Conditions of Employment Act, 1997 (No. 75 of 1997) as amended

- Higher Education Act 101 of 1997. This Act governs the provisions of Higher (Tertiary) accreditation.
- South African Qualifications Authority Act of 1995 which sets standards on how training and qualifications are to be governed, accredited and aligned.
- Further Education and Training Act 98 of 1998, provides a framework within which Further Education and Training can be provided in order to lead to the articulation of Higher Education and Training.

Policy Mandates

The following are some of the key policy mandates that guided the department:

Rural Development

The Rural Development mandate arises from the Medium Term Strategic Framework (MTSF) strategic objective Number 3: Comprehensive Rural Strategy linked to Land and Agrarian Reform. This strategic objective sets out a framework for the Department to stimulate agricultural production, with a view to contributing to food security and providing pre- and post-settlement support in land reform programmes.

The mandate provides for inter-governmental and departmental coordination role of the following:

- Aggressive implementation of land reform policies;
- Sustainable agrarian reform;
- Improved rural services to support livelihoods;
- Improved access to affordable and diverse food;
- Improved service delivery to ensure quality of life for animals and humans;
- Implementation of a development programme for rural transport
- Skills development;
- Revitalization of rural towns
- Improved employment opportunities and economic livelihoods; and
- Enabling institutional environment for sustainable and inclusive growth.

Agriculture

The White Paper on Agriculture provides for the building of a strong agricultural economy and reducing inequalities by increasing incomes and employment opportunities for the poor while conserving natural resources. The following are the key responsibilities of the Department:

- Build an efficient and competitive agricultural sector;
- Support emerging diverse structure of production with large increase of number of successful small holder farming enterprises;
- Conservation of natural resources; and Sustainable resource use.

Environmental Management

White Paper on Environmental Policy for South Africa, 1996

- To regulate and manage all environmental activities in the Province, including the development of provincial policy instruments to further the objectives of national policy on integrated environmental management.

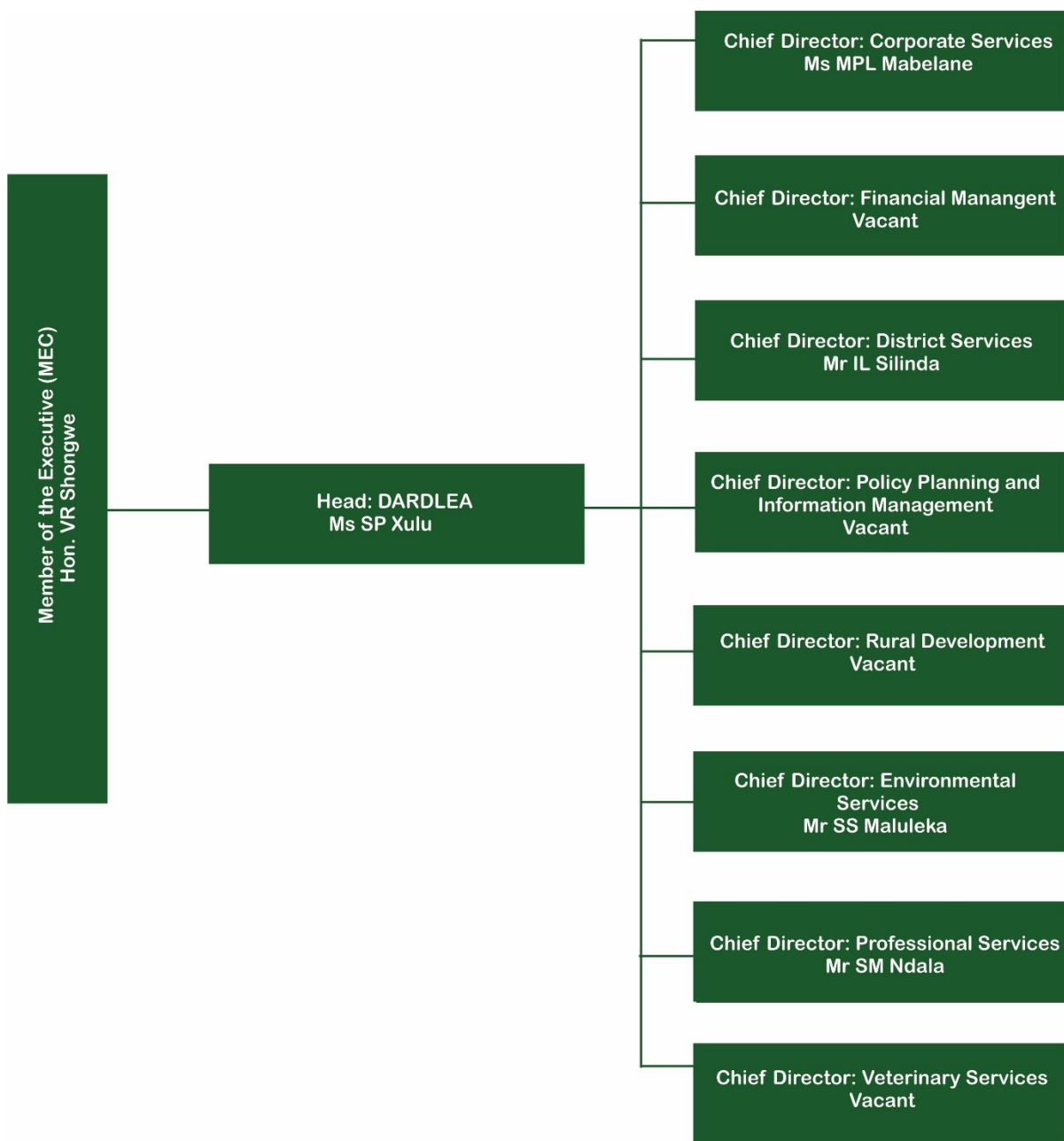
White Paper on Integrated Pollution & Waste Management in South Africa

- The policy provides for a national policy framework for integrated pollution control across all three environmental media (i.e. land; air and water).

White Paper on the National Climate Change Response Strategy

- The policy document provides a national direction through which South Africa aims to respond to the adverse impacts of global warming.
- It collates and integrates the various strategies and action plans developed by various organs of state and community organisations and align these to global climate change response instruments and mechanisms, e.g. the United Nations Framework Convention on Climate Change.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

None



PERFORMANCE INFORMATION

PART B

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 report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 149 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

During the year under review the department was faced with the challenge of erratic weather conditions and the invasion of the Fall Army Worm.

The department notes that the agricultural sector in the province continues to be faced with the challenge of competition with mining sector and urban expansion over arable land.

The challenges of infighting in some Land Reform projects especially those under the management of Communal Property Associations (CPAs) and Trusts, continued to undermine the strategic objective of the Programme of ensuring that all the lands/farms transferred to historically disadvantaged people is brought under production in order to reduce poverty, create more jobs, address inequality as required by the National Development Plan (NDP).

2.2 Service Delivery Improvement Plan

Main services and standards

Main services	Beneficiaries	Current/actual standards of services (2015/16)	Desired standard of service (2016/17)	Actual achievement (2016/17)
Provide mechanization and production inputs	Subsistence farmers & Land and Agrarian Reform beneficiaries	18 518, 6 hectares cultivated for food production in communal areas and land reform projects. 12 456 households benefited from agricultural food security initiatives which are more than the target. Exceeding of target was due to support of production inputs provided to schools and households backyard gardens.	Plough and plant 40 000 ha, and provide production inputs by end of March 2017	Ploughed and planted 20 515.56 ha for both small holder and commercial farmers 1 536 Food gardens established and supported 15 382 Households benefited

Main services	Beneficiaries	Current/actual standards of services (2015/16)	Desired standard of service (2016/17)	Actual achievement (2016/17)
Provide infrastructure support	Subsistence farmers , cooperatives, commercial farmers , rural communities	Only 62% 18 of 29 infrastructure projects were completed in time	Completion of 80% of projects in time (30 projects)	100 percent (30) projects were completed in time

Batho Pele arrangements with beneficiaries (Consultation access)

Current/actual arrangement (2015/16)	Desired arrangements (2016/17)	Actual achievements (2016/17)
132 food security ME awareness campaigns were held. More awareness campaigns were held to advise farmers on drought issues	Conduct 108 Masibuyele Emasimini awareness campaigns during the financial year	12 Masibuyele Emasimini awareness campaigns were conducted during the financial year Ehlanzeni North - 3 Ehlanzeni South – 2 Gert Sibande – 3 Nkangala – 4
Only 15 Municipal ME Committees were sustained in various municipalities while in some municipalities it was a challenge to revive them. The department will still continue to revive those in the municipalities that are not functional. Most of those which non -operational are due to social dynamics i.e. members of the committees prioritising their own needs before those of the farmers.	Facilitate the sustenance of 18 Municipal Masibuyele Emasimini committees throughout the year – at least one Masibuyele Emasimini meeting per month per municipality	12 Masibuyele Emasimini committees facilitated during the financial year Ehlanzeni North – 3 Ehlanzeni South – 3 Gert Sibande – 5 Nkangala – 1
All municipalities were provided with the schedule on how the seeds, fertilizers and food garden starter packs with materials had to be distributed to beneficiaries. Service providers deliver directly to the beneficiaries. Municipalities presented the plans to their respective farmers in their wards.	Presentation & distribution of Production Plans to the community per Municipality	Production plans were presented during the ADC Meetings and community mobilisation done to the communities through the ADC
A total number of 5 meetings with service providers, four 4 ME District Coordinators, 4 Chief Directorate meetings were held to deal with issues of Masibuyele Emasimini.	Meeting with Service provider, District Masibuyele Emasimini Coordinators and Municipal crop sectional heads once every month	1 meeting with service provider was held at Ehlanzeni North district 1 meeting between the District ME Coordinator and Crop sectional head was held at Nkangala.
The qualification criteria have been updated with few changes. The department made a decision that all farmers assisted during 2014/15 (subsistence and LAR) had to still be supported during 2015/16 and move out in 2016/17. Although still all the retained farmers especially under subsistence had to complete the application forms for record purposes.	Qualification criteria is in place through the usage of Masibuyele Emasimini applications which is administered at ward level upon issuing of the advertisement	Qualification criteria is in place for all Districts through the usage of ME applications which is administered at ward level. The ADC (Agricultural Development Committees) will then meet to select qualifying beneficiaries

Current/actual arrangement (2015/16)	Desired arrangements (2016/17)	Actual achievements (2016/17)
More farmers' days held through collaboration with stakeholders such as Monsanto, Noble Resources and Grain SA. The institutions supported the department with awareness materials, displaying, exhibiting of products e.g. seeds, tractors, implements.	Collaborate with other institutions in the implementation of Masibuyele Emasimini	20 Farmers days were held Ehlanzeni North – 6 Ehlanzeni South – 4 Gert Sibande – 7 Nkangala – 3
All projects were included in all municipalities where they were implemented (Nkomazi, Bushbuckridge, Mkhondo, Dr Pixley ka Isaka Seme, Steve Tshwete, Thembisile Hani, Victor Khanye) The MCDM which was later named Operation Vuka Sisebende was launched in August 2015 but it was not rolled out however Agri-Parks and hubs presented to farmers in the three districts meetings which consisted of all 18 municipalities	The department ensures the inclusion of projects in the IDPs of all the municipalities	All agricultural projects were included into municipalities IDPs
The MCDM which was later named Operation Vuka Sisebende was launched in August 2015 but it was not rolled out however Agri-Parks and hubs presented to farmers in the three districts meetings which consisted of all 18 municipalities	The project lists will be presented and discussed in all the municipalities through MCDM in quarter 1, (Mpumalanga Coordinating Development Model)	Only two sittings of OVS (MCDM) were convened and in both the forum meetings, the forum was still discussing planning
August 2015 but it was not rolled out however Agri-Parks and hubs presented to farmers in the three districts meetings which consisted of all 18 municipalities	The project progress reports will be presented and discussed in all the municipalities through MCDM in all quarters (Mpumalanga Coordinating Development Model)	Only two sittings of OVS (MCDM) were convened and in both the forum meetings, the forum was still discussing planning
Due to the delay in the implementation of the infrastructure projects, the questionnaire could not be administered	Implementation and review of the feedback mechanisms in all the quarters	The feedback of the beneficiaries is attained during the practical completion of the project when it is handed over to the beneficiary where snags were picked up
Contact details of the engineers were displayed in all municipalities	Display the contact details of the engineers of the projects in the municipalities in the first quarter of 2016	Two out of four district offices have displayed the names of the engineers responsible for projects. The challenge on the other two districts was engineers were responsible for various projects throughout the province and not a specific district
209 young farmers accessed the infrastructure support through Fortune 40	300 farmers will be accessing the infrastructure supports	300 farmers accessed the infrastructure support of 14 Fortune 40 projects, Dumphries and Cuning B dip tanks in Bushbuckridge,
Meetings were scheduled and all farmers were met in all four agricultural districts in February and March 2016	Develop schedule of meetings with beneficiaries in the 1 q of 2016	Meetings were arranged with farmers as and when contractors were appointed to implement the infrastructure

Service delivery information tool

Current/actual information tools (2015/16)	Desired information tools (2016/17)	Actual achievements (2016/17)
64 farmers' days held. More farmers' days held through collaboration with stakeholder such as Monsanto, Noble Resources and Grain SA.	Conduct Masibuyele Emasimini farmers field information days one per municipality per year	20 Farmers days were held Ehlanzeni North – 6 Ehlanzeni South – 4 Gert Sibande – 7 Nkangala – 3
Projects sites were not fully developed and files could not be filed at the site. The project files are currently stored at the Head Office. After completion of the admin blocks in the projects, the files will be stored at the project sites	Generate and update project file that remains at beneficiary project site at the commencement of the project	All projects that have commenced have the file with the details of their projects.

Complaints mechanism

Current/actual complaints mechanism (2015/16)	Desired complaints mechanism (2016/17)	Actual achievements (2016/17)
Complaints and petitions are channeled through the HOD and/or MEC Offices as oversight functions for officials.	Complaints or petitions are received through the Office of the HOD and/or the Office of the MEC. All Complaints/requests received are centrally coordinated and forwarded to relevant programmes for responses and the final reports are submitted to the Offices of the HOD and the MEC for submissions to the relevant oversight bodies.	All received complaints and petitions were responded to within the allocated time frame through the offices of the HOD and/or MEC.

2.3 Organizational Environment

The Department operated within the limitation of the provincial moratorium on the filling of posts. This has necessitated the department to continue with the secondment and delegation of additional duties to officials in key and critical vacant posts without related financial compensation.

2.4 Key Policy Developments and Legislative Changes

None

3. STRATEGIC OUTCOME ORIENTED GOALS

Strategic Goal	Goal Statement	Expected Outcomes	Achievements
1. To support the development of a sustainable Agricultural production in the province.	To support the development of a sustainable agrarian reform and the broader provincial farming sector through pre- and post-settlement technical support and specialised agricultural advisory services for 25 696 smallholder farmers and 237 Land Reform farms by 2020	Sustainable agrarian reform with a thriving small and large farming sector	<ul style="list-style-type: none"> • 14 095 small holder producers supported with agricultural advice • 1033 smallholder producers received support • 203 farm assessments completed • 157 projects performance reports compiled.
2. To improve access to affordable and diverse food	Implementation of food security targeted programmes for 15 000 of the vulnerable and poor households by 2020	An improved access to affordable and diverse food	<ul style="list-style-type: none"> • 15 382 households benefiting from agricultural food security initiatives • 20 515.56 hectares cultivated for food production in communal areas and land reform projects • 1 536 food Gardens established • 605 EPWP jobs created through ME
3. To support and enhance healthy livelihoods of communities	To support and enhance healthy livelihoods through technology development and transfer and innovative service delivery models for rural households with focus on the identified 8 nodal municipalities by 2020	Improved rural services to support livelihoods	<ul style="list-style-type: none"> • 574 749 animal vaccinations against controlled animal diseases • 20 research and technology development projects implemented to improve agricultural production • 4 056 clients who have benefited from agricultural economic advice provided • 9 224 participants trained in agricultural skills development programmes
4. To promote Sustainable rural economic livelihoods	To Promote Sustainable Economic Livelihoods through facilitating rural investments by 2020	Improved employment opportunities and economic livelihoods	<ul style="list-style-type: none"> • 181 green jobs created • 206 jobs created and sustained through land reform
5. To protect and enhance the environment and natural resources	Create strategic interventions, such as the development of environmental management frameworks, biodiversity sector plans and bioregional plans are required to ensure ecosystems are sustained and natural resources are used efficiently	A well-managed, sustainable environment	<ul style="list-style-type: none"> • 2 Intergovernmental Sector Tools Reviewed • 139 environmental inspections conducted and finalized • 99% (180) EIA applications finalized within legislated timeframe • 100% (10) Waste License applications finalized within legislated timeframes • 554 environmental capacity building activities conducted

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 PROGRAMME 1: ADMINISTRATION

Purpose:

This programme is responsible for the political, financial and administrative management of the Department. The programme ensures effective and efficient administrative support to all line functions in the Department.

Programme 1 consists of the office of the Member of Executive Council, Accounting Officer, Risk and Security Management, Internal Audit, Legal Services, Corporate Services, Financial Management and Communication Services.

Strategic Objectives:

- To provide political leadership
- To provide administrative leadership
- To provide corporate support services
- To offer financial management support

Service Delivery Achievements

The department has resolved 22 labour out of 40 which was planned. This is an indication that labour piece is promoted in the work place the lower number.

The department has appointed 47 officials under ERP and Veterinary Services through the special approval. A further 45 EPWP employees were appointed. This has mitigated impact of shortage of staff on service delivery.

The department assisted in promoting the wellness and welfare of the employees. The Unit also addressed gender and transformation issues, occupational health and safety issues, youth issues and people with disabilities issues.

The department has facilitated the assessment of 1 320 employees to ensure that employees are optimally engaged in the workplace. Communication Services has developed a Communication Strategy that regulates the communication of departmental programmes with the public. Skills development plans were implemented to enhance the skills of employees to maximize service delivery.

Strategic objectives

PROGRAMME 1: ADMINISTRATION							
Strategic objectives	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To provide political leadership	1 Budget speech delivered	1 Budget speech delivered	1 Budget speech delivered	1 Budget speech delivered	1 Budget speech delivered	0	None
To provide administrative leadership	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	0	None
To provide corporate support services	9 programmes assisted	9 programmes assisted	9 programmes assisted	1 Human Resource Plan Developed	1 Human Resource Plan Developed	0	None
To offer financial management support	9 Programmes assisted	9 Programmes assisted	9 Programmes assisted	9 Programmes assisted	9 Programmes assisted	0	None

Performance Indicators

Sub-Programme 1.1: Member of the Executive Council							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of Budget speeches delivered	1 Budget speech delivered	1 Budget speech delivered	1 Budget speech delivered	1 Budget speech delivered	1 Budget speech delivered	0	None
Number of performance review sessions conducted	3 Performance review sessions conducted	4 Performance review sessions conducted	4 Performance review sessions conducted	4 Performance review sessions conducted	4 Performance review sessions conducted	0	None

Sub-Programme 1.2: Senior Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of Annual Performance Plans Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	1 Annual Performance Plan Developed	0	None

Sub-Programme 1.3: Corporate Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
LABOUR RELATIONS							
Number of labour related cases resolved	38 labour related cases handled	33 labour related cases handled	25 labour related cases handled	40 labour related cases resolved	22 labour related cases resolved	(12)	6 Fewer cases received than anticipated
HUMAN RESOURCE DEVELOPMENT							
Number of funded vacant posts filled	25 Funded vacant posts filled	59 Funded vacant posts filled	26 Funded vacant posts filled	26 Funded vacant posts filled	47 Funded vacant posts filled	21	Though the 26 planned posts were achieved, 5 extra appointments, where made in the Office of the MEC, 6 contracts were renewed and 10 veterinary bursary holders were absorbed.
TRANSVERSAL SERVICES							
Number of reports on the implementation of special programmes compiled	New Indicator	New Indicator	4 reports on the implementation of special programmes compiled	4 reports on the implementation of special programmes compiled	4 reports on the implementation of special programmes compiled	0	None
Number of reports on the implementation of gender and transformation programmes compiled	New Indicator	New Indicator	4 reports on the implementation of gender and transformation programmes compiled	4 reports on the implementation of gender and transformation programmes compiled	4 reports on the implementation of gender and transformation programmes compiled	0	None

Sub-Programme 1.3: Corporate Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	New Indicator	New Indicator	4 reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	4 reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	4 reports on the implementation of HIV and AIDS, Health and Wellness programmes compiled	0	None
Number of reports on the implementation of Occupational Health and Safety compiled	New Indicator	New Indicator	4 reports on the implementation of Occupational Health and Safety compiled	4 reports on the implementation of Occupational Health and Safety compiled	4 reports on the implementation of Occupational Health and Safety compiled	0	None
HUMAN RESOURCE DEVELOPMENT							
Number of Employees assessed on performance management	1 342 Employees assessed on performance management	1 428 Employees assessed on performance management	1 333 Employees assessed on performance management	1 350 Employees assessed on performance management	1 291 employees assessed on performance management	(3)	None
GOVERNMENT INFORMATION TECHNOLOGY OFFICE							
Number of Departmental ICT strategies developed and reviewed	New Indicator	New Indicator	1 Departmental ICT strategy developed and reviewed	1 Departmental ICT strategy developed and reviewed	1 Departmental ICT strategy developed and reviewed	0	None
COMMUNICATION							
Number of communication strategies developed	New Indicator	New Indicator	1 communication strategy developed	1 communication strategy developed	1 communication strategy developed	0	None

Sub-Programme 1.4: Financial Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of Departmental Budgets compiled	1 Annual Departmental budget developed	1 Annual Departmental budget developed	1 Annual Departmental budget developed	1 Annual Departmental budget developed	1 Annual Departmental budget developed	0	None

Strategy to overcome areas of under performance

The department will continue to enhance and reinforce the implementation of the strategies of improving service delivery through the Performance Management Development System (PMDS).

Changes to planned targets

None

Linking performance with budgets

Programme 1: ADMINISTRATION

Sub- Programme Name	2016/2017			2015/2016		
	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
Member of the Executive Council	6,239	6,141	98	6,532	6,420	112
Senior Management Service	21,648	21,651	-3	17,741	17,715	26
Corporate Services	52,236	52,219	17	63,553	63,520	33
Financial Management	53,044	52,419	625	45,377	45,376	1
Communication Services	5,406	5,373	33	8,122	8,057	65
TOTAL	138,573	137,803	770	141,325	141,088	237

4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Purpose

To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources. The programme provides support in the form of agricultural infrastructure development services that ranges from planning and designing to physical construction of structures to enhance sustainable natural resource management in support of Programme 3: Farmer Support Services. The programme plays a key role in promoting the expanded Public Works Programme (EPWP) in the rehabilitation of degraded land.

Programme 2: Sustainable Resource Management consists of four sub-programmes: Engineering Services, Land Care, Land Use Management and Agricultural Disaster and Risk Management.

Strategic objectives

- To provide engineering support
- To promote the sustainable use and management of natural agricultural resources
- To promote the implementation of sustainable use and management of natural agricultural resources
- To provide agricultural disaster risk management support services to farmers

Service Delivery Achievements

The Department has managed to finalize the infrastructure of 11 Fortune 40 projects which is a provincial mega programme that is empowering the youth to enter into the mainstream of farming. Seven irrigation schemes under this programme were completed and put under production. Two poultry houses were also completed and will add into capacity of white meat cluster in the province in particular, and the country in general. In a quest to strengthen the red meat production within the province, farmers were assisted with animal handling facilities, feedlot and dip tanks.

Through these initiatives, farmers will be able to participate throughout the value chain of red meat and will be in the position to contribute into the identified markets such as Government Nutrition Programme, Agri-Parks and Mpumalanga International Fresh Produce Market.

Water scarcity was increased more due to drought which swept throughout the country. In assisting the farmers to continue farming under the dry conditions, boreholes were drilled where other sources of water could not be accessed. The Department also continued to remove alien plants which invaded the arable land, and through the process green jobs were created for local communities.

Strategic objectives

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To provide engineering support	18 Agricultural Infrastructure established	54 Agricultural Infrastructure established	33 Agricultural Infrastructure established	(21)	Due to change of sites and poor performance by contractors
To promote the sustainable use and management of natural agricultural resources	5 359 hectares protected / rehabilitated to improve agricultural production	3 700 hectares protected / rehabilitated to improve agricultural production	3 716 hectares protected / rehabilitated to improve agricultural production (includes hectares rehabilitated by the Department and farmers)	16	Difference in farmer estimates
To promote the implementation of sustainable use and management of natural agricultural resources	28 673.96 hectares planned for sustainable farming purposes	46 750 hectares planned for sustainable farming purposes	44 578.354 hectares planned for sustainable farming purposes	(2171.646)	Difference in farmer estimates
To provide agricultural disaster risk management support services to farmers	2 disaster relief schemes managed (Floods & veld fires)	1 disaster relief schemes managed (Floods & veld fires)	1 Disaster Relief Scheme (Drought) Managed	None	None

Sub-Programme 2.1: Engineering Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of Agricultural Infrastructure established	Agricultural Infrastructure established	63 Agricultural Infrastructure established	18 Agricultural Infrastructure established	54 Agricultural Infrastructure established	33 Agricultural Infrastructure established	(21)	Due to change of sites and poor performance by contractors
Number of livestock production infrastructure projects completed	4 livestock production infrastructure projects completed	5 livestock production infrastructure projects completed	10 livestock production infrastructure projects completed	10 livestock production infrastructure projects completed	10 livestock production infrastructure projects completed	0	None
Number of agro-processing facilities completed (Maize Mills, Abattoirs)	New Indicator	New Indicator	New Indicator	5 agro-processing facilities completed (Maize Mills, Abattoirs)	1 agro-processing facilities phase 1 completed (Maize Mill building infrastructure completed – Nkomazi)	(4)	Water supply could not be connected due to the collapsed borehole and poor performance by contractors

Sub-Programme 2.1: Engineering Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of irrigation projects completed	7 irrigation projects completed	0 irrigation projects completed	6 irrigation projects completed	4 irrigation projects completed	4 irrigation projects completed ¹	0	None
Number of broiler poultry projects completed	1 broiler poultry projects completed	0 broiler poultry projects completed	0 broiler poultry projects completed	8 broiler poultry projects completed	3 broiler poultry projects completed ²	(5)	Slow progress by the contractor
Number of Borehole infrastructure projects completed	92 borehole infrastructure projects completed	1 borehole infrastructure projects completed	9 borehole infrastructure projects completed	20 borehole infrastructure projects completed	13 borehole infrastructure projects completed ³	(7)	Delays in the procurement process due to non-responsiveness of the bid and bid was re-advertised
Number of Agri-Hubs developed	New Indicator	New Indicator	1 Agri-Hubs developed	3 Agri-Hubs developed	0 Agri-Hubs developed	(3)	The project was moved has been moved from the department
Number of Agricultural One-stop – centres established	New Indicator	New Indicator	0 Agricultural One-stop – centres established	4 Agricultural One-stop – centres established	2 Agricultural One-stop – centres established ⁴	(2)	2 projects were delayed due to re-adjustment of sites by the municipality for the second time
Number of jobs created through EPWP from infrastructure projects	850 jobs created through EPWP from infrastructure projects	609 jobs created through EPWP from infrastructure projects	217 jobs created through EPWP from infrastructure projects	290 jobs created through EPWP from infrastructure projects	269 jobs created through EPWP from infrastructure projects	(21)	Delay on the completion of some infrastructure projects resulted on fewer jobs created

1. Any infrastructure project implemented within an irrigation scheme: 4 Vegetable tunnels constructed – Boschfontein, Renovation of admin block and training room for irrigation scheme completed – Allandale, Construction of offices – Nomphumelelo Mushroom, Supply & installation of fence – Zoeknog Irrigation scheme.
2. Any infrastructure within the broiler poultry projects completed: phase 2, which includes: (2 broiler houses – Letolo, 1 broiler house – Siyaphambili).
3. Borehole infrastructure completed that includes, any of the following: drilling, equipping and reticulation.
4. Any infrastructure project implemented within a One-stop centre: 1 tractor shed constructed – Mzinti, x1 tractor shed constructed – Vaalbank.

Sub-Programme 2.2: Land Care (Soil Conservation)							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of hectares protected / rehabilitated to improve agricultural production	New Indicator	3 609 hectares protected / rehabilitated to improve agricultural production	5 359 hectares protected / rehabilitated to improve agricultural production	3 700 hectares protected / rehabilitated to improve agricultural production	3 716 hectares protected / rehabilitated to improve agricultural production ¹	16	Difference in farmer estimates
Number of green jobs created through LandCare	934 green jobs created through LandCare	1 030 green jobs created through LandCare	830 green jobs created through LandCare	600 green jobs created through LandCare	181 green jobs created through LandCare	419	Creation of more job opportunities was limited due to increasing cost of material
Number of awareness campaigns conducted on LandCare	34 awareness campaigns conducted on LandCare	38 awareness campaigns conducted on LandCare	40 awareness campaigns conducted on LandCare	40 awareness campaigns conducted on LandCare	40 awareness campaigns conducted on LandCare	0	None
Number of hectares under invader plants controlled	907 hectares under invader plants controlled	977 hectares under invader plants controlled	1 403.5 hectares under invader plants controlled	600 hectares under invader plants controlled	602 hectares under invader plants controlled	2	There was a difference between the actual infested area cleared and the planned target
Number of schools adopted and developed through junior LandCare initiatives	19 schools adopted and developed through junior LandCare initiatives	20 schools adopted and developed through junior LandCare initiatives	20 schools adopted and developed through junior LandCare initiatives	21 schools adopted and developed through junior LandCare initiatives	21 schools adopted and developed through junior LandCare initiatives	0	None

1. The Department does planning for farmers to rehabilitate hectares and has the responsibility to oversee and report to National on all hectares rehabilitated, which includes hectares rehabilitated by both the department and the farmers. This is done in line with the Conservation of Agricultural Resources Act (CARA) which guides the department on the management of natural resources.

Sub- Programme 2.3 Land use management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of hectares planned for sustainable farming purposes	31 521 hectares planned for sustainable farming purposes	37 322 hectares planned for sustainable farming purposes	28 673.96 hectares planned for sustainable farming purposes	46 750 hectares planned for sustainable farming purposes	44 578.354 hectares planned for sustainable farming purposes	(2 171.646)	Difference in farmer estimates

Sub-programme 2.4 Agricultural Disaster and Risk Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of disaster relief schemes managed	1 disaster relief schemes managed	2 disaster relief schemes managed	2 disaster relief schemes managed	1 disaster relief schemes managed	1 Disaster relief scheme managed by providing comprehensive drought relief support to farmers affected	0	None
Number of disaster risk reduction programmes managed	New Indicator	New Indicator	2 disaster risk reduction programmes managed	2 disaster risk reduction programmes managed	2 disaster risk reduction programmes managed (Early warning information to farmers on extreme cold temperatures and extreme high temperatures)	0	None

Strategy to overcome areas of under performance

- Sites for this financial year are secured and confirmed since in most cases, the department is expanding development in the current farms that were developed in the 2016/17 financial year.
- Majority of the contractors are continuing since their contacts are multiyear or overlapping year.
- A layer of monitoring added, will assist in detecting early warning signs for slow an incompetent contractors.
- This will assist to detect early warnings for possible delay and failure.
- This will enable the department to take corrective measures in time and recover lost time.

Changes to planned targets

None

Linking performance with budgets

Programme 2: SUSTAINABLE RESOURCE MANAGEMENT

Sub-Programme Name	2016/2017			2015/2016		
	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
Engineering Services	41,464	41,343	121	43,565	43,559	6
Land Care Services	9,217	9,172	45	9,560	9,534	26
Disaster Risk Management	19,838	18,992	846	44,332	43,005	1,327
TOTAL	70,519	69,507	1,012	97,457	96,098	1,359

4.3 PROGRAMME 3: FARMER SUPPORT AND DEVELOPMENT SERVICES

Purpose

The programme renders district level services in support of agrarian reform and rural development; this includes providing technical and infrastructure support to land reform beneficiaries including subsistence food producers, smallholder farmers and commercial farmers. The programme seeks to promote job creation, income generation and household food security through the implementation of commodity based projects funded through the Comprehensive Agricultural Support Programme (CASP) and food security programmes interventions (Nationally and Provincial).

Programme 3: Farmer Support and Development services consist of three sub-programme being Farmer Settlement, Extension and Advisory Services and Food Security services.

Strategic objectives

- To provide support to smallholder and commercial producers for sustainable agricultural development
- To provide extension and advisory services to farmers
- To increase household level food security through the implementation of appropriate household level interventions

Service Delivery Achievements

For the first time in many years, the Programme managed to achieve and also over-achieved on most of its planned targets through working together with commercial farmers, commodity groups, input providers and other stakeholders within the sector. For the first time in nearly 5 years the Program was not affected by drought or erratic rains.

The number and the consistent break down of the tractor fleet because of their age posed a challenge for Food Security sub-program which is unable to meet the need for mechanization support to smallholder farmers, especially Land Reform.

In addressing this challenge the province in partnership with MEGA is facilitating the establishment of the Mpumalanga Tractor Assembly Plant, which is a cooperation between MEGA and Minsk Tractor Works (MTW) based in the Republic of Belarus, whereby "BELARUS" tractors will be assembled in the Province, some of these tractors will be used to replace the aged tractor fleet at a cheaper cost. This will also ensure that more EPWP jobs are created, in line with the NDP.

Through the Farmer Settlement sub-programme an additional mentor was appointed in the middle of the financial year, to ensure that farmers and producers who were interested in production of Soya Beans, as identified, have targeted support. This initiative resulted in the sub-program creating more jobs than what were planned for; this also ensured that number of hectares cultivated for food production in communal and land reform projects planned under Food Security sub-program increased by nearly 5 000 hectares.

The Extension and Advisory Services sub-programme overachieved on its planned targets, the over achievement was necessitated by the need to provide smallholder producers under communal and land reform farms/projects with information on the Fall Army Worm that broke out during the ploughing season. Farmers were provided with information on how to identify and control the pest; and if it was not for this initiative most producers would have lost their crop.

The Food Security sub-programme Masibuyele Emasimini, over-achieved on all its annual targets through working together with commercial farmers, who assisted producers in most of our communal land in areas such as eMkhondo. The appointment of an additional mentor by sub-program farmer settlement and the two visits by the Deputy Minister of DAFF in Nkomazi, who during the two visits supplied households with JoJo tanks, ensured that the sub-program exceeded most of its planned outputs for the 2016/17 Financial Year. In order to ensure that farmers increase their livestock production, through the *Masibuyele Esibayeni* Programme the department managed to support 22 projects with livestock.

Strategic objectives

PROGRAMME 3: FARMER SUPPORT AND DEVELOPMENT SERVICES					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To provide support to smallholder and commercial producers for sustainable agricultural development	149 farm assessments completed	170 farm assessments completed	203 farm assessments completed	33	Over achieved by 19% due to more request received for farm assessments on land acquisition
To provide extension and advisory services to farmers	14 228 small holder producers supported with agricultural advice	13 650 small holder producers supported with agricultural advice	14 095 small holder producers supported with agricultural advice	445	The over achievement of 3% was due to farmers needing more information because of the outbreak of fall army worm.
To increase household level food security through the implementation of appropriate household level interventions	12 456 households benefiting from agricultural food security initiatives	15 000 households benefiting from agricultural food security initiatives	15 382 households benefiting from agricultural food security initiatives	382	More households were assisted

Sub-Programme 3.1: Farmer Settlement

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of smallholder producers receiving support	New Indicator	13 655 smallholder producers receiving support	1 840 smallholder producers receiving support	950 smallholder producers receiving support	1 033 smallholder producers received support	83	Over achieved by 6 % due to support given to farmers on drought relief
Number of farm assessments completed	161 farm assessments completed	111 farm assessments completed	149 farm assessments completed	170 farm assessments completed	203 farm assessments completed	33	Over achieved by 19% due to more request received for farm assessments on land acquisition
Number of project performance reports compiled.	237 projects performance reports compiled.	77 projects performance reports compiled.	137 projects performance reports compiled.	145 projects performance reports compiled.	157 projects performance reports compiled.	12	More project performance reports compiled as per need
Number of jobs created through land reform	800 jobs created through land reform	381 jobs created through land reform	161 jobs created through land reform	195 jobs created through land reform	206 jobs created through land reform	11	Over achieved by 5.6% as one mentor was added
Number of young graduates linked to land reform farms	160 young graduates linked to land reform farms	35 young graduates linked to land reform farms	32 young graduates linked to land reform farms	32 young graduates linked to land reform farms	32 young agricultural graduates linked to land reform farms	0	None
Number of commodity based mentors appointed and linked to land reform farms	New Indicator	7 commodity based mentors appointed and linked to land reform farms	11 commodity based mentors appointed and linked to land reform farms	11 commodity based mentors appointed and linked to land reform farms	12 commodity based mentorship initiatives implemented and maintained.	1	There was a need for an additional mentorship

Sub-Programme 3.2: Extension & Advisory Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of small holder producers supported with agricultural advice	18 119 small holder producers supported with agricultural advice	13 655 small holder producers supported with agricultural advice	14 228 small holder producers supported with agricultural advice	13 650 small holder producers supported with agricultural advice	14 095 small holder producers supported with agricultural advice	445	The over achievement of 3% was due to farmers needing more information because of the outbreak of fall army worm.

Sub-Programme 3.3: Food Security							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Masibuyele Emasimini							
Number of households benefiting from agricultural food security initiatives	34 866 households benefiting from agricultural food security initiatives	12 833 households benefiting from agricultural food security initiatives	12 456 households benefiting from agricultural food security initiatives	15 000 households benefiting from agricultural food security initiatives	15 382 households benefiting from agricultural food security initiatives	382	More households were assisted
Number of hectares cultivated for food production in communal areas and land reform projects	28 341 hectares cultivated for food production in communal areas and land reform projects	24 545.31 hectares cultivated for food production in communal areas and land reform projects	18 518.6 hectares cultivated for food production in communal areas and land reform projects	15 500 hectares cultivated for food production in communal areas and land reform projects	20 515.56 hectares cultivated for food production in communal areas and land reform projects	5 015.56	Requests were received from LAR farmers. Collaboration with commercial farmers enabled delivery of more hectares
Number of food gardens established	1 536 food Gardens established	1 138 food Gardens established	148 food Gardens established	1 500 food Gardens established	1 536 food Gardens established	36	More food gardens were supported
Number of EPWP jobs created through ME	1 704 EPWP jobs created through ME	1 542 EPWP jobs created through ME	1 472 EPWP jobs created through ME	550 EPWP jobs created through ME	605 EPWP jobs created through ME	55	More EPWP workers were appointed as off loaders
Masibuyele Esibayeni							
Number of projects/farms provided with livestock through MESP	26 projects/farms provided with livestock through MESP	34 projects/farms provided with livestock through MESP	24 projects/farms provided with livestock through MESP	22 projects/farms provided with livestock through MESP	22 projects/farms provided with livestock through MESP	0	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets

Programme 3: FARMER SUPPORT AND DEVELOPMENT

Sub-Programme Name	2016/2017			2015/2016		
	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
Farmer Settlement Services	122,546	122,543	3	105,012	99,848	5,164
Extension and Advisory services	247,140	246,947	193	215,866	210,447	5,419
Food Security	80,443	79,668	775	16,386	125,626	-9,240
TOTAL	450,129	449,158	971	437,264	435,921	1,343

4.4 PROGRAMME 4: VETERINARY SERVICES

Purpose

The program promotes animal health, welfare, production and the health and welfare of both humans and animals through veterinary public health programmes. It also provides veterinary services to the Masibuyele Esibayeni (MESP) programme in terms of advice and animal health services.

Programme 4: Veterinary Services consists of three sub-programmes: Animal Health, Veterinary Public Health and Veterinary Laboratory Services.

Strategic objectives

- To manage diseases of economic, trade and zoonotic importance
- To ensure veterinary public health & food safety
- To provide veterinary laboratory diagnostic services

Service delivery achievements

The Programme managed to fulfil its mandate despite the challenges faced with shortage of critical human resource and transport. The OIE Foot and Mouth Disease free status in province was retained and exports continued during the year. The province managed to extend the export market to other countries as a result of this demand.

Effects of strains experienced by the poultry industry were experienced during the beginning of the financial year as a result of shift in import legislation (AGOA: Africa Growth Opportunity Act). This resulted in other abattoirs struggling to be fully operational due to the inability to compete with the export and import markets. This however improved during the year and it is expected that all abattoirs that experienced these effects will be fully operational in the following year.

There was an upsurge of rabies outbreaks involving human cases. Consequently vaccination campaigns at the points of outbreaks, surrounding areas and rest of the province were conducted. This proved to be a huge success as the number of cases held over the year were fewer than the previous year.

National disease surveys were conducted throughout the year as mandated by the Animal Diseases Act to ensure freedom from diseases of National and International importance. The Province was declared free of CBPP (Contagious Bovine Pleuropneumonia) by the OIE (*Office Internationale des Epizootes*, a World Animal Health Organisation), an export sensitive disease. However, surveillance remains ongoing to maintain its free disease status.

The level of compliance to meat safety has improved from the previous year. Through intensified intervention abattoirs have increased their compliance to Meat Safety legislation from 74.9% to 82%, year-on-year basis.

There was increased interest from farmers to test their animals for diseases. The provincial laboratory increased its sample testing and exceeded their previous year output to meet these needs

Strategic objectives

PROGRAMME 4: VETERINARY SERVICES					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To manage diseases of economic, trade and Zoonotic importance	487 118 animal vaccinations against controlled animal diseases	616 394 animal vaccinations against controlled animal diseases	574 749 animal vaccinations against controlled animal diseases	(41 645)	Critical AHT vacancies as vaccinations require individual attention and more time compared to other indicators that can be done collectively
To ensure Veterinary Public Health & Food Safety	52 abattoirs registered	48 abattoirs registered	49 abattoirs registered	1	One inactive abattoir complied and it was registered after the owner showed interest in operationalising it
To provide veterinary laboratory diagnostic services	78 489 tests performed meet prescribed standards	90 000 tests performed meet prescribed standards	122 769 tests performed meet prescribed standards	32 769	There was an increase in demand for samples to be tested

Sub-Programme 4.1: Animal Health							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of epidemiological units visited for veterinary interventions	New Indicator	New Indicator	5 132 epidemiological units visited for veterinary interventions	3 950 epidemiological units visited for veterinary interventions	6 164 epidemiological units visited for veterinary interventions	2 214	Disease outbreaks necessitated visit to units that were not planned
Number of clients serviced for animal and animal products export control	New Indicator	New Indicator	1 006 clients serviced for animal and animal products export control	434 clients serviced for animal and animal products export control	875 clients serviced for animal and animal products export control	441	Service requested by clients and depended on disease and economic status of the country
Number of animal vaccinations against controlled animal diseases	528 438 animal vaccinations against controlled animal diseases	438 710 animal vaccinations against controlled animal diseases	487 118 animal vaccinations against controlled animal diseases	616 394 animal vaccinations against controlled animal diseases	574 969 animal vaccinations against controlled animal diseases	(41 425)	Critical AHT vacancies as vaccinations require individual attention and more time compared to other indicators that can be done collectively

Sub-Programme 4.1: Animal Health							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of animals sampled/test ed for disease surveillance purposes	116 424 animals sampled/test ed for disease surveillance purposes	101 462 animals sampled/test ed for disease surveillance purposes	110 024 animals sampled/test ed for disease surveillance purposes	131 250 animals sampled/test ed for disease surveillance purposes	138 124 animals sampled/test ed for disease surveillance purposes	6 874	More samples had to be taken as part of the measures to control the FMD outbreak
Number of animal inspections for regulatory purposes	3 677 654 animal inspections for regulatory purposes	4 505 330 animal inspections for regulatory purposes	4 976 624 animal inspections for regulatory purposes	3 040 530 animal inspections for regulatory purposes	4 974 277 animal inspections for regulatory purposes	1 933 747	More animals than planned had to be inspected as a measure to control the FMD outbreak
Clinical Services							
Number of primary animal health care interactions held (Veterinary Clinical Services)	390 883 primary animal health care interactions held	32 330 primary animal health care interactions held	46 530 primary animal health care interactions held	40 000 primary animal health care interactions held (Veterinary Clinical Services)	42 441 primary animal health care interactions held (Veterinary Clinical Services)	2 441	There was an increase in demand for primary animal health care
Number of veterinary extension services held (Veterinary Clinical Services)	2 192 veterinary extension services held	1 835 veterinary extension services held	1 871 veterinary extension services held	1 800 veterinary extension sessions held (Veterinary Clinical Services)	2 580 veterinary extension sessions held (Veterinary Clinical Services)	780	There was an increase in need for veterinary extension as a result of the additional primary animal health care rendered

Sub-Programme 4.2: Veterinary Public Health and Food Safety							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
% level of abattoir compliance to meat safety legislation	New Indicator	New Indicator	74.9% level of abattoir compliance to meat safety legislation	60% level of abattoir compliance to meat safety legislation	82% level of abattoir compliance to meat safety legislation	22%	More hygiene assessments done on larger abattoirs to prepare them for export requirements
Number of contact sessions held with all role players	1 024 contact sessions held with all role players	1 021 contact sessions held with all role players	900 contact sessions held with all role players	900 contact sessions held with all role players	1 004 contact sessions held with all role players	104	Increase in illegal slaughter investigations were conducted to ensure safe meat reaches the community
Number of export establishments registered	9 export establishments registered	9 export establishments registered	8 export establishments registered	10 export establishments registered (HAR red meat & poultry abattoirs)	11 export establishments registered (HAR red meat & poultry abattoirs)	1	One additional establishment was interested in the export market and was supported with registration for export
Number of abattoirs registered	54 abattoirs registered	54 abattoirs registered	52 abattoirs registered	48 abattoirs registered	49 abattoirs registered	1	One inactive abattoir complied and it was registered after the owner showed interest
Number of abattoirs inspections conducted	586 abattoirs inspections conducted	548 abattoirs inspections conducted	594 abattoirs inspections conducted	520 abattoirs inspections conducted	496 abattoirs inspections conducted	(24)	Poultry abattoirs affected by international markets could not slaughter regularly and were therefore inspected less frequently

Sub-Programme 4.3: Veterinary Laboratory Diagnostics							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	130 878 tests performed meet prescribed standards	88 942 tests performed meet prescribed standards	78 489 tests performed meet prescribed standards	90 000 tests performed meet prescribed standards	122 769 tests performed meet prescribed standards	32 769	There was an increase in demand for samples to be tested
Number of epidemiological studies conducted	2 epidemiological studies conducted	3 epidemiological studies conducted	3 epidemiological studies conducted	3 epidemiological studies conducted	3 epidemiological studies conducted	0	None

Strategy to overcome areas of under performance

- Improve on selection of service providers for improved implementation of infrastructural projects
- Provide support to abattoirs to improve on compliance
- Recruitment of critical staff and internal arrangements
- Implementation of CCS programme (human intensive indicators)

Changes to planned targets

None

Linking performance with budgets

Programme 4: VETERINARY SERVICES

Sub- Programme Name	2016/2017			2015/2016		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Animal Health	82,726	82,547	179	87,480	88,305	-825
Veterinary Public Health	20,526	20,525	1	20,345	19,807	538
Veterinary Lab Services	8,526	8,521	5	8,321	7,909	412
TOTAL	111,778	111,593	185	116,146	116,021	125

4.5 PROGRAMME 5: TECHNOLOGY RESEARCH AND DEVELOPMENT

Purpose

The programme deals with agricultural research and the development and transfer of appropriate agricultural technologies. The programme conducts adaptive research to improve agricultural productivity. It is responsible for establishment and strengthening of partnerships in agriculture research. The key services of the programme include research in crop and animal production as well as range and forage research.

Programme 5: Technology Research and Development Services consists of three sub-programmes: Research Services, Information Services and Infrastructure Support Services.

Strategic objectives

- To provide expert and needs based research, development and technology transfer services impacting on development objectives
- To develop, maintain and disseminate agricultural information to farmers
- To provide and maintain research farm infrastructure

Service Delivery Achievements

The programme was successful in spearheading information dissemination to farmers and extension officers on the scourge of the Fall Army Worm, resulting in the over-achievement in the presentations made nationally and internationally as well as the information packs disseminated. The programme was further able to assist more farmers with aquaculture and fisheries technologies (including Fortune 40), resulting in the assessment of more aquatic systems than was planned. The key advancement in the programme offering was the successful commissioning of the soil testing laboratory in its Nooitgedacht Research Facility. The laboratory focuses on soil, water and foliar analysis.

Strategic objectives

PROGRAMME 5: TECHNOLOGY RESEARCH AND DEVELOPMENT					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To provide expert and needs based research, development and technology transfer services impacting on development objectives	20 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	0	None
To develop, maintain and disseminate agricultural information to farmers	379 Information packs developed	300 Information packs developed	356 Information packs developed	56	More requests were received for resource maps, climate outlook, Fall Army Worm, etc.
To provide and maintain research farm infrastructure	4 Research infrastructure managed	2 Research infrastructure managed	2 Research infrastructure managed	0	Although the infrastructure is dilapidated, the department is in the process of reviving it

Sub-Programme 5.1: Research Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of research and technology development projects implemented to improve agricultural production	32 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	20 research and technology development projects implemented to improve agricultural production	0	None
Technology Transfer Services							
Number of demonstrations trails conducted	48 demonstrations trails conducted	28 demonstrations trails conducted	21 demonstrations trails conducted	22 demonstrations trials conducted	22 demonstrations trails conducted	0	None
Number of articles in popular media	3 articles in popular media	4 articles in popular media	4 articles in popular media	6 articles in popular media	6 articles in popular media	0	None
Number of new technologies developed	1 new technology developed	1 new technology developed	1 new technology developed	1 new technologies developed	1 new technologies developed	0	None
Number veld/ farm assessments conducted	New Indicator	New Indicator	171 veld/ farm assessments conducted	120 veld/ farm assessments conducted	163 veld/ farm assessments conducted	43	More requests due to high demand from DRDLR and MESP
Number of aquatic systems assessed	New Indicator	New Indicator	4 aquatic systems assessed	4 aquatic systems assessed	14 aquatic systems assessed	10	There is a growing demand for fisheries projects in the province.

Sub-Programme 5.2: Information Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of research presentations made nationally or internationally	4 research presentations made nationally or internationally	6 research presentations made nationally or internationally	7 research presentations made nationally or internationally	46 research presentations made nationally or internationally	103 research presentations made nationally or internationally	57	More presentation were requested in line with the outbreak of the Fall Army Worm
Number of scientific papers published nationally or internationally	New Indicator	3 scientific papers published nationally or internationally	2 scientific papers published nationally or internationally	3 scientific papers published nationally or internationally	4 scientific papers published nationally or internationally	1	An extra paper was accepted at the combined congress
Number of hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	New Indicator	New Indicator	30 171.66 hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	5 000 hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	7 648.5 hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	2 648.5	The size of farms that needed protection and rezoning were higher than anticipated
Number of Information packs developed	297 Information packs developed	297 Information packs developed	397 Information packs developed	300 Information packs developed	356 Information packs developed	56	More requests were received for resource maps, climate outlook, Fall Army Worm, etc.

Sub-Programme 5.3: Infrastructure Support Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of research infrastructure managed	6 Research infrastructure managed	4 Research infrastructure managed	4 Research infrastructure managed	2 research infrastructure managed	2 research infrastructure managed	0	None
Number of new research infrastructure provided	6 new research infrastructure provided	1 new research infrastructure provided	0 new research infrastructure provided	1 new research infrastructure provided	1 new research infrastructure provided	0	None

Strategy to overcome areas of under performance

None

Changes to planned targets

None

Linking performance with budgets

Programme 5: TECHNOLOGY, RESEARCH AND DEVELOPMENT

Sub-Programme Name	2016/2017			2015/2016		
	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
Research	41,307	41,127	180	25,643	25,755	-112
Technology Transfers Services	5,906	5,837	69	5,931	5,928	3
Infrastructure Support Services	15,936	15,921	15	15,748	15,626	122
TOTAL	63,149	62,885	264	47,322	47,309	13

4.6 PROGRAMME 6: AGRICULTURAL ECONOMICS

Purpose:

To provide timely and relevant support to internal and external clients with regard to agricultural marketing, agricultural statistical information, and agricultural feasibility and viability studies in order to ensure sustainable agriculture and rural development.

Programme 6: Agricultural Economics consists of two sub-programmes: Agri-Business Support and Development and Macro Economics Support.

Strategic objectives

- To provide Agribusiness support through entrepreneurial development, marketing services, value adding, production and resource economics
- To provide macro-economic and statistical information on the performance of the agricultural sector to inform planning and decision making

Service Delivery Achievements

The Department achieved most of the performance targets and there was slight over achievement on number of clients receiving agricultural advices. Five (5) agribusinesses were assisted to get their SAGAP accreditation certificates which has broadened their market access. The Department obtained assistance from Johannesburg Fresh Produce Market to train farmers which equip them to be able to supply local market such as Mpumalanga Government Nutrition Programme and other identified international markets.

Strategic objectives

PROGRAMME 6: AGRICULTURAL ECONOMICS					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To provide Agribusiness support through entrepreneurial development, marketing services, value adding, production and resource economics	5 002 clients who have benefited from agricultural economic advice provided	4 000 clients who have benefited from agricultural economic advice provided	4 056 clients who have benefited from agricultural economic advice provided	56	There were more requests from farmers than anticipated
To provide macroeconomic and statistical information on the performance of the agricultural sector to inform decision making	4 economic reports compiled	4 economic reports compiled	4 economic report compiled	0	None

Sub Programme 6.1: Agricultural Business Development Support							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of Agribusinesses supported with agricultural economic services towards accessing markets	117 agribusiness supported with agricultural economic services towards accessing markets	78 agribusiness supported with agricultural economic services towards accessing markets	95 agribusiness supported with agricultural economic services towards accessing markets	100 agribusiness supported with agricultural economic services towards accessing markets	89 agribusiness supported with agricultural economic services towards accessing markets	(11)	Under achievement due to the continuing drought during the first 6 months.
Number of clients who have benefited from agricultural economic advice provided	6 395 clients who have benefited from agricultural economic advice provided	7 361 clients who have benefited from agricultural economic advice provided	5 002 clients who have benefited from agricultural economic advice provided	4 000 clients who have benefited from agricultural economic advice provided	4 056 clients who have benefited from agricultural economic advice provided	56	There were more requests from farmers than anticipated

Sub-Programme 6.2 Macro-economic and Statistics							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of agricultural economic information responses provided	28 agricultural economic information responses provided	3 agricultural economic information responses provided	17 agricultural economic information responses provided	20 agricultural economic information responses provided	21 agricultural economic information responses provided	1	None
Number of economic reports compiled	16 economic reports compiled	11 economic reports compiled	4 economic reports compiled	4 economic reports compiled	4 economic report compiled	0	None

Strategy to overcome areas of under performance

- Areas without Economists will be serviced by Economists in the nearby Municipalities.
- The government nutrition program will enhance more access to markets for the agribusinesses.
- Assist agribusinesses to access funding in order to produce for supply to the new markets.
- Finalisation of the identified strategic partnership.
- Facilitate more SAGAP accreditation in order to improve client market access.
- Facilitate management training to improve financial & human resource management.

Changes to planned targets

None

Linking performance with budgets

Programme 6: AGRICULTURAL ECONOMICS

Sub- Programme Name	2016/2017			2015/2016		
	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
Agric-Business Support & Development	2,875	2,829	46	16,305	17,113	-808
Macroeconomics Support	8,066	8,061	5	5,295	4,480	815
TOTAL	10,941	10,890	51	21,600	21,593	7

4.7 PROGRAMME 7: STRUCTURED AGRICULTURAL TRAINING

Purpose

This programme is responsible for providing agricultural training at the Further Education and Training level (NQF level 1 to 4). Further Education and Training (FET) programmes are conducted throughout the province for farmers on commodity basis. Furthermore, the programme is responsible for the development of the curriculum and founding documents for the Agricultural Training Institute in the Province.

Key services currently provided include farmer training and skills transfer as well as accredited further education and training courses.

Programme 7: Structured Agricultural Training consists of two sub-programmes: Tertiary Education and Training and Further Education and Training.

Strategic objectives

- To facilitate and provide structured agricultural education and training in line with the Agriculture Education and Training Strategy

Service Delivery Achievements

The programme is in advanced stages to introduce new training programmes following the incorporation of some of its accredited programmes into the University of Mpumalanga.

Strategic objectives

PROGRAMME 7: STRUCTURED AGRICULTURAL TRAINING					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To facilitate and provide structured agricultural education and training in line with the Agriculture Education and Training Strategy	9 006 participants trained in agricultural skills development programmes	9 220 participants trained in agricultural skills development programmes	9 224 participants trained in agricultural skills development programmes	4	None

Sub-Programme 7.1: Further Education Training (FET) Agricultural Skills Development							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of participants trained in agricultural skills development programmes	New Indicator	New Indicator	9 006 participants trained in agricultural skills development programmes	9 220 participants trained in agricultural skills development programmes	9 224 participants trained in agricultural skills development programmes	4	None
Number of accredited skills programmes offered	8 formal/accredited skills programmes offered	9 formal/accredited skills programmes offered	9 formal/accredited skills programmes offered	9 formal skills programmes offered	9 formal skills programmes offered	None	None
Number of farmers completing accredited skills programmes	32 learners completing accredited skills programmes	96 learners completing accredited skills programmes	103 learners completing accredited skills programmes	102 farmers completing accredited skills programmes	82 farmers completing accredited skills programmes	(20)	Delays in the finalization of accredited programmes
Number of Farm-Aids completing accredited training	7 Farm-Aids completed accredited training	96 Farm-Aids completed accredited training	30 Farm-Aids completed accredited training	30 Farm-Aids completing accredited training	17 Farm-Aids completing accredited training	(13)	Delays in the finalization of accredited programmes

Strategy to overcome areas of under performance

The department is planning to resuscitate the colleges of Agriculture, including the addition of Elijah Mango College as an additional farmer training site. This will enhance the provision of accredited training programmes and hence performance in the programme.

Changes to planned targets

None

Linking performance with budgets

Programme 7: STRUCTURED AGRICULTURAL TRAINING

Sub- Programme Name	2016/2017			2015/2016		
	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
Higher Education and Training	-	-	-	6,200	6,160	40
Further Education & Training	16,255	16,163	92	14,310	14,231	79
TOTAL	16,255	16,163	92	20,510	20,391	119

4.8 PROGRAMME 8: RURAL DEVELOPMENT

Purpose

The programme: Rural Development is aimed at creating vibrant, equitable rural communities with food security for all through the sustainable rural economic livelihoods. The programme will mainly focus on the two legs of the Comprehensive Rural Development strategy, which are Agrarian transformation and land reform.

Programme 8: Rural Development consists of one sub-programme namely; Rural Development.

This Sub-Programme there is responsible for the coordination of rural development, arranging and sourcing strategic partners in conjunction with rural communities.

Strategic objectives

- To coordinate comprehensive rural development programme to improve the social and economic livelihoods of rural communities.

Service Delivery Achievements

In line with the Chapter 6 of the NDP the department managed to play its role to lead the Comprehensive Rural Development and Food Security through coordination of Outcome 7. The Department managed to coordinate the development of integrated rural development plans across all relevant stakeholders.

The following Farmer Production Support Units (FPSU) were established and developed, a feedlot in Nkomazi; packhouse in Bushbuckridge; animal handling facilities in Thembisile Hani and Dr Pixley ka Isaka Seme; tractor sheds in Dr JS Moroka and Nkomazi as well as dip tanks in Bushbuckridge and Nkomazi. In the quest to develop young people into farming the department continued to roll out the Fortune 40 in all districts. The infrastructure was developed in 16 farms and seven of these were put under production. This initiative is seeing ordinary young people becoming commercial farmers and in the process turning fallow arable land into production as well as fighting unemployment.

Strategic objectives

PROGRAMME 8: RURAL DEVELOPMENT					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To coordinate comprehensive rural development programme to improve the social and economic livelihoods of rural communities.	1 Outcome 7 integrated provincial plan developed	1 Outcome 7 integrated provincial plan developed	1 Outcome 7 integrated provincial plan developed	0	None

Sub-Programme 8.1: Comprehensive Rural Development Programme							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of Outcome 7 integrated plans developed	New Indicator	New Indicator	1 Outcome 7 integrated plan developed	1 Outcome 7 integrated plan developed	1 Outcome 7 integrated provincial plan developed	0	None
Number of Outcome 7 reports complied	New Indicator	New Indicator	4 Outcome 7 reports complied	4 Outcome 7 reports complied	4 Outcome 7 reports complied	0	None
Number of rural development enterprises supported	New Indicator	New Indicator	8 rural development enterprises supported	8 Rural Development Enterprises supported	8 Rural Development Enterprises supported	0	None

Strategy to overcome areas of underperformance

None

Changes to planned targets

None

Linking performance with budgets

Programme 8: RURAL DEVELOPMENT

Sub- Programme Name	2016/2017			2015/2016		
	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
Comprehensive, Rural Development Programme	17,368	17,366	2	3,232	39,833	-6,601
Social Facilitation	3,414	3,413	1	1,713	1,315	398
TOTAL	20,782	20,779	3	34,945	41,148	-6,203

4.9 PROGRAMME 9: ENVIRONMENTAL AFFAIRS

Purpose

The purpose of the programme is to promote a well-managed, sustainable environment.

The main role of the Environmental Affairs Programme is to facilitate sustainable development through environmental planning and co-ordination, greener governance, environmental awareness and capacity building, integrated pollution and waste management, enforcing compliance to environmental legislation and to promote biodiversity management. The proactive prevention of negative impacts on the environment by listed activities is one of the key regulatory functions of government to ensure that citizens live in an environment that is not harmful to their health or well-being; and to protect the environment for the benefit of present and future generations through reasonable and other legislative or regulatory measures, in line with section 24 of the Constitution, Act 108 of 1996.

Programme 9: The programme consists of the following sub-units: Sub-Programme 9.1: Environmental Policy, Planning and Coordination, Sub- Programme 9.2 Environmental Monitoring Compliance and Enforcement, Sub-programme 9.3: Environmental Impact Management, Sub programme 9.4 Pollution and Waste Management and Sub-Programme 9.5: Environmental Empowerment Services.

Strategic objectives

- To provide environmental policy, planning and co-ordination services
- To ensure compliance to and enforcement of environmental legislation
- To promote and maintain environmental quality management
- To promote and encourage environmental empowerment

Service Delivery Achievements

Environmental regulatory functions (authorisations, waste licences, atmospheric emission licenses and the monitoring of compliance and the enforcement) are pivotal to ensure sustainable development. Achievements include 59 enforcement actions; 139 environmental inspections; 180 environmental impact assessment (EIA) applications.

In response to Climate Change, a Climate Change Adaptation Strategy was developed in 2015. The implementation plan for this strategy was completed in the 2016/17 financial year. Achievements in 2016/17 to mitigate Climate Change include 3583 trees planted and the involvement of the youth in our fight against Climate Change through the participation of 690 schools in the Climate Change Literacy environmental empowerment programmes.

The Highveld priority air quality remained a focus through the operation and maintenance of 5 state-of-the-art Air Quality Monitoring Stations, providing the Department with scientific and credible air quality data and 118 facilities with Atmospheric Emission Licenses (AEL) reporting to the National Atmospheric Emissions Inventory System (NAEIS). The Province successfully hosted the National Air Quality Lekgotla in 2016/17.

Continued support to municipalities to improve environmental performance resulted in Steve Tshwete Local Municipality (representing the province) achieving 2nd position nationally in the Greenest Municipality Competition (GMC). The Province successfully hosted the National GMC in 2016/17. The programme presented 6 papers at the Environmental Education Association of Southern Africa (EEASA), annual international conference.

Strategic objectives

PROGRAMME 9: ENVIRONMENTAL AFFAIRS					
Strategic objectives	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
To provide environmental policy, planning and co-ordination services	1 Intergovernmental Sector Tools Reviewed	2 Intergovernmental Sector Tools Reviewed	2 Intergovernmental Sector Tools Reviewed	0	None
To ensure compliance to and enforcement of environmental legislation	118 compliance inspections conducted	100 environmental inspection conducted and finalized	139 environmental inspection conducted and finalized	39	Received more complaints from the public on environmental transgressions
To promote and maintain environmental quality management	100% (218) EIA applications finalized within legislated time frame	98% (160) EIA applications	99% (180) EIA applications finalized within legislated timeframe	1%	Received more applications than anticipated
To promote and encourage environmental empowerment	5 412 environmental awareness activities conducted	3 348 environmental awareness activities conducted	4 486 environmental awareness activities conducted	1 138	More awareness campaign conducted through sponsorship

Sub Programme 9.1 : Environmental Policy, Planning & Coordination							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of Legislative Tools Developed	1 Legislative Tools Developed	1 Legislative Tools Developed	1 Legislative Tools Developed	2 Legislative Tools Developed	2 Legislative Tools Developed	0	None
Number of Intergovernmental Sector Tools Reviewed	2 Intergovernmental Sector Tools Reviewed	2 Intergovernmental Sector Tools Reviewed	1 Intergovernmental Sector Tools Reviewed	2 Intergovernmental Sector Tools Reviewed	2 Intergovernmental Sector Tools Reviewed	0	None
Number of Functional Environmental Information Management Systems	New Indicator	New Indicator	New Indicator	3 Functional Environmental information Management Systems	3 Functional Environmental Information Management Systems (WIS, NECER & NEAS)	0	None
Number of Climate Change Response Tools Developed	1 Climate Change Response Tool Developed	1 Climate Change Response Tool Developed	0 Climate Change Response Tool Developed	1 Climate Change Response Tools Developed	1 Climate Change Response Tools Developed	0	None
Percentage of implementation of the local Government support strategy	New Indicator	New Indicator	100% Implementation of 1 local Government Support strategy.	100% Implementation of 1 local Government Support strategy	100% Implementation of 1 Local Government Support Strategy	0	None

Sub Programme 9.2 : Environmental Monitoring Compliance and Enforcement							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of enforcement action finalized for non-compliance with environmental management legislation	50 enforcement actions finalized for non-compliance with environmental management legislation	44 enforcement actions finalized for non-compliance with environmental management legislation	58 enforcement actions finalized for non-compliance with environmental management legislation	44 enforcement actions finalized for non-compliance with environmental management legislation	59 enforcement actions finalized for non-compliance with environmental management legislation	15	Received more cases than anticipated, therefore enforcement action had to be taken
Number of environmental inspections conducted and finalized	50 environmental compliance inspections conducted	76 environmental compliance inspections conducted	118 environmental compliance inspections conducted	100 environmental inspections conducted and finalized	139 environmental inspections conducted and finalized	39	Received more complaints from the public on environmental transgressions
Number of section 24G applications received	20 section 24G applications evaluated and finalised	11 section 24G applications evaluated and finalised	21 section 24G applications evaluated and finalised	20 section 24G applications received	24 section 24G applications received ¹ .	4	Received more applications than anticipated
Number of 24G fines paid	New Indicator	New Indicator	12 section 24G fines paid	10 section 24g fines paid	13 section 24g fines paid	3	3 more fines were paid (emanating/ outstanding from last financial year)
Number of joint partnerships with external role players (SAPS, NPA, MUNICIPALITIES, SARS etc)	New Indicator	5 joint partnerships with external role players done	7 joint partnerships with external role players done	4 joint partnerships with external role players	7 joint partnerships with external role players	3	Received request from SAPS to conduct 2 extra joint partnership

1. 24G Application refers to an application for rectification of unlawful commencement or continuation of activities listed in terms of National Environmental Management Act or National Environmental Management Waste Act

Sub Programme 9.3 : Environmental Quality Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Percentages EIA applications finalized within legislated time frame	100% (150) EIA applications finalized within legislated time frame	100% (214) EIA applications finalized within legislated time frame	100% (218) EIA applications finalized within legislated time frame	98% (160) EIA applications finalized within legislated time frame	99% (180) EIA applications finalized within legislated timeframe	1%	Received more applications than anticipated

Sub Programme 9.3 : Environmental Quality Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Percentage of atmospheric emission license(AELs) with complete applications issued within legislated time-frames	100% (15) atmospheric emission licens (AELs) with complete applications issued within legislated time-frames	100% (5) atmospheric emission licens (AELs) with complete applications issued within legislated time-frames	100% (5) atmospheric emission licens (AELs) with complete applications issued within legislated time-frames	100% (5) atmospheric emission licens (AELs) with complete applications issued within legislated time-frames	40% (2) atmospheric emission licens (AELs) with complete applications issued within legislated time-frames	(60%)	Delays in the finalisation of SLA
Percentage of facilities with Atmospheric Emission Licences reporting to the National Atmospheric Emissions Inventory System (NAEIS)	New Indicator	New Indicator	New Indicator	100% (120) facilities with Atmospheric Emission Licences reporting to the National Atmospheric Emissions Inventory System (NAEIS)	98% (118) facilities with Atmospheric Emission Licences reporting to the National Atmospheric Emissions Inventory System (NAEIS)	(2%)	2 Facilities with Atmospheric Emission Licences did not report to NAEIS
Number of designated organs of state with approved and implemented Air Quality Management Plan (AQMPs)	1 designated organs of state with approved and implemented Air Quality Management Plan (AQMPs)	1 designated organs of state with approved and implemented Air Quality Management Plan (AQMPs)	1 designated organs of state with approved and implemented Air Quality Management Plan (AQMPs)	1 designated organs of state with approved and implemented Air Quality Management Plans (AQMPs)	1 designated organs of state with approved and implemented (AQMPs)	0	None
Percentage of Waste licenses applications finalized within legislated time frames	80% (24) waste licenses application finalized within legislated timeframes	80% (37) waste licenses application finalized within legislated timeframes	80% (15) waste licenses application finalized within legislated timeframes	80% (6) Waste License applications finalized within legislated timeframes	100% (10) Waste License applications finalized within legislated timeframes	20%	4 more waste Licenses processed, from DEA funded project of 2015/16 financial year
Number of Mine applications received and commented on	60 mine applications received and commented on	121 mine applications received and commented on	112 mine applications received and commented on	60 Mine applications received and commented on	22 Mine applications received and commented on	(38)	Received less than anticipated due to mandate that moved to DMR in terms of Chapter 5 of NEMA

Sub Programme 9.3 : Environmental Quality Management							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of change of land and water use applications received and commented on	50 change of land and water use applications received and commented on	84 change of land and water use applications received and commented on	276 change of land and water use applications received and commented on	100 change of land and water use applications received and commented on	133 change of land and water use applications received and commented on	33	Received more applications than anticipated
Number of Ambient Air Quality Monitoring Stations commissioned ; operated and maintained	0 Ambient Air Quality Monitoring Stations commissioned ; operated and maintained	5 Ambient Air Quality Monitoring Stations commissioned ; operated and maintained	0 Ambient Air Quality Monitoring Stations commissioned ; operated and maintained	5 Ambient Air Quality Monitoring Stations commissioned ; operated and maintained	5 Ambient Air Quality Monitoring Stations commissioned ; operated and maintained	0	None
Number of Integrated Waste Management Plans (IWMPs) evaluated	1 Integrated Waste Management Plans (IWMPs) evaluated	1 Integrated Waste Management Plans (IWMPs) evaluated	12 Integrated Waste Management Plans (IWMPs) evaluated	12 Integrated Waste Management Plans (IWMPs) evaluated	12 Integrated Waste Management Plans (IWMPs) evaluated	0	None

Sub Programme 9.4: Environmental Empowerment Services							
Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of work opportunities created through environmental programmes	12 job opportunities created through environmental programmes	37 job opportunities created through environmental programmes	71 job opportunities created through environmental programmes	89 job opportunities created through environmental programmes	89 job opportunities created through environmental programmes	0	None
Number of environmental capacity building activities conducted	18 environmental capacity building activities conducted	18 environmental capacity building activities conducted	20 environmental capacity building activities conducted	508 environmental capacity building activities conducted	554 environmental capacity building activities conducted	46	More conducted through sponsorship
Number of quality environmental education resources developed	60 quality environmental education resources developed	60 quality environmental education resources developed	88 quality environmental education resources developed	205 quality environmental education resources developed	217 quality environmental education resources developed	12	More awareness campaign conducted through sponsorship
Number of environmental calendar days celebrated	1 environmental calendar days celebrated	3 environmental calendar days celebrated	3 environmental calendar days celebrated	3 environmental calendar days celebrated	3 environmental calendar days celebrated	0	None

Sub Programme 9.4: Environmental Empowerment Services

Performance Indicator	Actual Achievement 2013/2014	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Number of environmental awareness activities conducted	2 019 environmental awareness activities conducted	104 environmental awareness activities conducted	5 412 environmental awareness activities conducted	3 348 environmental awareness activities conducted	4 486 environmental awareness activities conducted	1 138	More awareness campaign conducted through sponsorship
Number of municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	18 municipalities monitored for GMC (Greenest municipality Competition)	0	None

Strategy to overcome areas of under performance

- Internal rationalization was intensified and all components under Environmental Quality Management (Pollution and Waste and EIA) and Environmental Monitoring, Compliance and Enforcement report to one official thus streamlining the reporting of all environmental regulatory functions. Furthermore, in terms of environmental centre management of environmental centers, in certain instances 1 manager is responsible for 2 centers. The residential functions of environmental centers are also scaled down.
- The AEL (Air Emission Licenses) could not be issued due to the expiration of the SLA between Ehlanzeni District municipality and DARDLEA, which allows DARDLEA to issue AEL's. The SLA has been redrafted with inputs from DARDLEA and will be monitored closely to ensure signing by both Ehlanzeni District municipality and DARDLEA.

Changes to planned targets

None

Linking performance with budget

Programme 9: ENVIRONMENTAL AFFAIRS

Sub- Programme Name	2016/2017			2015/2016		
	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
Environmental Affairs	3,434	3,434	-	4,046	3,778	268
Environ Pol Plan & Coordination	2,857	2,405	452	2,787	2,439	348
Compliance & Enforcement	6,515	6,185	330	6,131	5,958	173
Poll waste & Impact Management	16,743	17,058	(315)	17,335	16,889	446
Environmental Empowerment	62,458	60,859	1599	55,756	56,713	(957)
TOTAL	92,007	89,941	2,066	86,055	85,777	278

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The table below reflects the transfer payments made for the period 1 April 2016 to 31 March 2017

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievements of the public entity
0	0	0	0	0

5.2. Transfer payments to all organizations other than public entities

None

6. CONDITIONAL GRANTS

6.1. Conditional Grants and earmarked funds paid.

None

6.2. Conditional Grants and Earmarked Funds Received

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2016 to 31 March 2017

Conditional Grant 1: Comprehensive Agricultural Support Programme Grant (CASP)

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant	<ul style="list-style-type: none"> To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution, and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export To address damages to infrastructure caused by floods
Expected outputs of the grant	<ul style="list-style-type: none"> 2 055 smallholder farmers supported 20% Youth, 40% women supported through CASP On and off - farm infrastructure provided and repaired Beneficiaries of CASP trained on farming methods or opportunities along the value chain 1 500 Beneficiaries of CASP accessing markets 1 063 Jobs created 28 Extension personnel recruited and maintained in the system Extension officers upgrading qualifications at various institutions Payment made to NAMC for Agriculture Information Management System (AIMS) to be implemented.
Actual outputs achieved	<ul style="list-style-type: none"> Farmer supported per category (0 subsistence, smallholder and black commercial farmers) Youth, women and farmers with disabilities supported through CASP 101 on and off - farm infrastructure provided and repaired Land under agricultural production (crop and livestock) Yields per unit area 4000 Beneficiaries of CASP trained on farming methods or opportunities along the value chain Beneficiaries of CASP accessing markets 516 Jobs created 29 Extension personnel recruited and 29 maintained in the system Extension officers upgrading qualifications at various institutions. Agriculture Information Management System (AIMS) implemented in all 9 provinces
Amount per amended DORA	R 172,414 million
Amount received (R'000)	R 172,414 million
Reasons if amount as per DORA not received	N/A
Amount spent by the department	R 171,614 million
Reasons for the funds unspent by the department	Slow progress by contractors
Reasons for deviations on performance	None
Measures taken to improve performance	Fast tracking implementation by contractors
Monitoring mechanism by the transferring department	<ul style="list-style-type: none"> A total of 40 projects were implemented by the province and 50% were monitored bi-annually by the DAFF. Follow up meetings with the leadership of the province on non-compliances or poor implementation of projects were scheduled and corrective action on identified challenges was taken by the province. Two Quarter Review meetings were scheduled to monitor performance of the grant.

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
	<ul style="list-style-type: none"> • Monthly financial reports which are project based were received by DAFF on the 15th of every month. • Two MinTech meetings were held between the DG and DAFF leadership with Heads of Provincial Departments of Agriculture were oversight is provided on conditional grants implementation.

Conditional Grant 2: Ilima/Letsema Projects Grant

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant.	To expand the provision of agricultural services, and promote and facilitate agricultural development by targeting subsistence, emerging and commercial farmers
Expected outputs of the grant	<ul style="list-style-type: none"> • 15 000 households benefiting from agricultural food security initiatives • 15 500 hectares cultivated for food production in communal areas and land reform projects • 1 500 food Gardens established
Actual outputs achieved	<ul style="list-style-type: none"> • 15 382_ households benefiting from agricultural food security initiatives • 20 525.73 hectares cultivated for food production in communal areas and land reform projects • 1 536 food Gardens established
Amount per amended DORA	R 49,136
Amount received (R'000)	R49,136
Reasons if amount as per DORA not received	N/A
Amount spent by the department	R49,136
Reasons for the funds unspent by the department	N/A
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the transferring department	Monthly, Quarterly, Annual Reports. Quarterly Review meetings and project visits

Conditional Grant 3: Land Care Programme Grant: Poverty Relief and Infrastructure Development

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant.	To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> • 3700 hectares protected / rehabilitated to improve agricultural production • 600 green jobs opportunities created through LandCare programme • 40 awareness campaigns conducted on LandCare • 600 Hectares of land where weeds and invader plants are under control • 21 Schools participating in the Junior LandCare programme
Actual outputs achieved	<ul style="list-style-type: none"> • 3716 hectares protected / rehabilitated to improve agricultural production • 181 green jobs opportunities created through LandCare programme • 40 awareness campaigns conducted on LandCare • 602 Hectares of land where weeds and invader plants are under control • 21 Schools participating in the Junior LandCare programme
Amount per amended DORA	R 6 208 000
Amount received (R'000)	R 6 208 000
Reasons if amount as per DORA not received	N/A
Amount spent by the department	R 6 183 000
Reasons for the funds unspent by the department	One service provider had challenges with banking details and the funds were returned to the Department.
Reasons for deviations on performance	Creation of more job opportunities was limited due to increasing cost of material
Measures taken to improve performance	
Monitoring mechanism by the transferring department	Monthly and Quarterly reporting and project visits for monitoring

Conditional Grant 4: Expanded Public Works Programme Integrated Grant for Provinces

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant.	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in identified focus areas, in compliance with the Expanded Public Works Programme (EPWP) guidelines.
Expected outputs of the grant	<ul style="list-style-type: none"> • 290 jobs created through EPWP from infrastructure projects • 600 green jobs created through LandCare • 550 of EPWP jobs created through ME
Actual outputs achieved	<ul style="list-style-type: none"> • 328 jobs created through EPWP from infrastructure projects • 546 green jobs created • 605 EPWP jobs created through ME
Amount per amended DORA	R 4 215 000
Amount received (R'000)	R 4 215 000
Reasons if amount as per DORA not received	N/A
Amount spent by the department	R 4 215 000
Reasons for the funds unspent by the department	N/A
Reasons for deviations on performance	Creation of more job opportunities was limited due to increasing cost of material.
Measures taken to improve performance	N/A
Monitoring mechanism by the transferring department	Monthly and Quarterly reports, Review meetings and Site visits

7. DONOR FUNDS RECEIVED

None

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Infrastructure projects	2016/17			2015/16		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	-	1,265	(1,265)	3,942	16,639	12,697
Existing infrastructure assets	16,500	7,536	8,964	15,781	15,070	711
- Upgrades and additions	3,500	2,208	1,292	400	2,156	1,756
- Rehabilitation, renovations and refurbishments	1,500	1,321	179	2,866	4,418	1,552
- Maintenance and repairs	11,500	4,007	7,493	12,515	8,496	4,019
Infrastructure transfer	100,922	68,093	32,829	94,885	78,117	16,768
- Current	100,922	68,093	32,829	94,885	78,117	16,768
- Capital	-	-	-	-	-	-
Total	117,422	76,894	40,528	114,608	109,826	4,782

LIST OF COMPLETED PROJECTS

No	Indicator Cluster	Project Name	District Municipality	Local Municipality	Area	Scope of Work
1	Livestock Production Infrastructure projects completed	Langeloo grazing camp	Ehlanzeni South	Nkomazi	Langeloo	Supply, delivery and construction of animal handling facilities for Ehlanzeni South.
2	Livestock Production Infrastructure projects completed	Pholaqanda grazing camp	Ehlanzeni South	Mbombela	Pholaqanda	Supply, delivery and construction of animal handling facilities for Ehlanzeni South.
3	Livestock Production Infrastructure projects completed	Skhwahlane grazing camp	Ehlanzeni South	Nkomazi	Skhwahlane	Supply, delivery and construction of animal handling facilities for Ehlanzeni South.
4	Livestock Production Infrastructure projects completed	Whitehills grazing camp	Ehlanzeni South	Umjindi	Whitehills	Supply, delivery and construction of animal handling facilities for Ehlanzeni South.

No	Indicator Cluster	Project Name	District Municipality	Local Municipality	Area	Scope of Work
5	Livestock Production Infrastructure projects completed	Tweefontein	Nkangala	Thembisile Hani	Tweefontein	Construction of Cattle handling Facilities
6	Livestock Production Infrastructure projects completed	Buffelshoek	Ehlanzeni North	Bushbuckridge	Buffelshoek	Construction of diptanks in Ehlanzeni North
7	Livestock Production Infrastructure projects completed	Hlalakahle	Ehlanzeni North	Bushbuckridge	Hlalakahle	Construction of diptanks in Ehlanzeni North
8	Livestock Production Infrastructure projects completed	Nkomazi Feedlot	Ehlanzeni South	Nkomazi	Mzinti	Construction of a feedlot
9	Livestock Production Infrastructure projects completed	Symington	Ehlanzeni South	Nkomazi	Mzinti	Construction of diptanks
10	Livestock Production Infrastructure projects completed	Vlakplaats Fortune 40	Gert Sibande	Dr Pixley Ka Isaka Seme	Volksrust	Cattle Handling Facility
11	Agro-processing facilities completed (Maize Mill)	Nkomazi West maize	Ehlanzeni South	Nkomazi	Magogeni	Construction of maize mill (phase 1). This entails construction of the maize mill building, refurbishment of palisade fence, refurbish of guard house, procurement of new transformer, drilling and equipping of borehole
12	Irrigation projects completed	Boschfontein	Ehlanzeni South	Nkomazi	Boschfontein	Construction of 4 tunnels, irrigation, water storage, tank fittings
13	Irrigation projects completed	Allandale F40	Ehlanzeni North	Bushbuckridge	Thulamahashe	Renovation of admin block and training room
14	Irrigation projects completed	Nompumelelo Mushroom	Gert Sibande	Dipaleseng	Greylingstad	Construction of offices
15	Irrigation projects completed	Zoeknog	Ehlanzeni North	Bushbuckridge	Zoeknog	Supply & installation of fencing material
16	Broiler projects completed	Letolo Phase 2 (1 x 40 000 birds) (Broiler House No 1)	Nkangala	Thembisile Hani	Sydbrandskraal	Construction 1x40 000 poultry house. It is called phase 2 to distinguish it from previous houses built in the same area
17	Broiler projects completed	Letolo Phase 2 (1 x 40 000 birds) (Broiler House No 2)	Nkangala	Thembisile Hani	Sydbrandskraal	Construction 1x40 000 poultry house. It is called phase 2 to distinguish it from previous houses built in the same area
18	Broiler projects completed	Siyaphambili	Gert Sibande	Mkhondo	Piet Retief	Construction of slabs for parkhomes
19	Borehole infrastructure completed	Kwaggafontein Fortune 40	Nkangala	Thembisile Hani	Kwaggafontein	Equipping and reticulation (BH03)of boreholes in Kwaggafontein

No	Indicator Cluster	Project Name	District Municipality	Local Municipality	Area	Scope of Work
20	Borehole infrastructure completed	Kwaggafontein Fortune 40	Nkangala	Thembisili Hani	Kwaggafontein	Equipping and reticulation(BH04) of boreholes in Kwaggafontein
21	Borehole infrastructure completed	Kwaggafontein Fortune 40	Nkangala	Thembisili Hani	Kwaggafontein	Equipping and reticulation (BH05) of boreholes in Kwaggafontein
22	Borehole infrastructure completed	Barbeton environmental centre Fortune 40	Ehlanzeni South	Umjindi	Barberton	Drilling, testing of boreholes in Barberton environmental centre fortune 40 farm in Ehlanzeni South.
23	Borehole infrastructure completed	Barbeton environmental centre Fortune 40	Ehlanzeni South	Umjindi	Barberton	Drilling, testing of boreholes in Barberton environmental centre fortune 40 farm in Ehlanzeni South.
24	Borehole infrastructure completed	Barbeton environmental centre Fortune 40	Ehlanzeni South	Umjindi	Barberton	Drilling, testing of boreholes in Barberton environmental centre fortune 40 farm in Ehlanzeni South.
25	Borehole infrastructure completed	Siyaphambili Farm	Gert Sibande	Mkhondo	Thandukukhanya, Piet Retief	Drilling, cleaning, testing, equipping and reticulation
26	Borehole infrastructure completed	Vlakplaats	Gert Sibande	Dr Pixley Ka Isaka Seme	Vlakplaats, Voorkrust	Drilling, cleaning, testing, equipping and reticulation
27	Borehole infrastructure completed	Welyerdiend Livestock	Ehlanzeni North	Bushbuckridge	Welyerdiend	Supply, deliver, install, test & commission windmill borehole, tank stand, water tanks and drinking troughs.
28	Borehole infrastructure completed	Ireagh Livestock Project	Ehlanzeni North	Bushbuckridge	Ireagh	Supply, deliver, install, test & commission windmill borehole, tank stand, water tanks and drinking troughs.
29	Borehole infrastructure completed	Clare A Livestock	Ehlanzeni North	Bushbuckridge	Clare A	Supply, deliver, install, test & commission windmill borehole, tank stand, water tanks and drinking troughs.
30	Borehole infrastructure completed	Madadeni Livestock	Ehlanzeni South	Nkomazi	Madadeni	Supply, deliver, install, test & commission windmill borehole, tank stand, water tanks and drinking troughs.
31	Borehole infrastructure completed	Schoemansdal Livestock	Ehlanzeni South	Nkomazi	Schoemansdal	Supply, deliver, install, test & commission windmill borehole, tank stand, water tanks and drinking troughs.
32	Agricultural One-Stop centres established	Vaalbank One Stop	Nkangala	Dr JS Moroka	Vaalbank	Construction of tractor shed
33	Agricultural One-Stop centres established	Mzinti One Stop Centre	Ehlanzeni South	Nkomazi	Mzinti	Construction of tractor shed

10.

GOVERNANCE



PART C

1. INTRODUCTION

The commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

The Accounting Officer (AO) for the Department takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework and the Risk Management Unit facilitates the Departmental risk management activities and reports directly to the Accounting Officer.

The Department adopted the ERM Policy, ERM Strategy and the ERM Implementation Plan for the 2016/7 financial period, which were approved by the Accounting Officer. The ERM Implementation Plan gave effect to the departmental ERM Policy and Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the Department.

The Department assessed significant risks that could have an impact on the achievement of its objectives, both at strategic and on a programme level, and reviewed on a quarterly basis. Risks were prioritized based on the likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The Department established an ERM Committee to assist the Accounting Officer in executing her responsibilities relating to risk management. The committee adhered to the Terms of Reference approved by the Accounting Officer. ERM Committee evaluated the effectiveness of the mitigating strategies implemented to address the risks of the Department and recommended further action where relevant.

The Audit Committee provided the independent oversight of the Department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process was in relation to the progress of implementation of the Risk Management Implementation Plan and risks faced by the Department and their relevant risk response/treatment strategies.

The process of risk management was also assessed by Mpumalanga Provincial Treasury and Department of Planning, Monitoring and Evaluation (DPME), through FMCMM and MPAT respectively. The results of these assessment tools are indicative of an effective and efficient risk management system.

3. FRAUD AND CORRUPTION

The Mpumalanga Government adopted an anti-Corruption Strategy which confirms the Province' zero tolerance stance towards fraud and corruption. The Department has an approved Fraud Prevention Plan and the Fraud Prevention Implementation Plan. The latter gives effect to the Fraud Prevention Plan.

Training and awareness campaigns were conducted to all district and head office. Emphasis was made on the procedures to follow and the importance of reporting fraud and corruption.

The Integrity Unit in the Office of the Premier (OTP) provides a centralized function in the management and investigation of National Anti-Corruption Hotline. All cases reported through the National Anti-Corruption Hotline were communicated accordingly and follow-ups made with OTP.

4. MINIMISING CONFLICT OF INTEREST

A high standard of professional ethics must be promoted and maintained in the public service. To this effect, all members of the Senior Management Service (SMS) are required to disclose to the executive authority particulars of all their financial interests in accordance with Chapter 3 of the Public Service Regulations. The objective of Chapter 3 is to identify any conflicts of interest in order to promote just and fair administrative actions of officials in senior positions and thereby to protect the public service from actions that may be detrimental to its functioning. Such disclosures take place annually. Should any conflict of interest arise it will be dealt with, in accordance with the Public Service Regulations and related prescripts.

Employees, who wish to perform Remunerative Work Outside the Public Service (RWOPS), must apply in accordance with approved Departmental policy governing RWOPS. All applications must be in writing in a prescribed form and must, amongst others, address the nature and extent of remunerative work to be performed, including the times/hours of duty and relation thereof (possible conflict of interest or areas of concern) to the normal duties that the employee performs in the public service. Such applications are then subject to review. Employees must apply annually in terms of the policy. Where non-compliance is detected such instances will be dealt with in accordance with the policy and, where appropriate, in terms of the Disciplinary Code and Procedures for the Public Service. The Department provided training and awareness on RWOPS to its officials in the four districts and in head office.

The ethics officers were appointed by the Executive Authority to monitor compliance regarding disclosures. Members of different committees (oversight and bid committees) are required to sign a declaration of interest forms, to assist the Department in managing conflict of interests for members serving on these structures.

5. CODE OF CONDUCT

Newly appointed employees are made to sign the code of conduct and the workshops are conducted to familiarise the employees with the Code of Conduct. The Code of Conduct informs the behaviour of all the employees and it is a basis for all the disciplinary actions. In the 2016/17 financial year, six (6) disciplinary cases were resolved.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department continues to deal with injury on duty cases. Each of the District Offices and the Head Office have an Occupational Health and Safety Committee that is trained and is responsible for day-to-day occupational health and safety issues. Offices are visited to assess the occupational health and safety of the workplace. Fumigations are performed to enhance the health safety of the workplace.

7. PORTFOLIO COMMITTEES

The Portfolio Committee scheduled the following with the Department for 2016/17 Financial Year.

Portfolio Committee Meeting	Date
2016/17 Budget Vote 5	14 April 2016
First Quarter Performance Report 2016/17 & 2015/16 Fourth Quarter Performance Report	30 August 2016
Annual Report 2015/16	27 October 2016
House Resolutions tracking	09 March 2016
Mpumalanga Adjustment Appropriation Bill	24 November 2016
Ubuhle Siyazenzela Cooperative & Early Bird Business	21 October 2016
Oversight visit meeting in Barberton Environmental Centre	01 November 2016
Oversight visit: Allendale (Fortune 40 project)	10 November 2016
Mineral and Petroleum Resources Development Amendment Bill	29 November 2016
2 nd Quarter performance report 2016/17	21 February 2017
Third Quarter Performance Report 2016/17	30 March 2017

Matter raised by the Portfolio Committee and how the Department addressed them:

Portfolio Committee Meeting	Matters raised	How the department has addressed them
2015/16 Budget and Annual Performance Plan	The Accounting Officer must timeously implement infrastructure projects and prevent under expenditure immediately after approval has been granted.	<p>The department has realized that implementation of infrastructure projects is indeed slow which has an impact on the expenditure. To address this situation, a number of interventions have been put in place, amongst others:</p> <ul style="list-style-type: none"> - Proper planning for projects before approval of the project is granted e.g. site identification - Ensuring that multi-year projects are recorded and presented as such - Appointments of service providers for the multi-year projects has been concluded, this will assist in immediate implementation.
	Make frequent follow up with EXCO and fill the vacant Animal Health Technician positions immediately after approval has been granted.	<p>The department followed-up with EXCO on the matter in an endeavor to fill the Animal Health Technician posts as previously directed by the House. An approval for filling the posts was given in June 2015 and an advertisement was sent out in July 2015. However, before the department could interview the candidates, departments were advised by PMC not to continue filling the vacant and funded posts. The department further attempted to re-initiate the filling of these posts in December 2015. The department then re-advertised and whilst preparing to fill the posts, the Executive made a provincial statement indicating that departments must stop filling vacant and funded posts.</p>
	Move with speed in finalizing the organogram of the department. Furthermore, the department must ensure that the correct processes are followed to ensure that the organogram is properly approved. A progress report should be submitted within six months from the date of tabling of this report.	<p>The department will continue to utilize the existing approved organogram of 2010, until such time when the moratorium is lifted. This is due to the fact that all departments are not allowed to change anything on the organogram as all vacant posts are abolished on the organogram. However, if the department were to pick up a very critical need, the department is allowed to table the proposal to the Budget and Finance Committee. In the meantime, the process of rationalization is continuing to ensure that the critical posts are filled (acting personnel). The department has since received a Memo from the Office of the Premier:</p>

Portfolio Committee Meeting	Matters raised	How the department has addressed them
	Continually engage with the Labour Unions and ensure that all the labour issues relating to the University of Mpumalanga are properly resolved.	The Department ensured that key and relevant Labour Unions are engaged in matters pertaining to the transfer of functions, assets and personnel to the University of Mpumalanga.
	Review the Masibuyele Esibayeni Policy to ensure that it addresses unanticipated events such as a beneficiary's death and loss of livestock due to epidemic outbreak.	The Masibuyele Esibayeni Policy was reviewed to provide for the unanticipated events such as a beneficiary's death and loss of livestock due to epidemic outbreaks. The department is getting Cabinet approval on the reviewed Masibuyele Esibayeni Policy. The policy includes the following specific recommendation: <ul style="list-style-type: none"> - The farm requirements for farmers to be supported through the MESP has been reviewed - In case of the loss of livestock due to epidemic outbreaks the Animal Disease Act (Act 35 of 1984) gives powers to DAFF to manage and decide on appropriate actions. (Page 45 of the Masibuyele Esibayeni Policy) - In case of the death of the representative of the project, the project members are obliged to inform the Department and immediately nominate a new project representative. (Page 49 of the Masibuyele Esibayeni Policy) - The policy now allows the farmers to keep the livestock
	Finalise the construction of the bulk sewer and water within the allocated period. In addition, the department must ensure that all key activities relating to the Mpumalanga Fresh Produce Market such as building designs and recruitment of investors are finalized.	The department has finalized the construction of the bulk sewer and water systems as per the agreement between the department and MEGA. The budget of the construction of the Fresh produce Market has since been transferred to DEDT (MEGA). The department provides guidance in terms of the designs of the structures including the pack house to be in line with agricultural needs of the province. The department will also further guide in the finalization of the market Feasibility and Demand study. The department is in a process of identifying farmers that will be ready to supply their produce to the pack house upon completion.
	Closely monitor the construction of the Agri-Hubs to ensure that they are completed within the allocated period. In addition, the department must also ensure that the Agri-Hubs are constructed within the allocated budget.	The Department will closely monitor the construction of the three prioritized Agri-hubs through MEGA. The key activity plan has been developed that covers the whole 2016/17 financial year. The department will monitor to ensure that Agri-hubs are being constructed within the allocated budget and timeframe.
	Provide proper support to the identified farms to ensure that this project is sustained as it has a potential to provide job opportunities to young people.	The department has developed an Implementation Plan that outlines precisely how support will be provided to the identified farms.
Third quarter report 2015/16	Provide the Committee with a report on procurement processes concerning the Fortune 40 Project, Mpumalanga international Fresh Produce Market and Agri-hubs, draught relief and Marapyane renovations	The department advertised the work on the provincial tender bulletin for projects stated above. For the Fortune Forty the department has followed all supply chain processes and appointments were done thereafter. Marapyane renovations The department used the CRDP co-operatives for the renovations of existing buildings. The cooperatives were trained by MTL/Chrystal Sparkle JV for the renovations using the CRDP principles.

Portfolio Committee Meeting	Matters raised	How the department has addressed them
		<p>The appointment of MTL/Chrystal Sparkle JV was done through the normal Supply Chain Management processes. Other buildings followed the departmental tendering process and cessions of existing contracts.</p> <p>Mpumalanga International Fresh Produce Market and Agri-hubs The department transferred the funds for the Fresh Produce Market and Agri-hubs to MEGA as the implementing agent. MEGA followed their procurement processes in implementing the projects.</p> <p>Drought Relief The department participated in the COGTA appointed drought and disaster relief service providers as the led department on disaster relief programme.</p>
	Provide a report on how much have been spent on the conditional grants during the fourth quarter and indicate whether there was value for money on the spending 10 days after the day of the tabling of the report	The department has spent the total of R 92,061 during the fourth quarter. The total amount of R 169,684 was spent at the end of the financial year which is 100% of the CASP budget allocation.
	Inform the Committee in writing on whether the five disputes (as reflected on 5.2.1. above) have been resolved.	The five cases in dispute that were reported had since been resolved through the involvement of the Labour Relations Unit.
	Report to the Committee on what measures will be put in place to ensure that this target is achieved during the 2016/17 financial year.	The department continues to intensify awareness workshops on performance management and the importance of compliance. Furthermore, the department will continue to ensure that PMDS is a standing agenda item on management meetings, to discuss and resolve on the way forward where non-compliance may be reported.
	Provide a progress report on the implementation of the infrastructure projects, indicating the number of EPWP jobs created during the financial year.	<p>The department reports on the following progress made on infrastructure projects (Annexure A outlines the detailed report):</p> <ul style="list-style-type: none"> - 2 irrigation projects in Kwaggafontein- Tunnels and Zejeb Center Pivots - 5 boreholes drilled and reticulated - 3 boreholes drilled and equipping is underway - 6 animal handling facilities completed and commissioned - 5 diptanks in Ehlanzeni South and North were commissioned - 2x 40 000 houses in Nkangala construction at 95% completion - 4x 25 000 houses in Gert Sibande construction in progress, earthworks 100% completed, Foundation trenches completed and bricks work in progress - In Funda Mlimi, the kitchen and ablution facility, broiler facility have been completed and the sheep and goats feedlot is at 95% - Tractor sheds are in progress at Vaalbank, Mkhuhlu, Mzinti and Piet Retief <p>The department created a total number of 217 jobs through infrastructure projects in the 2015/16 financial year.</p>
2015/16 Fourth Quarter Report	Provide a report on whether there was value for money on the spending of the conditional grants during the quarter	The department has attached a detailed report on the conditional grants spending.
	Ensure that the target on performance management	The department will ensure that all officials within the department assessed. It must be noted however, that, the targets as set in the

Portfolio Committee Meeting	Matters raised	How the department has addressed them
	(performance assessment) is achieved during the first quarter of the 2016/17 financial year.	APP are based on the number of staff complement at the time of planning and targeting. However, due to staff mobility (transfers, resignations, death) and attitudes this target remains a challenge to achieve 100% despite all the enforced consequent management by the Department.
	The MEC must meet with the MEC's for the Departments of Education and Health and review the strategy of linking cooperatives to the School Nutrition Programme and Health Nutrition Programme (hospitals) in an effort to ensure that a market is created for cooperatives.	The department has commenced with the process of ensuring that the three MECs resolve the encountered hindrances for cooperative to access the market directly. The committee will be furnished with the progress report on the matter after the sitting.
	The department must ensure that all food gardens that were constructed in the 2015/16 financial year are equipped with the required system and utilized by the intended beneficiaries.	The department has supplied 4 x 5 thousand litres water tanks to four communal gardens in Nkomazi to ensure that they are operational. The department will further supply 11 water tanks to communal gardens throughout the province prioritizing those in dire need before the end of the financial year. The department will further supply and deliver fencing material to those gardens that require such before the end of the financial year. In the 2017/18 financial year, the department will drill and equip boreholes for the established communal gardens to address the encountered water challenges.
2015/16 Annual Report	The Accounting Officer must take disciplinary actions against the officials who over committed the department and a report must be submitted to the Committee in this regard.	The department is in the process of evaluating the merits of the disciplinary action. The Committee will be furnished with the outcome as soon as it is concluded.
	The department must review its commitment registers after budget cuts Furthermore, the department must ensure that planned targets are implemented within the available budget.	The department notes the resolution by the House and will ensure that the commitment registers and the targets are implemented as planned in line with the available budget.
	Monitor spending of the department on a monthly basis. Furthermore, the Accounting officer must ensure that the department does not have accruals at the end of the 2016/17 financial year.	The department acknowledges the resolution, and will continue to monitor its spending on monthly basis through the In Year Monitoring reports and in line with the cash management regulatory framework. The department has further improved the invoice tracking register to ensure that all invoices are paid within 30 days to avoid accruals.
	Implement controls that will ensure that bids that are supposed to be advertised on the CIDB Website are advertised accordingly. Furthermore, the Accounting Officer must take disciplinary actions against all officials that failed to ensure that bids are advertised on the CIDB website in compliance to section 38 (c) (ii) of the PFMA. A report must be submitted to the committee in this regard.	Training has become the compliance matter for officials within Supply Chain Management, the department as well as Provincial Treasury conduct ongoing in house training and provincial training respectively. All supply chain officials including Senior Managers are now subjected to training on supply chain processes to ensure and enforce compliance with Treasury Regulations. However there are challenges experienced in terms of capacity constrains as well as shortage of staff to perform the required duties.

Portfolio Committee Meeting	Matters raised	How the department has addressed them
	Update the committee on the outcome of the forensic investigation and the actions that have been taken against officials in this regard.	The department initiated the investigation on the unauthorized expenditure. The matter is yet to be concluded. The Committee will be informed of the outcome upon the finalization of the investigation.
	Provide the Committee with a report of how many employees failed to comply with the PMDS policy and the disciplinary actions taken.	The total number of officials who have failed to comply with the PMDS policy at the end of the cycle was 25. Actions taken to address the non-compliance were: The outstanding assessments were demanded from the affected officials and their managers for compliance and as a penalty, no pay progression or performance bonus was paid to these officials as required by the PMDS policy. Counselling and support was provided to those officials with a negative attitude towards the PMDS system due to the fact that they have reached their last salary notches and as a result they will not be qualifying for pay progression, and therefore viewing the whole process as a waste of time. The performance assessment status reports was further presented to MANCOM and also during the sitting of the Annual Moderation Committee whereby responsible managers were urged to address the non-compliance challenge, and the non-compliance status of the department has since improved.
	Brief the Committee on the expected finalization date on the assessments for the Masibuyele Emasimini and Masibuyele Esibayeni Strategies.	The department has finalized the impact assessments for Masibuyele Emasimini and Esibayeni. However, the department still has to present the reports to relevant oversight bodies for endorsement and approval
	Submit the request for the appointment of the Animal Technicians posts in the next meeting of the Executive Council and ensure that the posts are filled before the end of the 2016/17 financial year.	The department prepared and submitted the MEMO to the Budget and Finance Committee seeking approval to fill the critical posts Chief Financial Officer, SMS, Veterinary Nurses, State Veterinarians and the Animal Health Technicians. The department has however, only received an approval to fill the Chief Financial Officer, Veterinary Nurses and State Veterinarians.
	Fill the post of the CFO before the end of the 2016/17 financial year.	The department notes the resolution by the House and has since advertised, shortlisted and interviewed qualifying candidates on the 24 January 2017 for the post of the CFO. The department envisages that the post will be filled by end of March 2017.
	Finalize the process of the transfer of officials and their salaries to the Department of Health before the end of December 2016.	The department has on several occasions tried to ensure that the officials are transferred to the Department of Health, but all the efforts have proven to be unsuccessful. The department is considering recalling the excess staff due to the number of terminations that occurred since these officials were declared as being in excess.
2016/17 Budget and APP	Review its organizational structure to ensure that it reflects all nine programmes as per its APP.	The Department included Environmental Affairs as an addendum on the departmental structure in an endeavour to ensure that there is alignment between the structure and APP.
	Fill the vacant post of the Chief Financial Officer without delay since the post is excluded from the moratorium on the filling of vacant posts. Furthermore, the vacant posts for veterinarians must be elevated to the EXCO without delay since these posts are critical in deriving the core mandate of the department.	The department followed the procedures and processes in place for the filling of the CFO post; however, some technicalities emerged that delayed the filling of the post. The department will fast track the appointment of the CFO as directed by the Committee. In the 2015/16 financial year, the department elevated the filling of the veterinarian posts to EXCO for approval, which was granted in June 2015. However, towards the end of the financial year, there was an emphasis made that departments should not fill any posts as this will be contravening the placed moratorium. The department will engage the Budget and Finance Committee on filling the vacant critical veterinarian posts.

Portfolio Committee Meeting	Matters raised	How the department has addressed them
	Implement all the infrastructure projects as planned and avoid unnecessary delays.	The department has started the process of procurement in the first quarter of financial year to ensure that there are no delays in the implementation of the infrastructure projects. In some of the projects, work has commenced. The department will ensure that the procurement processes of all projects are concluded early in the second quarter.
	Achieve all planned targets in the 2016/17 Annual Performance Plan.	The department endeavours to achieve all planned targets on the approved 2016/17 Annual Performance Plan.
	Ensure that the implementation of the Masibuyele Emasimini and Masibuyele Esibayeni strategies benefits food insecure households in the Province.	The department continues to ensure that the programme benefits food insecure households in the province. This will be attained through invitation of the rural communities to apply for assistance with production inputs for backyard food production, utilizing the War on Poverty database (referrals) provided by the Department of Social Development as well as the list indigents from the local municipalities.
	Ensure that the first phase of the Nooitgedacht project is completed by November 2016 as planned.	The department will ensure that the first phase of the Nooitgedacht resuscitation project, which comprises of minor renovations of the existing laboratory and the procurement of analytical equipment, is finalized by November 2016.
	Implement the 12 Fortune 40 farmer projects as planned in the concept document and ensure that the search for the eight remaining farms is completed within the 2016/17 financial year.	The department will ensure that the approved plan is implemented as such and that there is no deviation from the concept document. Currently, training for the young farmers is conducted in all farms, while the development of infrastructure is underway. The department in collaboration with the Department of Public Works and Department of Rural Development and Land Reform is in process of identifying the 8 remaining. The department envisage to secure the 8 farms by the end of the third quarter, this will allow the department to commence with the planning (assessment, scoping and statutory planning) for implementation in the 2017/18 financial year.
	The department must be consistent in its budget documentation when referring to projects.	The department welcomes the resolution by the House, and will ensure that there is consistency in referencing the planned projects both in the APP and the budget document.
	Implement the Nkomazi West Maize Mill project as reflected in its APP for 2016/17.	The department has concluded the assessment on the current structure of the Maize Mill and subsequently developed the specification. The project will be implemented as reflected in the approved APP.
	Develop and submit a clear strategy and programme to link emerging farmers and cooperatives with markets in the Province.	The department is in process of developing the strategy on linking the emerging farmers and cooperatives with markets. Each of the market categories (wholesale, agro-processors, retail, public institution market and general public) will have its strategy to access markets. Upon completion of the strategies, the department will submit to the Committee as requested. The department will continue to support agribusiness with agricultural economic services towards accessing markets. In 2016/17 financial year, 100 farmers and cooperatives will be supported, as per the approved Annual Performance Plan.

8. SCOPA RESOLUTIONS

SCOPA Meeting	Date
None	None

8.1 SCOPA RESOLUTIONS 2014/15 ANNUAL REPORT

Resolutions No	Subject	Details	Response by Department	Resolved (Yes/No)
1.1 (i)	Predetermined Objectives	The Accounting Officer must ensure that all programmes submit evidence of performance before quarterly review sessions on Programme Performance.	The department has introduced a checklist that is directly linked to the deliverables and further indicates the supporting evidence needed for tabling any progress or evidence against the agreed deliverables of a particular Programme. This system has ensured that all programmes report against the deliverables and evidence is attached on performance. The tabling is done before the quarterly reviews to both risk and internal audit for further verification. During the review sessions, performance is presented and discussed against the submitted listings of supporting documents by Programme Managers.	
1.2 (i)	Compliance With Legislation	The Accounting Officer must take disciplinary measures against those officials responsible for the missing files (failure to submit audit evidence).	The department has reported the matter to the Security Unit for an investigation to be conducted with the intention of taking disciplinary action against the responsible official(s). However, during the process of the preliminary investigation, evidence emerged that the departmental filing system and document handling processes were not allocated to specific individuals so that it's easy to trace the movement of documents. This resulted in serious weaknesses that significantly contributed towards the occurrence of the missing files. The officials who belong to both the Supply Chain Management and the Accounting Officer's office were therefore given a verbal warning and correctional measures were implemented to avoid and avert any future occurrences of this nature. Noting this, the department has implemented the following measures amongst others: 1. Developed a file plan as a way of strengthened its filing systems to reduce the chances of the occurrence.	

Resolutions No	Subject	Details	Response by Department	Resolved (Yes/No)
			<p>2. The strict tracking of documents through the developed file plan, whereby officials are compelled to sign upon receipt and dispatching of documents</p> <p>3. The Human Resource Management Directorate has been given the responsibility of both managing and monitoring the roll out of the filing system and to emphasize the need for officials to sign off any documentation received or dispatched.</p> <p>4. The Department of Culture, Sports and Recreation has conducted training on file plan and archiving of documents for the officials at head office and all the regions of the department.</p>	
1.3 (i)	Accruals	The Accounting Officer must consider taking disciplinary actions against the responsible official(s) for overstating accruals to R 7,636,441 in the 2014/15 financial year.	The department conducted an investigation into the matter, and the official responsible for overstating the accruals is undergoing disciplinary action. The Committee will be presented with the final report once the matter is concluded.	
1.4 (i)	Preferential Procurement Policy	The Accounting Officer must consider taking disciplinary action against official(s) who failed to adhere to the requirements of Treasury Regulation 16A6.3 and the Preferential Procurement Policy.	The guidance provided by the Auditor General requires that over and above the utilization of the Standard bidding process, the department must further add the criteria in the adverts has been welcomed by the department. Supply Chain officials that were involved in the posting of the advert only on the Treasury website and failing to ensure that the adverts appear on the CIDB website have been subjected to an investigation with an intention to charge. The outcome has suggested that they be given verbal warning because they did post on the CIDB and Treasury website but did not follow up or check if the adverts were published. The advert was published only on the Treasury website.	

Resolutions No	Subject	Details	Response by Department	Resolved (Yes/No)
(ii)		The Accounting Officer must consider taking disciplinary action against official(s) who failed to obtain the required price quotations, as required by Treasury Regulation 16A16.1	The department has instituted disciplinary action against officials who failed to obtain the required price quotations, as required by Treasury Regulation 16A16.1. The Committee will be furnished with the outcome of the process upon conclusion.	
(iii)		Consequently, if the Accounting Officer fails to identify those liable on (i) and (ii) above, the Executive Authority must take disciplinary action against the Accounting Officer as the ultimate responsible officer.	The Accounting Officer has acted on the recommendation by the Committee on (i) and (ii) mentioned above. The Accounting Officer has instituted the disciplinary action on officials responsible and the Committee will be informed of the outcome upon conclusion.	
1.5 (i)	Officials Doing Business With The State	The Accounting Officer must take disciplinary actions against those officials implicated that did not ensure that those bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, contrary to Treasury Regulation 16A8.3	<p>The department conducted an investigation on the matter and discovered that the failure was due to the weakness on the system used (PERSAL System). The system has limitations of not allowing the department to pick up officials that are employed within the PERSAL system, such as those in local government, state owned entities and others.</p> <p>The department has since adopted the usage of the Central Supplier Database (CSD), which has proved to be capable of overcoming this weakness.</p>	

Resolutions No	Subject	Details	Response by Department	Resolved (Yes/No)
1.6 (i)	Human Resource Management And Compliance	The Accounting Officer must develop an effective system that will ensure that verifications are done prior to the appointment of officials.	The Department has developed a system where upon conclusion of the short listing, the potential candidates are screened prior the interviews through State Security Agency. Prior the appointment of the candidates, the department then conducts background checks. Following this the department facilitates the process of verification of qualifications through SAQA. In ensuring that all processes are properly followed, the department includes a checklist on the candidates' files for approval purposes.	
1.7 (i)	Filling of critical funded posts	The Accounting Officer must ensure that all critical vacant funded posts are filled on or before 30 September 2016.	The department has appointed five State Veterinarians and five Veterinary Nurses. Furthermore it has received 22 State Veterinary doctors who have been seconded to the department for a year whilst doing internship. All necessary processes towards the appointment of the Chief Financial Officer have been concluded and awaiting cabinet approval.	
1.8 (i)	Leadership	The Accounting Officer must take disciplinary action against the manager(s) who failed to implement the recommendations of the internal audit unit, external auditors and the audit committee.	The department has taken action against all the managers in all programmes for not implementing the resolutions of Internal Audit, external (Auditor General) and Audit Committee. Furthermore, the department conducted an assessment on the root causes for not fully implementing some of the Internal Audit, Audit Committee and Auditor General's recommendations. The assessment revealed that some programmes are struggling to fully implement all the recommendations due to limited capacity issues faced by the department. These includes issues such as shortage of critical skilled staff e.g. engineers and other high level of staff shortage and turnover in the department. Thus, some of the recommendations are being acted upon by entry officials that are not fully conversant with the issues and inevitably delay the required response. However, managers continue to make efforts in implementing the recommendations and progress has been made on all recommendations.	

Resolutions No	Subject	Details	Response by Department	Resolved (Yes/No)
1.9 (i)	Investigations	The Accounting Officer must furnish the Committee with final report on the investigation conducted by the Office of the Premier.	The department has made a formal attempt to request the final report on the investigation conducted by the Office of the Premier. The Committee will be furnished with the report upon receipt from the office of the Premier.	
1.10 (i)	Report of the Audit Committee	The Accounting Officer must ensure that recommendations made by the Internal Audit Committee are effectively implemented.	The department has ensured that the recommendations made by the Internal Audit Committee are effectively implemented through the developed Decision Register, which monitors on a quarterly basis, progress made against the recommendations made by the Internal Audit Committee.	
1.11 (i)	Report on the Financial Statements	The Accounting Officer must ensure that disciplinary action is taken against official(s) liable for irregular expenditure relating to the Fresh Produce Market.	The department has made follow up on the matter with MEGA in an attempt to ensure that appropriate actions are taken against the implicated officials under MEGA. The department will furnish the Committee with the final report once received from MEGA.	

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
None	None	None

10. INTERNAL CONTROL UNIT

The Department has an Internal Audit unit under the control and direction of the Audit Committee as required by section 38(1) (a) (ii) of the Public Finance Management Act. The Internal audit operates in accordance with the Treasury Regulation, section 3.2 and in line with the International Standards for the Professional Practice of Internal Auditing (ISPPA). The unit strive for service excellence and value add to the Departmental operations.

The Internal Audit Unit derived its operational plan from the risk assessment conducted by the Risk Management unit, then evaluated the Internal Control, Risk Management and Governance processes for weaknesses and make recommendations for improvements.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Purpose and Objective of the Internal Audit Activity:

Internal Auditing is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of the Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA). It assists DARDLEA in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, internal control.

Summary of the audit work done

The Internal Audit Activity has performed the following reviews during the 2016/17 financial year:

- Audit of Financial & Management Accounting
- Audit of Supply Chain Management
- Audit of Asset Management
- Human Resource Management
- Audit of Performance Monitoring and Evaluation
- Risk Management
- Farmer Support Services (Programme 3)
- Review of Interim Financial Statements
- Agricultural Economics
- Audit of Environmental Services (Programme 9)
- Follow up on Internal & External Audit recommendations

KEY ACTIVITIES AND OBJECTIVE OF THE AUDIT COMMITTEE

Audit Committee key activities

- The Audit Committee plays an oversight role over:
 - 1) Financial management, operational and other reporting practices
 - 2) Internal controls and risk management and governance risks
 - 3) Information technology governance in its support to achievement of departmental objectives
 - 4) Safeguarding and effective utilization of departmental resources and
 - 5) Compliance with laws and regulations
- The Audit Committee directs the work of Internal audit activity
- The Committee also oversee the work of the external audit function.

Audit Committee Objectives

- To ensure or secure transparency, accountability and the sound management of revenue and expenditure as well as the assets and liabilities of the Department.

Composition of the Audit Committee and meetings

Name	Qualifications	Internal or External	Date of Appointment	Date Resigned	No. of Prescribed Meetings	Meetings Attended
Mr. KJ Chisale	ACCA(UK); CIA; CCSA; CFE; PG Certificate in Fraud Examination; LGSETA Accredited Assessor; IIA Fellowship Certificate	External	01 October 2015	Not applicable	4	7 (Including 2 Special sitting)
Ms N Jaxa	MBA General; BCom (Hons)	External	01 October 2015	Not applicable	4	7 (Including 2 Special sitting)
Mr A Dzuguda	BCom (Hons) Certificate in Taxation	External	01 October 2015	Not applicable	4	5 (1 Special Sitting)
Ms T Semane	BCom (Acc); Postgraduate Dip. In BA; Associate Diploma	External	01 October 2015	Not applicable	4	7 (2 Special Sitting)

Conclusion

The undertaken reviews indicate that there are still areas that need improvement, which those are incorporated in the internal audit recommendations hence follow up is being carried out on a regular basis.

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2017

Composition of the Audit Committee and meetings

Name	Qualifications	Internal or External	Date of Appointment	Date Resigned	No. of Prescribed Meetings	Meetings Attended
Mr. KJ Chisale	ACCA(UK); CIA; CCSA; CFE; PG Certificate in Fraud Examination; LGSETA Accredited Assessor; IIA Fellowship Certificate	External	01 October 2015	Not applicable	4	7 (Including 2 Special sitting)
Ms N Jaxa	MBA General; BCom (Hons)	External	01 October 2015	Not applicable	4	7 (Including 2 Special sitting)
Mr A Dzuguda	BCom (Hons) Certificate in Taxation	External	01 October 2015	Not applicable	4	5 (1 Special Sitting)
Ms T Semane	BCom (Acc); Postgraduate Dip. In BA; Associate Diploma	External	01 October 2015	Not applicable	4	7 (2 Special Sitting)

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, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- Audit of Financial & Management Accounting
- Audit of Supply Chain Management
- Audit of Asset Management
- Human Resource Management
- Audit of Performance Monitoring and Evaluation
- Risk Management
- Farmer Support Services (Programme 3)
- Review of Interim Financial Statements
- Agribusiness economics
- Audit of Environmental Services
- Follow up on Internal & External Audit recommendations

The following were areas of concern:

- High risk exposure on internal control based on the existing moratorium
- Supply Chain Management

In-Year Management and Monthly/Quarterly Report

The department has reporting monthly and quarterly to the Treasury as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the department as follows:

- Reviewed and discussed the Annual Financial Statements to be included in the Annual Report;
- Reviewed the information on predetermined objectives to be included in the Annual Report;
- Reviewed the quality and timeliness of the financial information availed to the Audit Committee for oversight purposes;

Auditor-General's Report

- We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the payments to suppliers were not made within 30 days
- We have also reviewed the Auditor General's report and management report for the year under review 2016/17 and we concur with the conclusion reached.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



(Kingsley Juliano Chisale)
Chairperson of the Audit Committee
Department of Agriculture, Rural Development, Land and Environmental Affairs
31 May 2017

HUMAN RESOURCE MANAGEMENT



PART D



1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

Provide commentary on the following:

The status of human resources in the Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA)

The Department continues to reposition itself to be an employer of choice. This serves to assist the Department business partnering between the line and support functions within the Department.

The Department positioned itself, through various strategic initiatives that include movement from a transactional role to transformational / strategic partner and change agent. It further ensured that the right employees with the right skills and competences are appointed in the right positions. It also ensured that there was employee value proposition through candidate management and positive employee experience.

As at March 31, 2017 the total number of employees were 1 367. The Department experienced a high volume of employees exiting the service during the previous financial year, with a record of 113 employees, inclusive of expiry contract. Due to moratorium which was continued in 2016/2017 financial year, the Department could not fill or replace posts that are left vacant by employees hence the drop in the total number of employees in the Department from 1480 in April 2016 to 1367 at the beginning of April 2017.

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

Filling of critical vacant and funded posts

In the financial year 2016/17, the Department received a special approval to appoint 47 scarce critical vacant and funded posts to enhance service delivery in Extension and Advisory Services and Veterinary Services. In addition, 45 EPWP employees were appointed on a 12 months contract. The current statistics on employment equity is 48% of females and 52% males in the department. Female representation in the senior management service (SMS) category is 35%, while people with disabilities representation is 1.6%.

Improving the skills base of human capital

429 employees capacitated on management and leadership, Workplace Skills Plan development, administrative skills, mentoring and coaching and cleaning skills.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce.

The Department implemented talent management programme through Internship Programme to serve as a talent pipeline feeder for most of the scarce and critical posts of the Department to invest, mentor and transfer skills and to fill the posts on permanent basis. 47 appointed on contract in the financial year 2016/17. The EPWP Programme (mainly for Youth) is aimed at giving the youth experience and increasing chances of employability. In line with skills development initiatives, 45 EPWP employees were placed on one year contract.

DARDLEA also conducted Exit Interviews to identify challenges and themes to action, reposition and brand itself and to improve the best practices inclusive of the strengthening of Employee Engagement to reduce attrition/turnover.

DARDLEA is also a member of the National Job Evaluation Coordination Committee in the Agricultural Sector (ITCA) where transversal jobs in the Agricultural Sector are nationally Coordinated through Job Evaluation and standardised recruitment requirements to reduce job hopping and talent poaching in the Agricultural sector and for career pathing. This ensures that the Department remunerates employees at the right level and is in line with the salary survey of the Private Sector.

DARDLEA also has Talent Management recruitment database for people with disabilities in order to absorb them in identified positions. This is also strengthened by the Disability Forum, Employment Equity Forum and Gender and Transformation forum to drive the target to meet the Employment Equity Target as per the Part III.D of Chapter 1 of the Public Service Regulations of 2001 as amended, as well as Chapter 3, Section 20 of the Employment Equity Act 55 of 1998 and Cabinet Resolution of 2005 and November 2012.

Employee performance management.

An Employee Performance Management and Development Policy are in place. Quarterly assessments and moderations are being conducted on quarterly basis, followed by annual moderation at the end of every fourth quarter. The Department has Personal Development Programmes focused towards capacity development of existing employees in order to close the skills gap.

Employee wellness programmes.

The Department implemented the Employee Health and Wellness Strategic framework. The Employee Wellness Programme is providing services in line with the four pillars of the Employee Health and Wellness strategic framework of 2009 developed by DPSA. These programmes include: Gender Equity and Transformation, Special Programmes, Occupational Health and Safety and HIV/AIDS and TB Management.

Highlight achievements and challenges faced by the Department, as well as future human resource plans /goals.

Filling of vacant posts

The Department did not fill any vacant and funded post during the 2016/17 financial year due to the imposition of moratorium on filling of posts. Through a special approval, the Department appointed 47 officials under the Extension and Recovery Programme (ERP) and Veterinary Services. In addition, 45 EPWP employees were appointed on a 12 months contract.

Employment Equity

The Department has total female representation percentage of 48%, female representation on Senior Management of 35% and People with disability representation of 1.6%.

Performance Management and Development System (PMDS)

In the year under review, 1 454 (level 1-12) employees complied with the submission of performance contract and assessments. Incentive bonuses and pay progression for 2016/17 is still underway. 416 officials including SMS benefited from PMDS system by means of receiving incentive bonuses as payment. 1 070 officials also benefited from the PMDS by receiving pay progression 2015/16 financial year.

Employee Health and Wellness

The Department reached 190 employees during the rolling out of HIV/AIDS management plan. 2 workshops on HIV/AIDS and TB organized and a sporting activities organized provincially was attended by employees of the Department. 85 employees did voluntary HIV/AIDS test.

Human Resource Development (HRD)

429 employees were capacitated on short courses.

Challenges

Some non-compliance with the Performance Management System is receiving attention and more emphasis will be placed on resolving it. There is no projection on filling of posts in 27 due to the Moratorium on filling of posts

3. HUMAN RESOURCES OVERSIGHT STATISTICS

The human resource oversight statistics tabulates amongst others the personnel in relation to expenditure, employment and vacancies, filling of SMS posts, job evaluation, employment changes, signing of performance agreements by SMS members, performance rewards, foreign works, leave utilisation, employee health and wellness issues, labour relations issues and skill development issues

3.1.1 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 2016 and 31 March 2017

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)
Pr1: administration**	137,803	85,298	0	0	62	51
Pr2: sustainable resource management**	69,507	39,052	0	0	56	24
Pr3: farmer support and development**	449,652	169,123	0	0	38	103
Pr4: veterinary services**	111,593	97,224	0	0	87	59
Pr5: research & technology development services**	62,885	38,112	0	0	61	23
Pr6: agricultural economics**	10,890	9,271	0	0	85	6
Pr7: structured agric education & training**	16,163	11,917	0	0	74	7
Pr8: rural development**	20,284	15,527	0	0	75	9
Pr9: Environmental affairs**	89,941	65,613	0	0	73	40
TOTAL	968,719	531,137	0	0	55	323

Table 3.1.2 Personnel costs by salary band for the period 1 April 2016 and 31 March 2017

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)	14,741	2.8	90	164
Skilled (level 3-5)	62,727	11.8	374	168
Highly skilled production (levels 6-8)	188,100	35.4	483	389
Highly skilled supervision (levels 9-12)	232,461	43.8	394	590
Senior and Top management (levels 13-16)	33,108	6.2	26	1,273
Total	531,137	100	1 367	389

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2016 and 31 March 2017

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
Pr1: administration**	50,381	66.9	3,076	4.1	1,623	2.2	2,724	3.6
Pr2: sustainable resource management**	24,674	67.1	112	0.3	1,434	3.9	1,445	3.9
Pr3: farmer support and development**	104,633	68.4	1459	1	4,249	2.8	6,387	4.2
Pr4: veterinary services**	59,264	69.3	11	0	2,880	3.4	3,797	4.4
Pr5: research & technology development services**	23,229	67.6	138	0.4	1,171	3.4	1,860	5.4
Pr6: agricultural economics**	5,907	69.7	0	0	110	1.3	254	3
Pr7: structured agric education & training**	6,984	62.6	0	0	431	3.9	701	6.3
Pr8: rural development**	10,405	66.7	10	0.1	198	1.3	441	2.8
Pr9: Environmental affairs**	40,352	67.5	0	0	1,678	2.8	2,561	4.3
Total	325,829	67.9	4,806	1	13,774	2.9	20,170	4.2

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2016 and 31 March 2017

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)	9,208	62.4	127	0.9	1,282	8.7	1,553	10.5
Skilled (level 3-5)	41,844	66.4	624	1	4,398	7	4,454	7.1
Highly skilled production (levels 6-8)	107,095	67.4	2,611	1.6	4,832	3	7,427	4.7
Highly skilled supervision (levels 9-12)	140,253	67.9	1,444	0.7	2,779	1.3	6,271	3
Senior management (level 13-16)	27,429	74.7	0	0	483	1.3	465	1.3
Total	325,829	67.9	4,806	1	13,774	2.9	20,170	4.2

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 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Pr1: administration**, Permanent	212	163	23.1	0
Pr2: sustainable resource management**, Permanent	195	128	34.4	0
Pr3: farmer support and development**, Permanent	606	456	24.8	0
Pr4: veterinary services**, Permanent	345	275	20.3	0
Pr5: research & technology development services**, Permanent	222	115	48.2	0
Pr6: agricultural economics**, Permanent	18	17	5.6	0
Pr7: structured agric education & training**, Permanent	43	34	20.9	0
Pr8: rural development**, Permanent	65	29	55.4	0
Pr9: Environmental affairs, Permanent	211	150	28.9	0
TOTAL	1 917	1 367	28.7	0

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2), Permanent	423	90	78.7	0
Skilled (Levels 3-5), Permanent	467	374	19.9	0
Highly skilled production (Levels 6-8), Permanent	499	483	3.2	0
Highly skilled supervision (Levels 9-12), Permanent	487	394	19.1	0
Senior management (Levels 13-16), Permanent	41	26	36.6	0
TOTAL	1917	1367	28.7	0

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	62	47	24.2	0
Agricul animal oceanography forestry & other scien, Permanent	26	25	3.8	0
Agriculture related, Permanent	365	215	41.1	0
Appraisers-valuers and related professionals, Permanent	1	1	0	0
Artisan project and related superintendents, Permanent	1	1	0	0
Attorneys, Permanent	1	1	0	0
Auxiliary and related workers, Permanent	12	11	8.3	0
Biochemistry pharmacol. zoology & life scie.techni, Permanent	112	91	18.8	0
Building and other property caretakers, Permanent	13	12	7.7	0
Bus and heavy vehicle drivers, Permanent	1	1	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Cartographers and surveyors, Permanent	1	1	0	0
Chemical and physical science technicians, Permanent	2	2	0	0
Civil engineering technicians, Permanent	1	0	100	0
Cleaners in offices workshops hospitals etc., Permanent	83	78	6	0
Client inform clerks(switchboard receipt inform clerks), Permanent	3	3	0	0
Communication and information related, Permanent	3	3	0	0
Conservation labourers, Permanent	2	2	0	0
Economists, Permanent	16	13	18.8	0
Engineering sciences related, Permanent	6	6	0	0
Engineers and related professionals, Permanent	13	10	23.1	0
Farm hands and labourers, Permanent	427	237	44.5	0
Farming forestry advisors and farm managers, Permanent	21	20	4.8	0
Finance and economics related, Permanent	12	12	0	0
Financial and related professionals, Permanent	22	20	9.1	0
Financial clerks and credit controllers, Permanent	83	64	22.9	0
Food services aids and waiters, Permanent	11	10	9.1	0
Food services workers, Permanent	1	0	100	0
Forestry labourers, Permanent	1	1	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Geologists geophysicists hydrologists & relat prof, Permanent	1	1	0	0
Head of department/chief executive officer, Permanent	1	1	0	0
Health sciences related, Permanent	2	2	0	0
Horticulturists foresters agricul.& forestry techn, Permanent	74	72	2.7	0
Household and laundry workers, Permanent	1	0	100	0
Human resources & organisat developm & relate prof, Permanent	4	4	0	0
Human resources clerks, Permanent	63	57	9.5	0
Human resources related, Permanent	25	23	8	0
Information technology related, Permanent	5	5	0	0
Language practitioners interpreters & other commun, Permanent	8	7	12.5	0
Legal related, Permanent	1	1	0	0
Light vehicle drivers, Permanent	2	1	50	0
Logistical support personnel, Permanent	3	3	0	0
Material-recording and transport clerks, Permanent	1	1	0	0
Messengers porters and deliverers, Permanent	3	1	66.7	0
Motor vehicle drivers, Permanent	11	10	9.1	0
Motorised farm and forestry plant operators, Permanent	22	17	22.7	0
National technical examiners, Permanent	1	0	100	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Natural sciences related, Permanent	95	84	11.6	0
Nature conservation and oceanographical rel.techni, Permanent	5	5	0	0
Other administrat & related clerks and organisers, Permanent	119	84	29.4	0
Other administrative policy and related officers, Permanent	2	2	0	0
Other occupations, Permanent	5	5	0	0
Production advisers : factories, Permanent	2	1	50	0
Risk management and security services, Permanent	2	2	0	0
Safety health and quality inspectors, Permanent	8	8	0	0
Secretaries & other keyboard operating clerks, Permanent	21	19	9.5	0
Security guards, Permanent	6	5	16.7	0
Senior managers, Permanent	41	16	61	0
Trade trainers, Permanent	4	3	25	0
Veterinarians, Permanent	76	39	48.7	0
Veterinary assistants, Permanent	1	1	0	0
TOTAL	1917	1367	28.7	0

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- 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 2016

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	0	0	0	0	0
Salary Level 16	1	1	100%	0	0
Salary Level 15	1	1	100%	0	0
Salary Level 14	7	4	57%	3	43%
Salary Level 13	33	20	61%	13	39%
Total	42	26	62%	16	38%

Table 3.3.2 SMS post information as on 30 September 2016

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	1	1	100%	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	7	4	71%	3	43%
Salary Level 13	33	20	67%	13	39%
Total	42	26	69%	16	38%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2016 and 31 March 2017

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	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	1	0	0	1	100%
Salary Level 13	0	0	0	0	0
Total	0	0	0	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
The Executive Committee of the Province have imposed a Moratorium on the filling of posts except for the CFO position.

Reasons for vacancies not filled within six months
The post was advertised twice and the applicants did not meet minimum requirements

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 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
Moratorium was imposed on the filling of vacant and funded posts.

Reasons for vacancies not filled within six months
Moratorium was imposed on the filling of vacant and funded posts.

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 2016 and 31 March 2017

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)	423	0	0	0	0	0	0
Skilled (Levels 3-5)	467	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	499	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	487	0	0	0	0	0	0
Senior Management Service Band A	34	0	0	0	0	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
TOTAL	1 917	0	0	0	0	0	0

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2016 and 31 March 2017

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

Employees with a disability	0
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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 2016 and 31 March 2017

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

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 2016 and 31 March 2017

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

Employees with a disability					0
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Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

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 2016 and 31 March 2017

Salary band	Number of employees at beginning of period-1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2), Permanent	247	0	4	1.6
Skilled (Levels 3-5), Permanent	277	8	39	14.1
Highly skilled production (Levels 6-8), Permanent	523	14	12	2.3
Highly skilled supervision (Levels 9-12), Permanent	295	19	19	6.4
Senior Management Service Band A, Permanent	20	1	0	0
Senior Management Service Band B, Permanent	4	0	0	0

Salary band	Number of employees at beginning of period-1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Management Service Band C Permanent	1	0	0	0
Senior Management Service Band D Permanent	1	0	1	100
Contract (Band A), Permanent	112	5	38	33.9
TOTAL	1480	47	113	7.6

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2016 and 31 March 2017

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	50	1	7	14
Agricul animal oceanography forestry & other scien, Permanent	25	0	0	0
Agriculture related, Permanent	253	29	26	10.3
Appraisers-valuers and related professionals, Permanent	1	0	0	0
Artisan project and related superintendents, Permanent	1	0	0	0
Attorneys, Permanent	1	0	0	0
Auxiliary and related workers, Permanent	12	0	0	0
Biochemistry pharmacol. zoology & life scie.techni, Permanent	93	0	0	0
Building and other property caretakers, Permanent	13	0	0	0
Bus and heavy vehicle drivers, Permanent	1	0	0	0
Cartographers and surveyors, Permanent	1	0	0	0
Chemical and physical science technicians, Permanent	1	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	82	0	7	8.5
Client inform clerks(switchboard inform clerks), Permanent	3	0	0	0
Communication and information related, Permanent	3	0	0	0

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Conservation labourers, Permanent	2	0	0	0
Economists, Permanent	14	0	0	0
Engineering sciences related, Permanent	6	0	0	0
Engineers and related professionals, Permanent	12	1	3	25
Farm hands and labourers, Permanent	265	0	21	7.9
Farming forestry advisors and farm managers, Permanent	20	0	0	0
Finance and economics related, Permanent	12	0	0	0
Financial and related professionals, Permanent	22	0	0	0
Financial clerks and credit controllers, Permanent	66	0	2	3
Food services aids and waiters, Permanent	11	0	3	27.3
Food services workers, Permanent	1	0	0	0
Forestry labourers, Permanent	1	0	0	0
Geologists geophysicists hydrologists & related prof, Permanent	1	0	0	0
Head of department/chief executive officer, Permanent	1	0	0	0
Health sciences related, Permanent	2	0	0	0
Horticulturists foresters agricul.& forestry techn, Permanent	73	0	3	4.1
Household and laundry workers, Permanent	1	0	0	0
Human resources & organisat developm & relate prof, Permanent	4	0	0	0
Human resources clerks, Permanent	62	4	0	0
Human resources related, Permanent	25	0	0	0
Information technology related, Permanent	5	0	0	0
Language practitioners interpreters & other commun, Permanent	8	0	0	0
Legal related, Permanent	1	0	0	0

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Light vehicle drivers, Permanent	2	0	19	950
Logistical support personnel, Permanent	3	0	0	0
Material-recording and transport clerks, Permanent	1	0	0	0
Messengers porters and deliverers, Permanent	3	0	1	33.3
Motor vehicle drivers, Permanent	10	0	0	0
Motorised farm and forestry plant operators, Permanent	21	0	1	4.8
National technical examiners, Permanent	1	0	0	0
Natural sciences related, Permanent	90	0	2	2.2
Nature conservation and oceanographical rel.techni, Permanent	5	0	0	0
Other administrat & related clerks and organisers, Permanent	89	0	5	5.6
Other administrative policy and related officers, Permanent	2	0	0	0
Other occupations, Permanent	5	0	0	0
Production advisers : factories, Permanent	2	0	0	0
Risk management and security services, Permanent	2	0	0	0
Safety health and quality inspectors, Permanent	8	0	0	0
Secretaries & other keyboard operating clerks, Permanent	21	1	0	0
Security guards, Permanent	6	0	0	0
Senior managers, Permanent	17	0	2	11.8
Trade trainers, Permanent	3	0	0	0
Veterinarians, Permanent	33	11	11	33.3
Veterinary assistants, Permanent	1	0	0	0
TOTAL	1480	47	113	7.6

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- 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.

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 2016 and 31 March 2017

Termination Type	Number	% of Total Resignations
Death, Permanent	12	10.6
Resignation, Permanent	25	22.1
Expiry of contract, Permanent	35	31
Retirement, Permanent	41	36.3
TOTAL	113	100

Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 and 31 March 2017

Occupation	Employees 1 April 2016	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	50	0	0	38	76
Agricul animal oceanography forestry & other scien	25	0	0	16	64
Agriculture related	253	0	0	144	56.9
Appraisers-valuers and related professionals	1	0	0	1	100
Artisan project and related superintendents	1	0	0	1	100
Attorneys	1	0	0	1	100
Auxiliary and related workers	12	0	0	9	75
Biochemistry pharmacol. zoology & life scie.techni	93	0	0	69	74.2
Building and other property caretakers	13	0	0	7	53.8
Bus and heavy vehicle drivers	1	0	0	1	100
Cartographers and surveyors	1	0	0	0	0
Chemical and physical science technicians	1	0	0	0	0
Cleaners in offices workshops hospitals etc.	82	0	0	56	68.3
Client inform clerks(switchb recept inform clerks)	3	0	0	3	100
Communication and information related	3	0	0	3	100
Conservation labourers	2	0	0	1	50
Economists	14	0	0	10	71.4
Engineering sciences related	6	0	0	5	83.3
Engineers and related professionals	12	0	0	6	50
Farm hands and labourers	265	0	0	209	78.9
Farming forestry advisors and farm managers	20	0	0	10	50

Occupation	Employees 1 April 2016	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
Finance and economics related	12	0	0	10	83.3
Financial and related professionals	22	0	0	17	77.3
Financial clerks and credit controllers	66	0	0	59	89.4
Food services aids and waiters	11	0	0	7	63.6
Food services workers	1	0	0	0	0
Forestry labourers	1	0	0	1	100
Geologists geophysicists hydrologists & relat prof	1	0	0	0	0
Head of department/chief executive officer	1	0	0	0	0
Health sciences related	2	0	0	2	100
Horticulturists foresters agricul. & forestry techn	73	0	0	33	45.2
Household and laundry workers	1	0	0	1	100
Human resources & organisat developm & relate prof	4	0	0	4	100
Human resources clerks	62	0	0	49	79
Human resources related	25	0	0	22	88
Information technology related	5	0	0	3	60
Language practitioners interpreters & other commun	8	0	0	7	87.5
Legal related	1	0	0	1	100
Light vehicle drivers	2	0	0	1	50
Logistical support personnel	3	0	0	3	100
Material-recording and transport clerks	1	0	0	1	100
Messengers porters and deliverers	3	0	0	2	66.7

Occupation	Employees 1 April 2016	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
Motor vehicle drivers	10	0	0	9	90
Motorised farm and forestry plant operators	21	0	0	19	90.5
National technical examiners	1	0	0	1	100
Natural sciences related	90	0	0	73	81.1
Nature conservation and oceanographical rel.techni	5	0	0	4	80
Other administrat & related clerks and organisers	89	0	0	72	80.9
Other administrative policy and related officers	2	0	0	1	50
Other occupations	5	0	0	4	80
Production advisers : factories	2	0	0	2	100
Risk management and security services	2	0	0	2	100
Safety health and quality inspectors	8	0	0	7	87.5
Secretaries & other keyboard operating clerks	21	0	0	19	90.5
Security guards	6	0	0	2	33.3
Senior managers	17	0	0	15	88.2
Trade trainers	3	0	0	3	100
Veterinarians	33	0	0	23	69.7
Veterinary assistants	1	0	0	1	100
TOTAL	1480	0	0	1070	72.3

Table 3.5.5 Promotions by salary band for the period 1 April 2016 and 31 March 2017

Salary Band	Employees 1 April 2016	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)	279	0	0	37	13.3
Skilled (Levels3-5)	310	0	0	362	116.8
Highly skilled production (Levels 6-8)	560	1	0.2	328	58.6
Highly skilled supervision (Levels 9-12)	305	0	0	315	103.3
Senior Management (Level 13-16)	26	0	0	28	107.7
Total	1480	1	0.1	1070	72.3

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 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	17	0	0	0	8	0	0	1	26
Professionals	186	1	2	17	170	2	1	9	388
Technicians and associate professionals	171	0	0	24	137	1	1	13	347
Clerks	61	0	0	1	152	2	0	11	227
Service and sales workers	6	0	0	0	1	0	0	0	7
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	5	0	0	0	0	0	0	0	5
Plant and machine operators and assemblers	29	0	0	0	0	0	0	0	29
Elementary occupations	186	0	0	0	152	0	0	0	338
Total	661	1	2	42	620	5	2	34	1367
Employees with disabilities	11	0	0	0	8	0	0	3	22

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	16	0	0	0	7	0	0	1	24
Professionally qualified and experienced specialists and mid-management	106	1	1	29	81	2	2	9	231
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	287	0	1	14	320	2	0	22	646
Semi-skilled and discretionary decision making	200	0	0		169	1	0	4	374
Unskilled and defined decision making	50	0	0	0	40	0	0	0	90
Total	660	1	2	43	618	5	2	36	1367

Table 3.6.3 Recruitment for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	12	0	0	0	24	0	0	1	37
Contract (Professionally qualified), Permanent	3	0	1	0	2	0	1	2	9
Contract (Semi-skilled), Permanent	1	0	0	0	0	0	0	0	1
Contract (Unskilled), Permanent	0	0	0	0	0	0	0	0	0
Total	16	0	1	0	26	0	1	3	47
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	1	0	0	0	1	0	0	0	2
Senior Management, Permanent	15	0	0	0	8	0	0	1	24
Professionally qualified and experienced specialists and mid-management, Permanent	146	0	0	28	125	1	1	9	310
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	124	0	1	7	168	1	0	15	316
Semi-skilled and discretionary decision making, Permanent	201	0	0	0	149	1	0	3	354
Unskilled and defined decision making, Permanent	23	0	0	0	27	0	0	0	50
Contract (Professionally qualified), Permanent	2	0	0	0	3	0	0	0	5
Contract (Skilled technical), Permanent	6	0	0	0	3	0	0	0	9
TOTAL	518	0	1	35	484	3	1	28	1070
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management, Permanent	9	0	0	3	6	1	0	1	20
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	6	0	0	0	6	1	0	1	14
Semi-skilled and discretionary decision making, Permanent	20	0	0	0	11	0	0	1	32

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision making, Permanent	4	0	0	0	2	0	0	0	6
Contract (Professionally qualified), Permanent	1	0	0	0	1	0	0	0	2
Contract (Skilled technical), Permanent	1	0	0	0	0	0	0	0	1
Contract (Unskilled), Permanent	16	0	0	0	22	0	0	0	38
TOTAL	57	0	0	3	48	2	0	3	113
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2016 to 31 March 2017

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Withdrawn	1	0	0	0	2	0	0	0	0
Written warning	2	0	0	0	0	0	0	0	0
3 months suspension without pay	0	0	0	0	1	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	10	0	0	0	19	0	0	1	30
Professionals	20	0	0	0	25	0	0	0	45
Technicians and associate professionals	3	0	0	0	1	0	0	0	4
Clerks	3	0	0	0	30	0	0	0	33
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	40	0	0	0	40
Total	36	0	0	0	115	0	0	1	116
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2016

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	1	1	0	0
Salary Level 15	0	0	0	0
Salary Level 14	7	4	4	57
Salary Level 13	33	20	20	61
Total	42	26	25	60

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 July.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2017

Reasons
All performance agreements will be finalised by May 2017 as per policy

Notes

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

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2017

Reasons
None. No performance agreements were due by 31 March 2017

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 2016 to 31 March 2017

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	182	618	31.39	3,320.25	18.14344
Female	194	660	27.58	3,139.62	18.14809
Asian					
Male	1	2	50.00	67.49	67.49000
Female	0	2	0.00	0.00	0
Coloured					
Male	3	5	60.00	174.37	58.12333
Female	0	1	0.00	0.00	0
White					
Male	15	36	41.67	3,562.11	237.47400
Female	14	43	32.56	3,139.62	224.25857
Employees with a disability	7	22	31.82	80.64	11.52000
TOTAL	416	1367	30.43	7,613.79	19.22674

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017

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)	35	90	33.3	169.26	5,642	30
Skilled (level 3-5)	102	374	27.3	733.33	7,190	102
Highly skilled production (level 6-8)	138	483	27.5	1,882	14,150	133
Highly skilled supervision (level 9-12)	131	394	33.2	3,789	28,923	131
Total	406	1341	29.5	6573.42	16600	396

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	16	47	34	457.87	28,617
Agricul animal oceanography forestry & other scien	5	25	20	109.5	21,900
Agriculture related	40	215	18.6	987.15	24,679
Appraisers-valuers and related professionals	1	1	100	72.71	72,710
Artisan project and related superintendents	0	1	0	0	0
Attorneys	0	1	0	0	0
Auxiliary and related workers	3	11	27.3	22.14	7,380
Biochemistry pharmacol. zoology & life scie.techni	14	91	15.4	241.61	17,258
Building and other property caretakers	6	12	50	38.37	6,395
Bus and heavy vehicle drivers	0	1	0	0	0
Cartographers and surveyors	0	1	0	0	0
Chemical and physical science technicians	0	2	0	0	0
Cleaners in offices workshops hospitals etc.	32	78	41	184.75	5,773
Client inform clerks(switchb receipt inform clerks)	1	3	33.3	7.48	7480
Communication and information related	2	3	66.7	61.64	30820
Conservation labourers	1	2	50	8.69	8,690
Economists	8	13	61.5	156.24	19,530
Engineering sciences related	1	6	16.7	42.5	42500
Engineers and related professionals	1	10	10	42.5	42500
Farm hands and labourers	57	237	24.1	292.48	6,964
Farming forestry advisors and farm managers	7	20	35	151.32	21,617

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Finance and economics related	6	12	50	230.53	38422
Financial and related professionals	13	20	65	351.78	27,060
Financial clerks and credit controllers	28	64	43.8	415.43	14,837
Food services aids and waiters	3	10	30	19.81	6,603
Forestry labourers	0	1	0	0	0
Geologists geophysicists hydrologists & relat prof	1	1	100	47.88	47,880
Head of department/chief executive officer	0	1	0	0	0
Health sciences related	1	2	50	6.41	6,410
Horticulturists foresters agricul.& forestry techn	18	72	25	330.13	18,341
Household and laundry workers	0	0	0	0	0
Human resources & organisat developm & relate prof	1	4	25	39.07	39,070
Human resources clerks	27	57	47.4	355.57	13,169
Human resources related	11	23	47.8	310.38	28,216
Information technology related	0	5	0	0	0
Language practitioners interpreters & other commun	6	7	85.7	188.38	31397
Legal related	1	1	100	5.86	5860
Light vehicle drivers	1	1	100	26.93	26930
Logistical support personnel	2	3	66.7	15.52	7760
Material-recording and transport clerks	1	1	100	0	0
Messengers porters and deliverers	0	1	0	6.22	0
Motor vehicle drivers	1	10	10	22.13	22,130
Motorised farm and forestry plant operators	3	17	17.6	1087.86	362,620

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Natural sciences related	32	84	38.1	89	2,788
Nature conservation and oceanographical rel.techni	3	5	60	340.8	113,600
Other administrat & related clerks and organisers	27	84	32.1	67.49	2,500
Other administrative policy and related officers	1	2	50	84.68	84,680
Other occupations	2	5	40	34.44	17,220
Production advisers : factories	2	1	200	54.72	27360
Risk management and security services	2	2	100	74.58	37290
Safety health and quality inspectors	3	8	37.5	110.87	36,957
Secretaries & other keyboard operating clerks	10	19	52.6	0	0
Security guards	0	5	0	253.17	0
Senior managers	10	16	62.5	20.29	4,058
Trade trainers	2	3	66.7	108.37	54,185
Veterinarians	3	39	7.7	0	0
Veterinary assistants	0	1	0	0	0
TOTAL	416	1367	30.4	7575.48	19130

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- 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;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017

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	9	20	45	980.28	108,920	3.4
Band B	1	4	25	60.1	60,100	1.1
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	10	26	38.5	1040.38	104038	3

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 2016 and 31 March 2017

Salary band	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled supervision (Levels 9-12)	9	100	11	100	2	18
Senior Management (Salary Level 13 - 16)	0	0	0	0		
TOTAL	9	0	11	0	2	18

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2016 and 31 March 2017

Major occupation	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	09	100	11	100	2	18
Technicians and associated professionals	0	0	0	0		
TOTAL	09	0	11	0	2	18

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 2016 to 31 December 2016

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)	40	75	2	0.3	20	137.00
Contract (Levels 3-5)	11	100	2	0.3	6	6.00
Contract (Levels 6-8)	57	59.6	9	1.4	6	78.00
Contract (Levels 9-12)	10	100	1	0.2	10	23.00
Contract Other	3	100	1	0.2	3	1.00
Highly skilled production (Levels 6-8)	1808	54.2	210	32.4	9	2363.00
Highly skilled supervision (Levels 9-12)	1305	47	180	27.7	7	2808.00
Lower skilled (Levels 1-2)	375	64	64	9.9	6	188.00
Senior management (Levels 13-16)	76	76.3	12	1.8	6	281.00
Skilled (Levels 3-5)	1366	62.8	168	25.9	8	878.00
TOTAL	5051	56.2	649	100	8	6763.00

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2016

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)
Highly skilled production (Levels 6-8)	87	100	1	20	87	90.00
Highly skilled supervision (Levels 9-12)	73	100	2	40	36.5	175.00
Skilled (Levels 3-5)	195	100	2	40	97.5	116.00
TOTAL	355	100	5	100	71	381.00

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 2016 to 31 December 2016

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	23	2	12
Skilled (Levels 3-5)	453	27	17
Highly skilled production (Levels 6-8)	662	36	18
Highly skilled supervision (Levels 9-12)	139	11	13
Senior management (Levels 13-16)	226	27	8
Contract (Levels 1-2)	10041	459	22
Contract (Levels 3-5)	8616	385	22
Contract (Levels 6-8)	2378	125	19
Contract (Levels 9-12)	697	36	19
Contract (Levels 13-16)	9685	407	24
TOTAL	32920	1515	22

Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016

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 2017
Highly skilled production (Levels 6-8)	4	2	2	99
Highly skilled supervision (Levels 9-12)	5	2	3	88
Lower skilled (Levels 1-2)	13	1	13	36
Senior management (Levels 13-16)	0	0	0	77
Skilled (Levels 3-5)	41	9	5	145
TOTAL	63	14	5	89

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 2016 and 31 March 2017

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2016/17 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2016/17	5 706	79	72 223
Current leave payout on termination of service for 2016/17	434	13	33 377
Total	6 140	92	66 734

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
N/A	N/A

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		Mr M. M. Mahlalela: Director Transversal Services
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		2 Officials
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		Voluntary Testing, Candle Lighting, Health and Wellness Programme,

Question	Yes	No	Details, if yes
			Healthy Lifestyle Programme, Condom Distribution and information sharing
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		Mr R Mhlongo- Chairperson and Gert Sibande District Mr KV Nkwalase–Chairperson and NEHAWU Representative- Ehlanzeni South Mr P Radebe - Head Office Ms S Shongwe- Ehlanzeni South Ms B Mahlangu- Nkangala District Ms MS Mbatha- Head Office Mr MM Mahlalela- Head Office Ms H Mapholi- - Secretary-Head 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		Disability, Employment Equity, Gender, Bereavement, HIV/AIDS, Occupational Health and Safety and, Sexual Harassment Policies
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/AIDS Policy
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		Gender Policy
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		190 employees attended a Health and wellness awareness workshop of which 85 people did voluntary testing for HIV

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2016 and 31 March 2017

Subject matter	Date
None	None

Notes

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

Total number of Collective agreements	None
--	-------------

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 and 31 March 2017

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	2	0.15
Final written warning	0	0
Suspended without pay	1	0.07
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	3	0.23
Total	6	0.44

Notes

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

Total number of Disciplinary hearings finalised	None
---	------

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 and 31 March 2017

Type of misconduct	Number	% of total
	0	0
	0	0
Total	0	0

Table 3.12.4 Grievances logged for the period 1 April 2016 and 31 March 2017

Grievances	Number	% of Total
Number of grievances resolved	13	92.9
Number of grievances not resolved	1	7.1
Total number of grievances lodged	14	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2016 and 31 March 2017

Disputes	Number	% of Total
Number of disputes upheld	10	62.5
Number of disputes dismissed	6	37.5
Total number of disputes lodged	16	100

Table 3.12.6 Strike actions for the period 1 April 2016 and 31 March 2017

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2016 and 31 March 2017

Number of people suspended	1
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	57
Cost of suspension(R'000)	R212,224.29

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 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	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	10	0	20	0	30
	Male	17	0	10	0	
Professionals	Female	191	0	25	0	45
	Male	226	0	20	0	
Technicians and associate professionals	Female	161	0	1	0	4
	Male	200	0	3	0	
Clerks	Female	178	0	30	0	33
	Male	65	0	3	0	
Service and sales workers	Female	2	0	0	0	0
	Male	7	0	0	0	
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	7	0	0	0	
Craft and related trades workers	Female	0	0	0	0	0
	Male	34	0	0	0	
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	
Elementary occupations	Female	167	0	40	0	40
	Male	215	0	0	0	
Sub Total	Female	709	0	116	0	152
	Male	771	0	36	0	
Total		1480	0	152	0	

Table 3.13.2 Training provided for the period 1 April 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	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	10	0	20	0	30
	Male	17	0	10	0	
Professionals	Female	191	0	30	0	55
	Male	226	0	25	0	
Technicians and associate professionals	Female	161	0	1	0	4
	Male	200	0	3	0	
Clerks	Female	178	0	207	0	290
	Male	65	0	83	0	
Service and sales workers	Female	2	0	0	0	0
	Male	7	0	0	0	
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	7	0	0	0	
Craft and related trades workers	Female	0	0	0	0	0
	Male	34	0	0	0	
Plant and machine operators and assemblers	Female	0	0	0	0	10
	Male	0	0	10	0	
Elementary occupations	Female	167	0	40	0	40
	Male	215	0	0	0	
Sub Total	Female	709	0	298	0	429
	Male	771	0	131	0	
Total		1480	0	429	0	

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 2016 and 31 March 2017

Nature of injury on duty	Number	% of total
Required basic medical attention only	17	1.2
Temporary Total Disablement	0	0
Permanent Disablement	17	1.2
Fatal	0	0
Total	34	2.5

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:

- The rendering of expert advice;
- The drafting of proposals for the execution of specific tasks; and
- 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 Consultants using appropriated funds for period 1 April

Project Title	Number of Consultants	Duration (Work Days)	Contract Value (Rands)
Abattoir : Planning Red Meat	1	35	R 500,000.00
Renovation of Poultry Houses - Integrated Poultry Value Chain: Gert Sibande and Nkangala District	2	180	R 12,211,174.24
Drilling and equipping of boreholes for projects affected by disasters	2	80	R 4,000,000.00
Supply, install, construct, test and commission 2 livestock handling infrastructure and water reticulation system for Seville and Uttar Livestock Projects in Bushbuckridge Municipality, Ehlanzeni North District	1	30	R 2 420 371.12
Construction of Maize mill in Nkomazi Municipality	1	160	R 6,000,000.00
Repair of disaster affected farm access roads, bridges, dams	1	180	R 10,000,000.00
Construction of One Stop Centre in Mkhondo	1	150	R 5,000,000.00
One Stop Centre upgrade Mkhuhlu - BBR South	1	42	R 1,590,705.27
Upgrading of One Stop Center: (Vaalbank), NKA	1	44	R 1,000,000.00
Renovation of One Stop Center, Mzinti	1	90	R 2,000,000.00
Development of Fortune 40 Farms Mpumalanga Young Farmers incubation Programme in all four districts	9	194	R 80,000,000.00
Vet Diptanks(Kutung, CunningmoreB, Casteel A, Acornhoke A)	1	120	R 3,500,000.00

Number of Projects	Total Individual Consultants	Duration (Work Days)	Total Contract Value
12	22	1 185	R 128,222,250.63

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2015 and 31 March 2016

Project Title	Percentage Ownership by HDI	Percentage Management by HDI	Number of Consultants from HDI Group that work on the project
Abattoir : Planning Red Meat			
Renovation of Poultry Houses - Integrated Poultry Value Chain: Gert Sibande and Nkangala District			
Drilling and equipping of boreholes for projects affected by disasters			
Supply, install, construct, test and commission 2 livestock handling infrastructure and water reticulation system for Seville and Uttar Livestock Projects in Bushbuckridge Municipality, Ehlanzeni North District	25.60	53.41	1
Construction of Maize mill in Nkomazi Municipality			
Repair of disaster affected farm access roads, bridges, dams			
Construction of One Stop Centre in Mkhondo			
One Stop Centre upgrade Mkhuhlu - BBR South	100%	100%	1
Upgrading of One Stop Center: (Vaalbank), NKA			
Renovation of One Stop Center, Mzinti			
Development of Fortune 40 Farms Mpumalanga Young Farmers incubation Programme in all four districts	25.60	53.41	3
Vet Diptanks(Kutung, CunningsmoreB, Casteel A, Acomhoek A)			

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2014 and 31 March 2015

Project title	Total number of consultants that worked on project	Duration(work days)	Contract value in Rand
Zejeo Irrigation	11	998	R4 408 384.30
Hoxane Irrigation			
Nkomazi West Maize Mill			
Diptanks (Nkomazi)			
Marapyane College	5	42	R 830 565.63
Funda Mlimi	3	9	R 100,022.73
Youth Coops in Gert Sibande	2	29	R 235,377.95
Flood Disaster Relief (Reparation of pumps & pump stations)	7	50	R 1,376,092.08
GIBA	11	564	R2,570,110
Nkangala Irrigation	3	5	R 36,950
Mkhulu One Stop Centre	2	1.5	R 11,300
Dip Tanks (BBR)	1	3	R 31 920.00
Bird Broiler in Letolo	1	5	R 222 261.24
Mzinti One-Stop Centre	1	1	R 7 980.00
Development of Youth Cooperative Irrigation in Nkomazi and Bushbuckridge	1	60	R3,000,000.00
2014/15 Youth Cooperative	1	12	R3,000,000.00
2015/16 Agrihubs / Park houses in Mkhulu	3	30	R3,000,000.00
One stop centre(Mkhuhlu)	1	10	R1,000,000.00
Boreholes-Thembisile Hani	2	20	R2,500.000.00
Boreholes-Dr JS Moroka	2	20	R2,500.000.00
Youth Coops Irrigation	2	10	R2,100.000.00
(a) Bambanani Cattle handling facilities (b) Bettysgoed cattle handling facilities	5	236	R297, 900.00
Sugarcane Projects	2	46	R 6.2m
Amersfoort Abattoir	6	55	R 149,281 Fees Only
Ntusi Dairy	2	15	R 116,334 Fees Only
Livestock Handling Facilities	2	6	R 52,946 Fees Only
Mountain View Dam	3	15	R 4,244 Fees Only

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
25	82	2 417.5	34,621,525.17

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2014 and 31 March 2015

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
WSM LESHKA			
Zejeo Irrigation	100%	100%	11
Hoxane Irrigation			
Nkomazi West Maize Mill			
Diptanks (Nkomazi)			
ENDECON			
Marapyane College	0	0	0
Funda Mlimi			
Youth Coops in Gert Sibande			
Flood Disaster Relief (Reparation of pumps & pump stations)			
MBB			
GIBA	0	0	0
Nkangala Irrigation			
Mkhulu One Stop Centre			
LEKWA CONSULTING			
	0	0	0
1. Dip Tanks (BBR)			
2. Bird Broiler in Letolo			
3. Mzinti One-Stop Centre			
PEROZZ CONSULTING			
Development of Youth Cooperative Irrigation in Nkomazi and Bushbuckridge	100%	100%	12
2014/15 Youth Cooperative			
2015/16 Agrihubs / Park houses in Mkhulu			
One stop centre(Mkhulu)			

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Boreholes-Thembisile Hani			
Boreholes-Dr JS Moroka			
Youth Coops Irrigation			
CIFU CONSULTING			
	100	100%	5
(c) Bambanani Cattle handling facilities			
(d) Bettysgoed cattle handling facilities			
MOTT MCDONALD			
Professional Consulting Engineers for a period of 36 Months to assist in Planning, Designing, Implementing, Monitoring and Evaluating Various Departmental Infrastructure Projects	0	0	0
ROYAL HASKONING			
Sugarcane Projects	0	0	0
Amersfoort Abattoir			
Ntusi Dairy			
Livestock Handling Facilities			
Mountain View Dam			

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 and 31 March 2017

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

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (e) 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;
 - (f) 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;
 - (g) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (h) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

FINANCIAL INFORMATION



PART E

1. REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON VOTE NO. 5: DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

1. I have audited the financial statements of the Department of Agriculture, Rural Development, Land and Environmental Affairs set out on pages 157 to 251 which comprise the appropriation statement, the statement of financial position as at 31 March 2017, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the 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 Agriculture, Rural Development, Land and Environmental Affairs as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard prescribed by the National Treasury (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DoRA).
3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) together with the 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.

RESTATEMENT OF CORRESPONDING FIGURES

7. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2016 have been restated as a result of an error discovered during 2016-17 in the financial statements of the department at, and for the year ended, 31 March 2017.

IRREGULAR EXPENDITURE

8. As disclosed in note 22 to the financial statements, irregular expenditure of R20 661 000 incurred in previous years had not been investigated.

RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

9. 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.
10. 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 intention is to either liquidate the department or cease operations, or there is no realistic alternative but to do so.

AUDITOR-GENERAL'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

11. 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

INTRODUCTION AND SCOPE

13. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

14. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

15. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2017:

Programmes	Pages in annual performance report
Programme 2 – sustainable resource management	38-43
Programme 3 – farmer support and development	44-49
Programme 4 – veterinary services	50-54
Programme 6 – agricultural economics	60-62
Programme 8 – rural development	65-66
Programme 9 – environmental affairs	67-74

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

17. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2 – sustainable resource management
- Programme 3 – farmer support and development
- Programme 6 – agricultural economics
- Programme 8 – rural development
- Programme 9 – environmental affairs

OTHER MATTERS

18. I draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

19. Refer to the annual performance report on pages 33 to 74 for information on the achievement of the planned targets for the year and the explanations provided for the overachievement of a significant number of targets.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the veterinary services programme. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

INTRODUCTION AND SCOPE

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. The material findings in respect of the compliance criteria for the applicable subject matters are as follows:

ANNUAL FINANCIAL STATEMENTS, PERFORMANCE REPORT AND ANNUAL REPORT

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

EXPENDITURE MANAGEMENT

24. Effective steps were not taken to prevent irregular expenditure amounting to R22 233 000 as disclosed in note 22 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. Most of the irregular expenditure was the result of the contravention of section 2(1)(f) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000), which requires that a contract be awarded to the tenderer who scores the highest points.

OTHER INFORMATION

25. The department's accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
26. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

27. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
28. I have read the other information included in the draft annual report and have nothing to report in this regard.
29. I have not yet received the final annual report containing the other information. When I do receive this information, and if I conclude that it contains a material misstatement, I am required to communicate the matter to those charged with governance and to request that the other information be corrected. If the other information is not corrected, I may have to re-issue my auditor's report amended as appropriate.

INTERNAL CONTROL DEFICIENCIES

30. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

LEADERSHIP

31. The accounting officer delegated the implementation of daily and monthly controls to management. However, the monitoring controls used by the accounting officer to monitor the implementation of these daily and monthly controls were not effective to identify challenges facing the department and to allow timely corrective action where required.
32. Action plans to address internal control deficiencies did not have adequate activities to address the root causes, while the timing of implementing these activities was indicated as ongoing.
33. Vacancies in key positions were not filled timeously, resulting in a weak control environment that, in turn, resulted in material amendments to the financial statements and performance reports .

FINANCIAL AND PERFORMANCE MANAGEMENT

34. Management did not in all instances prepare regular, accurate and complete financial statements and performance reports that were supported and evidenced by reliable information.

Auditor-General

Mbombela
31 July 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

1. 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 the reported performance information for selected programmes and on the department’s compliance with respect to the selected subject matters.

FINANCIAL STATEMENTS

2. In addition to my responsibility for the audit of the financial statements as described in the 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 by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s 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 related 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 the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor’s report. However, future events or conditions may cause the department to cease to continue as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

3. 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.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2017

Appropriation per programme									
	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	136,195	-	2,378	138,573	137,803	770	99.4%	141,325	141,088
2. Sustainable Resource Management	75,125	-	(4,606)	70,519	69,507	1,012	98.6%	97,457	96,098
3. Farmers Support and Development	442,241	-	7,888	450,129	449,652	477	99.9%	437,264	435,921
4. Veterinary Services	114,853	-	(3,075)	111,778	111,593	185	99.8%	116,146	116,021
5. Research and Technology Development Services	65,049	-	(1,900)	63,149	62,885	264	99.6%	47,322	47,309
6. Agricultural Economics Services	9,816	-	1,125	10,941	10,890	51	99.5%	21,600	21,593
7. Structured Agricultural Education and Training	17,455	-	(1,200)	16,255	16,163	92	99.4%	20,510	20,391
8. Rural Development Coordination	18,437	-	2,345	20,782	20,284	498	97.6%	34,945	41,148
9. Environmental Affairs	94,962	-	(2,955)	92,007	89,942	2,065	97.8%	86,055	85,777
Programme sub total	974,133	-	-	974,133	968,719	5,414	99.4%	1,002,624	1,005,346
TOTAL	974,133	-	-	974,133	968,719	5,414	99.4%	1,002,624	1,005,346
ADD:									
Departmental receipts				7,973				14,982	
Actual amounts per statement of financial performance (total revenue)				982,106				1,017,606	
Actual amounts per statement of financial performance (total expenditure)					968,719				1,005,346

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

VOTE 5

**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Appropriation per economic classification									
	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	778,701	121,573	(4,279)	898,995	891,863	4,132	99.5%	772,351	918,860
Compensation of employees	549,728	(10,209)	(7,322)	532,197	531,137	1,060	99.8%	515,863	514,929
Salaries and wages	461,830	2,157	(2,147)	461,840	460,980	860	99.8%	446,857	446,677
Social contributions	87,898	(12,366)	(5,175)	70,357	70,157	200	99.7%	69,006	68,252
Goods and services	228,973	131,782	3,043	363,798	360,726	3,072	99.2%	256,488	403,931
Administrative fees	1,832	273	-	2,105	2,022	83	96.1%	2,593	1,867
Advertising	150	740	-	890	827	63	92.9%	3,026	3,025
Minor assets	386	116	-	502	308	194	61.4%	1,555	499
Audit costs: External	6,600	424	-	7,024	7,024	-	100.0%	6,482	6,482
Bursaries: Employees	-	-	-	-	-	-	-	10	4
Catering: Departmental activities	931	729	24	1,684	1,662	22	98.7%	2,129	1,773
Communication	7,554	8	26	7,588	7,411	177	97.7%	10,168	8,783
Computer services	1,704	338	-	2,042	2,042	-	100.0%	2,201	1,837
Consultants: Business and advisory services	195	61	-	256	256	-	100.0%	292	173
Infrastructure and planning services	18,601	5,853	-	24,454	24,312	142	99.4%	31,187	18,595
Laboratory services	482	95	-	577	572	5	99.1%	407	382
Legal services	4,505	2,863	-	7,368	7,332	36	99.5%	3,761	3,760
Contractors	19,642	26,760	68	46,470	45,592	878	98.1%	22,514	95,557
Agency and support / outsourced services	1,951	3	-	1,954	1,941	13	99.3%	369	204

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

VOTE 5

**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Fleet services	6,352	6,323	-	12,675	12,675	-	100.0%	10,693	9,639
Inventory: Clothing material and supplies	438	(29)	-	409	259	150	63.3%	386	179
Inventory: Farming supplies	512	52,722	-	53,234	52,452	782	98.5%	1,840	55,621
Inventory: Food and food supplies	79	6	-	85	6	79	7.1%	-	-
Inventory: Fuel, oil and gas	788	3,400	-	4,188	3,954	234	94.4%	913	5,648
Inventory: Learner and teacher support material	60	-	(50)	10	-	10	-	12	-
Inventory: Materials and supplies	335	16,684	(50)	19,969	16,808	161	99.1%	531	15,303
Inventory: Medical supplies	1,409	(830)	-	579	574	5	99.1%	209	111
Inventory: Medicine	1,698	(243)	-	1,455	1,292	163	88.8%	5,313	5,026
Inventory: Other supplies	-	11,387	-	11,387	11,387	-	100.0%	-	5,897
Consumable supplies	2,452	3,154	-	5,606	5,596	10	99.8%	8,259	7,163
Consumable: Stationery, printing and office supplies	7,099	(2,857)	-	4,242	4,181	61	98.6%	3,831	3,221
Operating leases	21,456	(3,750)	1,553	19,259	19,158	101	99.5%	19,347	19,347
Property payments	27,203	(5,290)	-	21,913	21,797	116	99.5%	40,274	39,145
Transport provided: Departmental activity	-	152	-	152	111	41	73.0%	359	133
Travel and subsistence	48,936	7,987	731	57,654	56,908	746	98.7%	45,921	53,609
Training and development	35,553	7,097	645	43,295	44,505	(1,210)	102.8%	21,660	31,929
Operating payments	7,224	(3,595)	26	3,655	3,671	(16)	100.4%	6,503	5,435
Venues and facilities	2,531	1,232	70	3,833	3,813	20	99.5%	3,663	3,584
Rental and hiring	315	(31)	-	284	278	6	97.9%	80	-

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

VOTE 5

APPROPRIATION STATEMENT
for the year ended 31 March 2017

	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	150,300	(145,950)	4,279	8,629	8,625	4	100.0%	184,249	7,550
Provinces and municipalities	150	188	-	338	338	-	100.0%	7	7
Provinces	-	332	-	332	332	-	100.0%	-	-
Provincial agencies and accounts	-	332	-	332	332	-	100.0%	-	-
Municipalities	150	(144)	-	6	6	-	100.0%	7	7
Municipal bank accounts	150	(144)	-	6	6	-	100.0%	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	7	7
Departmental agencies and accounts	1,700	(855)	-	845	845	-	100.0%	1,655	1,655
Departmental agencies and accounts	1,700	(855)	-	845	845	-	100.0%	1,655	1,655
Households	148,450	(145,283)	4,279	7,446	7,442	4	99.9%	182,587	5,888
Social benefits	3,941	1,589	1,916	7,446	7,442	4	99.9%	5,850	5,888
Other transfers to households	144,509	(146,872)	2,363	-	-	-	-	176,737	-
Payment for capital assets	45,132	23,788	(274)	68,646	67,368	1,278	98.1%	46,024	78,936
Buildings and other fixed structures	25,150	9,617	(4,069)	30,698	29,805	893	97.1%	6,708	45,646
Buildings	18,915	(12,651)	(2,100)	4,164	3,949	215	94.8%	3,442	16,598
Other fixed structures	6,235	22,268	(1,969)	26,534	25,856	678	97.4%	3,266	29,048
Machinery and equipment	19,982	14,171	3,795	37,948	37,563	385	99.0%	39,214	33,262
Transport equipment	3,000	(720)	188	2,468	2,467	1	100.0%	4,079	2,998
Other machinery and equipment	16,982	14,891	3,607	35,480	35,096	384	98.9%	35,135	30,264
Biological assets	-	-	-	-	-	-	-	102	28
Payments for financial assets	-	589	274	863	863	-	100.0%	-	-
TOTAL	974,133	-	-	974,133	968,719	5,414	99.4%	1,002,624	1,005,346

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2017

PROGRAMME 1 - ADMINISTRATION

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Office of the MEC	6,839	(640)	-	6,199	6,141	58	99.1%	6,532	6,420
1.2 Senior Management	19,388	2,300	-	21,688	21,651	37	99.8%	17,741	17,715
1.3 Corporate Services	54,836	(2,780)	274	52,330	52,219	111	99.8%	63,553	63,520
1.4 Financial Management	49,326	1,520	2,104	52,950	52,419	531	99.0%	45,377	45,376
1.5 Communication Services	5,806	(400)	-	5,406	5,373	33	99.4%	8,122	8,057
Total for sub-programmes	136,195	-	2,378	138,573	137,803	770	99.4%	141,325	141,088

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	126,792	(580)	-	126,212	125,583	629	99.5%	131,169	131,329
Compensation of employees	90,655	(4,800)	-	85,855	85,298	557	99.4%	83,430	83,431
Salaries and wages	76,657	(1,188)	-	75,469	74,912	557	99.3%	73,242	73,242
Social contributions	13,998	(3,612)	-	10,386	10,386	-	100.0%	10,188	10,189
Goods and services	36,137	4,220	-	40,357	40,285	72	99.8%	47,739	47,898
Administrative fees	878	48	-	926	680	246	73.4%	561	560
Advertising	150	(55)	-	95	632	(537)	665.3%	2,681	2,681
Minor assets	126	(18)	-	108	76	32	70.4%	88	70
Audit costs: External	6,600	424	-	7,024	7,024	-	100.0%	6,482	6,482
Catering: Departmental activities	357	89	-	446	724	(278)	162.3%	567	428
Communication	1,437	(462)	-	975	971	4	99.6%	1,253	1,148
Computer services	766	(280)	-	486	291	195	59.9%	489	412
Consultants: Business and advisory services	195	-	-	195	256	(61)	131.3%	292	173
Infrastructure and planning services	-	-	-	-	-	-	-	-	1
Legal services	4,405	2,663	-	7,068	7,332	(264)	103.7%	3,761	3,760
Contractors	385	(200)	-	185	153	32	82.7%	808	805
Agency and support / outsourced services	220	-	-	220	207	13	94.1%	274	204
Fleet services	-	-	-	-	-	-	-	2	1
Consumable supplies	561	53	-	614	624	(10)	101.6%	908	907
Consumable: Stationery, printing and office supplies	2,304	(726)	-	1,578	1,575	3	99.8%	1,487	1,480
Property payments	2,790	2,604	-	5,394	5,394	-	-	13,588	13,347
Travel and subsistence	9,952	774	-	10,726	9,871	855	100.0%	9,721	9,300

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Transport provided: Departmental activity	-	18	-	18	18	-	100.0%	97	66
Training and development	2,361	(239)	-	2,122	2,122	-	100.0%	1,044	2,882
Operating payments	524	-	-	524	951	(427)	181.5%	2,058	1,704
Venues and facilities	2,086	(473)	-	1,613	1,349	264	83.6%	1,578	1,487
Rental and hiring	40	-	-	40	35	5	87.5%	-	-
Transfers and subsidies	5,791	580	1,916	8,287	8,293	(6)	100.1%	7,505	7,428
Provinces and municipalities	150	(144)	-	6	6	-	100.0%	-	-
Municipalities	150	(144)	-	6	6	-	100.0%	-	-
Municipal bank account	150	(144)	-	6	6	-	100.0%	-	-
Departmental agencies and accounts	1,700	(855)	-	845	845	-	100.0%	1,655	1,655
Departmental agencies and accounts	1700	(855)	-	845	845	-	100.0%	1,655	1,655
Households	3,941	1,579	1,916	7,436	7,442	(6)	100.1%	5,850	5,773
Social benefits	3,941	1,579	1,916	7,436	7,442	(6)	100.1%	5,850	5,773
Other transfers to households	-	-	-	-	-	-	-	-	-
Payment for capital assets	3,612	(589)	188	3,211	3,064	147	95.4%	2,651	2,331
Buildings and other fixed structures	-	-	-	-	-	-	-	400	389
Other fixed structures	-	-	-	-	-	-	-	400	389
Machinery and equipment	3,612	(589)	188	3,211	3,064	147	95.4%	2,251	1,942
Transport equipment	-	2,280	188	2,468	2,467	1	100.0%	1,179	994
Other machinery and equipment	3,612	(2,869)	-	743	597	146	80.3%	1,072	948
Payments for financial assets	-	589	274	863	863	-	100.0%	-	-
TOTAL	136,195	-	2,378	138,573	137,803	770	99.4%	141,325	141,088

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs
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APPROPRIATION STATEMENT
for the year ended 31 March 2017

Sub-programme 1.1: Office of the MEC

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6,668	(640)	-	6,028	5,970	58	99.0%	6,532	6,420
Compensation of employees	4,926	(540)	-	4,386	4,383	3	99.9%	4,703	4,704
Goods and services	1,742	(100)	-	1,642	1,587	55	96.7%	1,829	1,716
Payment for capital assets	171	-	-	171	171	-	100.0%	-	-
Machinery and equipment	171	-	-	171	171	-	100.0%	-	-
TOTAL	6,839	(640)	-	6,199	6,141	58	99.1%	6,532	6,420

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Sub-programme 1.2: Senior Management

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	19,199	2,300	-	21,499	21,524	(25)	100.1%	17,241	17,211
Compensation of employees	13,791	40	-	13,831	13,314	517	96.3%	12,435	12,436
Goods and services	5,408	2,260	-	7,668	8,210	(542)	107.1%	4,806	4,775
Transfers and subsidies	-	-	-	-	-	-	-	-	25
Households	-	-	-	-	-	-	-	-	25
Payment for capital assets	189	-	-	189	127	62	67.2%	500	479
Buildings and other fixed structures	-	-	-	-	-	-	-	400	389
Machinery and equipment	189	-	-	189	127	62	67.2%	100	90
TOTAL	19,388	2,300	-	21,688	21,651	37	99.8%	17,741	17,715

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

Sub-programme 1.3: Corporate Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	51,949	(2,780)	-	49,169	49,349	(180)	100.4%	59,995	60,486
Compensation of employees	37,399	(3,900)	-	33,499	33,440	59	99.8%	36,671	36,173
Goods and services	14,550	1,120	-	15,670	15,909	(239)	101.5%	23,324	24,313
Transfers and subsidies	2,887	-	-	2,887	2,007	880	69.5%	3,136	2,642
Departmental agencies and accounts	1,700	(855)	-	845	845	-	100.0%	1,655	1,655
Households	1,187	855	-	2,042	1,162	880	56.9%	1,481	987
Payment for capital assets	-	-	-	-	-	-	-	422	392
Machinery and equipment	-	-	-	-	-	-	-	422	392
Payments for financial assets	-	-	274	274	863	(589)	315.0%	-	-
TOTAL	54,836	(2,780)	274	52,330	52,219	111	99.8%	63,553	63,520

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Sub-programme 1.4: Financial Management

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	43,562	940	-	44,502	43,367	1,135	97.4%	39,829	39,543
Compensation of employees	31,167	-	-	31,167	31,160	7	100.0%	27,590	27,467
Goods and services	12,395	940	-	13,335	12,207	1,128	91.5%	12,239	12,076
Transfers and subsidies	2,904	580	1,916	5,400	6,286	(886)	116.4%	4,369	4,761
Provinces and municipalities	150	(144)	-	6	6	-	100.0%	-	-
Municipalities	150	(144)	-	6	6	-	100.0%	-	-
Households	2,754	724	1,916	5,394	6,280	(886)	116.4%	4,369	4,761
Payment for capital assets	2,860	(280)	188	2,768	2,766	2	99.9%	1,179	1,072
Machinery and equipment	2,860	(280)	188	2,768	2,766	2	99.9%	1,179	1,072
Payment for financial assets	-	280	-	280	-	280	-	-	-
TOTAL	49,326	1,520	2,104	52,950	52,419	531	99.0%	45,377	45,376

Sub-programme 1.5: Communication Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5,414	(400)	-	5,014	5,373	(359)	107.2%	7,572	7,669
Compensation of employees	3,372	(400)	-	2,972	3,001	(29)	101.0%	2,031	2,651
Goods and services	2,042	-	-	2,042	2,372	(330)	116.2%	5,541	5,018
Payment for capital assets	392	(309)	-	83	-	83	-	550	388
Machinery and equipment	392	(309)	-	83	-	83	-	550	388
Payment for financial assets	-	309	-	309	-	309	-	-	-
TOTAL	5,806	(400)	-	5,406	5,373	33	99.4%	8,122	8,057

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

PROGRAMME 2 – SUSTAINABLE RESOURCE MANAGEMENT

Sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Engineering Services	44,804	-	(3,340)	41,464	41,339	125	99.7%	43,565	43,559
2.2 Land Care Services	10,363	-	(1,146)	9,217	9,174	43	99.5%	9,560	9,534
2.3 Disaster Risk Management	19,958	-	(120)	19,838	18,994	844	95.7%	44,332	43,005
Total	75,125	-	(4,606)	70,519	69,507	1,012	98.6%	97,457	96,098

Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	49,891	24,049	(4,332)	69,608	68,597	1,011	98.5%	48,157	96,098
Compensation of employees	44,181	(780)	(4,332)	39,069	39,052	17	100.0%	41,086	41,086
Salaries and wages	35,964	(670)	(1,312)	33,982	33,981	1	100.0%	35,865	35,865
Social contributions	8,217	(110)	(3,020)	5,087	5,071	16	99.7%	5,221	5,221
Goods and services	5,710	24,829	-	30,539	29,545	994	96.7%	7,071	55,012
Administrative fees	144	-	-	144	60	84	41.7%	85	49
Advertising	-	-	-	-	-	-	-	100	-
Minor assets	35	11	-	46	46	-	100.0%	99	-
Catering: Departmental activities	46	294	-	340	313	27	92.1%	50	320
Communication	184	-	-	184	131	53	71.2%	169	101
Computer services	320	17	-	337	337	-	100.0%	131	109
Infrastructure and planning services	20	-	-	20	-	20	-	-	-

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	296	17,767	-	18,063	17,311	752	95.8%	160	39,263
Inventory: Clothing Material and accessories	188	(90)	-	98	98	-	100.0%	25	-
Inventory: Farming supplies	-	1,789	-	1,789	1,789	-	100.0%	-	5,500
Inventory: Food and food supplies	-	6	-	6	6	-	100.0%	-	-
Inventory: Fuel, gas and oil	131	108	-	239	239	-	100.0%	170	168
Inventory: Materials and supplies	70	1,949	-	2,019	2,019	-	100.0%	45	2,453
Inventory: Other supplies	-	869	-	869	869	-	100.0%	-	-
Consumable supplies	17	368	-	385	385	-	100.0%	781	746
Consumable: Stationery, printing and office supplies	18	-	-	18	5	13	27.8%	30	(1)
Operating leases	52	(50)	-	2	-	2	-	-	-
Property payments	466	(30)	-	436	427	9	97.9%	1,401	1,350
Transport provided: Departmental activity	-	68	-	68	68	-	100.0%	40	23
Travel and subsistence	3,527	1,647	-	5,174	5,178	(4)	100.1%	3,518	4,685
Operating payments	164	-	-	164	158	6	96.3%	247	246
Venues and facilities	32	106	-	138	106	32	76.8%	-	-
Rental and hiring	-	-	-	-	-	-	-	20	-
Transfers and subsidies	24,534	(24,534)	-	-	-	-	-	49,300	-
Households	24,534	(24,534)	-	-	-	-	-	49,300	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	24,534	(24,534)	-	-	-	-	-	49,300	-

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Payment for capital assets	700	485	(274)	911	910	1	99.9%	-	-
Building and other fixed structures	-	485	-	485	485	-	100.0%	-	-
Other fixed structures	-	485	-	485	485	-	100.0%	-	-
Machinery and equipment	700	-	(274)	426	425	1	99.8%	-	-
Other machinery and equipment	700	-	(274)	426	425	1	99.8%	-	-
TOTAL	75,125	-	(4,606)	70,519	69,507	1,012	98.6%	97,457	96,098

Sub-programme 2.1: Engineering Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	44,104	-	(3,066)	41,038	40,914	124	99.7%	43,565	43,559
Compensation of employees	39,448	(780)	(3,066)	35,602	35,592	10	100.0%	37,337	37,337
Goods and services	4,656	780	-	5,436	5,322	114	97.9%	6,228	6,222
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	700	-	(274)	426	425	1	99.8%	-	-
Machinery and equipment	700	-	(274)	426	425	1	99.8%	-	-
TOTAL	44,804	-	(3,340)	41,464	41,339	125	99.7%	43,565	43,559

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Sub-programme 2.2: Land Care Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4,155	6,208	(1,146)	9,217	9,174	43	99.5%	3,612	9,534
Compensation of employees	3,545	-	(1,146)	2,399	2,398	1	100.0%	3,046	3,046
Goods and services	610	6,208	-	6,818	6,776	42	99.4%	566	6,488
Transfers and subsidies	6,208	(6,208)	-	-	-	-	-	5,948	-
Households	6,208	(6,208)	-	-	-	-	-	5,948	-
TOTAL	10,363	-	(1,146)	9,217	9,174	43	99.5%	9,560	9,534

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

Sub-programme 2.3: Disaster Risk Management

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1,632	17,841	(120)	19,353	18,509	844	95.6%	980	43,005
Compensation of employees	1,188	-	(120)	1,068	1,062	6	99.4%	703	703
Goods and services	444	17,841	-	18,285	17,447	838	95.4%	277	42,302
Transfers and subsidies	18,326	(18,326)	-	-	-	-	-	43,352	-
Households	18,326	(18,326)	-	-	-	-	-	43,352	-
Payment for capital assets	-	485	-	485	485	-	100.0%	-	-
Building and other fixed structures	-	485	-	485	485	-	100.0%	-	-
TOTAL	19,958	-	(120)	19,838	18,994	844	95.7%	44,332	43,005

PROGRAMME 3 – FARMER SUPPORT AND DEVELOPMENT

Sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Farmers Settlement and Development	126,179	(3,633)	-	122,546	122,540	6	100.0%	105,012	99,846
3.2 Extension and Advisory Services	231,898	7,354	7,888	247,140	247,446	(306)	100.1%	215,866	210,446
3.3 Food Security	84,164	(3,721)	-	80,443	79,666	777	99.0%	116,386	125,629
Total	442,241	-	7,888	450,129	449,652	477	99.9%	437,264	435,921

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**APPROPRIATION STATEMENT
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Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	307,571	97,592	1,990	407,153	406,830	323	99.9%	290,221	287,355
Compensation of employees	168,761	280	85	169,126	169,123	3	100.0%	163,101	162,981
Salaries and wages	141,568	5,826	-	147,394	147,394	-	100.0%	141,267	141,264
Social contributions	27,193	(5,546)	85	21,732	21,729	3	100.0%	21,834	21,717
Goods and services	138,810	97,312	1,905	238,027	237,707	320	99.9%	127,120	224,268
Administrative fees	314	190	-	504	855	(351)	169.6%	1,080	911
Advertising	-	795	-	795	195	600	24.5%	200	344
Minor assets	181	-	-	181	-	181	-	371	91
Bursaries: Employees	-	-	-	-	-	-	-	10	4
Catering: Departmental activities	133	338	24	495	454	41	91.7%	641	514
Communication	4,885	458	-	5,343	5,343	-	100.0%	7,455	6,775
Computer services	-	601	-	601	1,000	(399)	166.4%	1,214	958
Consultants: Business and advisory services	-	61	-	61	-	61	-	-	-
Infrastructure and planning services	18,472	5,853	-	24,325	24,261	64	99.7%	18,668	18,594
Legal fees	-	200	-	200	-	200	-	-	-
Contractors	10,398	9,135	-	19,533	19,511	22	99.9%	10,345	39,708
Agency and support/outourced services	-	3	-	3	3	-	100.0%	-	-
Fleet services	6,352	6,323	-	12,675	12,675	-	100.0%	10,691	9,636
Inventory: Clothing material and supplies	250	-	-	250	-	250	-	254	89

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Farming supplies	162	50,885	-	51,047	50,182	865	98.3%	595	48,838
Inventory: Food and food supplies	19	-	-	19	-	19	-	-	-
Inventory: Fuel ,oil, gas	-	3,292	-	3,292	3,292	-	100.0%	23	4,780
Inventory: Materials and supplies	25	14,475	-	14,500	14,207	293	98.0%	45	12,492
Inventory: Medical supplies	-	-	-	-	-	-	-	50	-
Inventory: Medicine	-	-	-	-	-	-	-	150	42
Inventory: Other supplies	-	10,518	-	10,518	10,518	-	100.0%	-	5,897
Consumable supplies	852	2,148	-	3,000	2,909	91	97.0%	3,133	2,355
Consumable: Stationery, printing and office supplies	4,477	(2,131)	-	2,346	2,346	-	100.0%	1,579	1,447
Operating leases	19,014	(3,701)	1,553	16,866	16,866	-	100.0%	18,477	18,477
Property payments	16,958	(9,799)	-	7,159	7,159	-	100.0%	12,158	11,535
Transport provided: Departmental activity	-	66	-	66	25	41	37.9%	185	19
Travel and subsistence	17,665	2,996	328	20,989	21,571	(582)	102.8%	18,945	20,770
Training and development	33,172	6,831	-	40,003	41,465	(1,462)	103.7%	17,616	16,956
Operating payments	4,882	(3,595)	-	1,287	898	389	69.8%	1,428	1,216
Venues and facilities	324	1,401	-	1,725	1,729	(4)	100.2%	1,757	1,820
Rental and hiring	275	(31)	-	244	243	1	99.6%	50	-

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	119,710	(121,484)	2,116	342	332	10	97.1%	116,437	91
Provinces and municipalities	-	332	-	332	332	-	100.0%	-	-
Provinces	-	332	-	332	332	-	100.0%	-	-
Households	119,710	(121,816)	2,116	10	-	10	-	116,437	91
Social benefits	-	10	-	10	-	10	-	-	91
Other transfers to households	119,710	(121,826)	2,116	-	-	-	-	116,437	-
Payment for capital assets	14,960	23,892	3,782	42,634	42,490	144	99.7%	30,606	48,581
Building and other fixed structures	-	22,727	-	22,727	22,727	-	100.0%	-	20,578
Other fixed structures	-	22,727	-	22,727	22,727	-	100.0%	-	20,578
Machinery and equipment	14,960	1,165	3,782	19,907	19,763	144	99.3%	30,606	28,003
Transport equipment	3,000	(3,000)	-	-	-	-	-	2,900	2,004
Other machinery and equipment	11,960	4,165	3,782	19,907	19,763	144	99.3%	27,706	25,999
TOTAL	442,241	-	7,888	450,129	449,652	477	99.9%	437,264	435,921

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Sub-programme 3.1: Farmers Settlement and Development

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	117,309	(1,133)	-	116,176	116,189	(13)	100.0%	94,951	92,066
Compensation of employees	18,155	-	-	18,155	18,307	(152)	100.8%	15,915	15,859
Goods and services	99,154	(1,133)	-	98,021	97,882	139	99.9%	79,036	76,207
Payment for capital assets	8,870	(2,500)	-	6,370	6,351	19	99.7%	10,061	7,780
Machinery and equipment	8,870	(2,500)	-	6,370	6,351	19	99.7%	10,061	7,780
TOTAL	126,179	(3,633)	-	122,546	122,540	6	100.0%	105,012	99,846

Sub-programme 3.2: Extension and Advisory Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	117,049	37,627	1,990	216,666	216,982	(316)	100.1%	180,486	188,864
Compensation of employees	145,004	2,191	85	147,280	147,464	(184)	100.1%	143,882	143,843
Goods and services	32,045	35,436	1,905	69,386	69,518	(132)	100.2%	36,604	45,021
Transfers and subsidies	54,559	(56,665)	2,116	10	-	10	-	34,835	91
Households	54,559	(56,665)	2,116	10	-	10	-	34,835	91
Payment for capital assets	290	26,392	3,782	30,464	30,464	-	100.0%	545	21,491
Building and other fixed structure	-	22,727	-	22,727	22,727	-	100.0%	-	20,578
Machinery and equipment	290	3,665	3,782	7,737	7,737	-	100.0%	545	913
TOTAL	231,898	7,354	7,888	247,140	247,446	(306)	100.1%	215,866	210,446

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

Sub-programme 3.3: Food Security

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	13,213	61,098	-	74,311	73,659	652	99.1%	14,784	106,319
Compensation of employees	5,602	(1,911)	-	3,691	3,352	339	90.8%	3,304	3,279
Goods and services	7,611	63,009	-	70,620	70,307	313	99.6%	11,480	103,040
Transfers and subsidies	65,151	(64,819)	-	332	332	-	100.0%	81,602	-
Provinces and municipalities	-	332	-	332	332	-	100.0%	-	-
Households	65,151	(65,151)	-	-	-	-	-	81,602	-
Payment for capital assets	5,800	-	-	5,800	5,675	125	97.8%	20,000	19,310
Machinery and equipment	5,800	-	-	5,800	5,675	125	97.8%	20,000	19,310
TOTAL	84,164	(3,721)	-	80,443	79,666	777	99.0%	116,386	125,629

PROGRAMME 4 – VETERINARY SERVICES

Detail per sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Animal Health	85,111	-	(2,385)	82,726	82,547	179	99.8%	87,480	88,305
4.2 Veterinary Public Health	21,056	-	(530)	20,526	20,525	1	100.0%	20,345	19,807
4.3 Veterinary Laboratory Services	8,686	-	(160)	8,526	8,521	5	99.9%	8,321	7,909
Total	114,853	-	(3,075)	111,778	111,593	185	99.8%	116,146	116,021

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	111,050	-	(840)	110,210	110,112	98	99.9%	112,534	114,132
Compensation of employees	98,408	(248)	(840)	97,320	97,224	96	99.9%	95,620	95,615
Salaries and wages	86,785	(2,743)	(220)	83,822	83,802	20	100.0%	82,770	82,765
Social contributions	11,623	2,495	(620)	13,498	13,422	76	99.4%	12,850	12,850
Goods and services	12,642	248	-	12,890	12,888	2	100.0%	16,914	18,517
Administrative fees	88	28	-	116	114	2	98.3%	119	67
Minor assets	20	-	-	20	39	(19)	195.0%	86	37
Catering: Departmental activities	50	8	-	58	52	6	89.7%	50	35
Communication	315	-	-	315	307	8	97.5%	268	214
Laboratory services	482	95	-	577	572	5	99.1%	407	382
Contractors	1,477	(275)	-	1,202	1,194	8	99.3%	2,935	2,920
Fleet services	-	-	-	-	-	-	-	-	2
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	58	57
Inventory: Farming supplies	250	-	-	250	327	(77)	130.8%	681	689
Inventory: Fuel, oil and gas	20	-	-	20	45	(25)	225.0%	84	74
Inventory: Materials and supplies	100	260	-	360	410	(50)	113.9%	198	177
Inventory: Medical supplies	1,409	(830)	-	579	574	5	99.1%	133	104
Inventory: Medicine	1,598	(260)	-	1,338	1,174	164	87.7%	5,021	4,856
Consumable supplies	315	-	-	315	418	(103)	132.7%	634	605
Consumable: Stationery, printing and office supplies	190	-	-	190	124	66	65.3%	82	63

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

	Adjusted Appropriation	2016/17 Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2015/16 Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	637	-	-	637	545	92	85.6%	531	531
Property payments	795	-	-	795	828	(33)	104.2%	753	728
Transport provided: Departmental activity	-	-	-	-	-	-	-	7	6
Travel and subsistence	3,963	1,184	-	5,147	4,887	260	94.9%	3,428	5,565
Operating payments	913	-	-	913	965	(52)	105.7%	1,290	1,261
Venues and facilities	20	38	-	58	313	(255)	539.7%	149	144
Transfers and subsidies	265	-	(265)	-	-	-	-	1,000	-
Households	265	-	(265)	-	-	-	-	1,000	-
Other transfers to households	265	-	(265)	-	-	-	-	1,000	-
Payment for capital assets	3,538	-	(1,970)	1,568	1,481	87	94.5%	2,612	1,889
Buildings and other fixed structures	3,235	-	(1,969)	1,266	1,266	-	100.0%	-	1,856
Buildings	-	-	-	-	-	-	-	-	(41)
Other fixed structures	3,235	-	(1,969)	1,266	1,266	-	100.0%	-	1,897
Machinery and equipment	303	-	(1)	302	215	87	71.2%	2,612	33
Other machinery and equipment	303	-	(1)	302	215	87	71.2%	2,612	33
TOTAL	114,853	-	(3,075)	111,778	111,593	185	99.8%	116,146	116,021

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

Sub-programme 4.1: Animal Health

2016/17								2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	81,342	-	(150)	81,192	81,086	106	99.9%	83,920	86,416
Compensation of employees	71,872	-	(150)	71,722	71,702	20	100.0%	71,033	71,643
Goods and services	9,470	-	-	9,470	9,384	86	99.1%	12,887	14,773
Transfers and subsidies	265	-	(265)	-	-	-	-	1,000	-
Households	265	-	(265)	-	-	-	-	1,000	-
Payment for capital assets	3,504	-	(1,970)	1,534	1,461	73	95.2%	2,560	1,889
Buildings and other fixed structures	3,235	-	(1,969)	1,266	1,266	-	100.0%	-	1,856
Machinery and equipment	269	-	(1)	268	195	73	72.8%	2,560	33
TOTAL	85,111	-	(2,385)	82,726	82,547	179	99.8%	87,480	88,305

Sub-programme 4.2: Veterinary Public Health

2016/17								2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	21,046	-	(530)	20,516	20,525	(9)	100.0%	20,293	19,807
Compensation of employees	18,898	(248)	(530)	18,120	18,156	(36)	100.2%	17,435	17,105
Goods and services	2,148	248	-	2,396	2,369	27	98.9%	2,858	2,702
Payment for capital assets	10	-	-	10	-	10	-	52	-
Machinery and equipment	10	-	-	10	-	10	-	52	-
TOTAL	21,056	-	(530)	20,526	20,525	1	100.0%	20,345	19,807

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Sub-programme 4.3: Veterinary Laboratory Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	8,662	-	(160)	8,502	8,501	1	100.0%	8,321	7,909
Compensation of employees	7,638	-	(160)	7,478	7,366	112	98.5%	7,152	6,867
Goods and services	1,024	-	-	1,024	1,135	(111)	110.8%	1,169	1,042
Payment for capital assets	24	-	-	24	20	4	83.3%	-	-
Machinery and equipment	24	-	-	24	20	4	83.3%	-	-
TOTAL	8,686	-	(160)	8,526	8,521	5	99.9%	8,321	7,909

PROGRAMME 5 – RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES

Sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Research	42,407	-	(1,100)	41,307	41,127	180	99.6%	25,643	25,755
5.2 Technology Transfer Services	6,306	-	(400)	5,906	5,837	69	98.8%	5,931	5,928
5.3 Infrastructure Support Services	16,336	-	(400)	15,936	15,921	15	99.9%	15,748	15,626
Total	65,049	-	(1,900)	63,149	62,885	264	99.6%	47,322	47,309

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	48,099	-	(2,000)	46,099	45,841	258	99.4%	45,947	46,001
Compensation of employees	41,227	(861)	(2,000)	38,366	38,112	254	99.3%	36,118	36,115
Salaries and wages	32,499	1,085	(800)	32,784	32,538	246	99.2%	30,770	30,769
Social contributions	8,728	(1,946)	(1,200)	5,582	5,574	8	99.9%	5,348	5,346
Goods and services	6,872	861	-	7,733	7,729	4	99.9%	9,829	9,886
Administrative fees	33	-	-	33	18	15	54.5%	184	59
Minor assets	-	101	-	101	101	-	100.0 %	418	206
Catering: Departmental activities	-	-	-	-	-	-	-	13	2
Communication	149	-	-	149	134	15	89.9%	162	87
Computer services	618	-	-	618	414	204	67.0%	367	358
Contractors	1,611	5	-	1,616	1,552	64	96.0%	2,509	2,167
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	8	5
Inventory: Farming supplies	100	48	-	148	154	(6)	104.1%	498	564
Inventory: Fuel, oil and gas	477	-	-	477	360	117	75.5%	560	555
Inventory: Materials and supplies	35	-	-	35	149	(114)	425.7%	166	161
Inventory: Medical supplies	-	-	-	-	-	-	-	8	7
Inventory: Medicine	100	17	-	117	118	(1)	100.9%	140	128
Consumable supplies	337	(79)	-	258	246	12	95.3%	520	438
Consumable: Stationery, printing and office supplies	60	-	-	60	33	27	55.0%	342	102

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Property payments	710	-	-	710	1,108	(398)	156.1%	1,067	1,121
Travel and subsistence	2,384	769	-	3,153	3,103	50	98.4%	2,503	3,228
Training and development	-	-	-	-	-	-	-	-	377
Operating payments	258	-	-	258	239	19	92.6%	354	321
Rental and hiring	-	-	-	-	-	-	-	10	-
Transfers and subsidies	-	-	-	-	-	-	-	7	7
Provinces and Municipalities	-	-	-	-	-	-	-	7	7
Municipalities	-	-	-	-	-	-	-	7	7
Municipalities agencies and funds	-	-	-	-	-	-	-	7	7
Payment for capital assets	16,950	-	100	17,050	17,044	6	100.0%	1,368	1,301
Buildings and other fixed structures	16,600	(13,588)	-	3,012	3,012	-	100.0%	1,079	1,093
Buildings	16,600	(13,588)	-	3,012	3,012	-	100.0%	1,079	1,093
Machinery and equipment	350	13,588	100	14,038	14,032	6	100.0%	187	180
Other machinery and equipment	350	13,588	100	14,038	14,032	6	100.0%	187	180
Biological assets	-	-	-	-	-	-	-	102	28
TOTAL	65,049	-	(1,900)	63,149	62,885	264	99.6%	47,322	47,309

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

Sub-programme 5.1: Research

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	25,457	-	(1,200)	24,257	24,083	174	99.3%	24,455	24,629
Compensation of employees	21,716	(861)	(1,200)	19,655	19,586	69	99.6%	18,296	18,268
Goods and services	3,741	861	-	4,602	4,497	105	97.7%	6,159	6,361
Payment for capital assets	16,950	-	100	17,050	17,044	6	100.0%	1,188	1,126
Buildings and other fixed structures	16,600	(13,588)	-	3,012	3,012	-	100.0%	1,079	1,093
Machinery and equipment	350	13,588	100	14,038	14,032	6	100.0%	7	5
Biological assets	-	-	-	-	-	-	-	102	28
TOTAL	42,407	-	(1,100)	41,307	41,127	180	99.6%	25,643	25,755

Sub-programme 5.2: Technology Transfer Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6,306	-	(400)	5,906	5,837	69	98.8%	5,751	5,753
Compensation of employees	4,876	-	(400)	4,476	4,649	(173)	103.9%	4,316	4,421
Goods and services	1,430	-	-	1,430	1,188	242	83.1%	1,435	1,332
Payment for capital assets	-	-	-	-	-	-	-	180	175
Machinery and equipment	-	-	-	-	-	-	-	180	175
TOTAL	6,306	-	(400)	5,906	5,837	69	98.8%	5,931	5,928

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Sub-programme 5.3: Infrastructure Support Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	16,336	-	(400)	15,936	15,921	15	99.9%	15,741	15,619
Compensation of employees	14,635	-	(400)	14,235	13,877	358	97.5%	13,506	13,426
Goods and services	1,701	-	-	1,701	2,044	(343)	120.2%	2,235	2,193
Transfers and subsidies	-	-	-	-	-	-	-	7	7
Provinces and municipalities	-	-	-	-	-	-	-	7	7
TOTAL	16,336	-	(400)	15,936	15,921	15	99.9%	15,748	15,626

PROGRAMME 6 – AGRICULTURAL ECONOMICS SERVICES

Sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Agric- Business Support and Development	3,170	(220)	(75)	2,875	2,829	46	98.4%	16,305	17,113
6.2 Macro Economics Support	6,646	220	1,200	8,066	8,061	5	99.9%	5,295	4,480
Total	9,816	-	1,125	10,941	10,890	51	99.5%	21,600	21,593

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9,816	-	1,125	10,941	10,890	51	99.5%	19,719	6,511
Compensation of employees	8,071	-	1,180	9,251	9,271	(20)	100.2%	5,480	5,286
Salaries and wages	6,463	540	1,200	8,203	8,225	(22)	100.3%	4,892	4,741
Social contributions	1,608	(540)	(20)	1,048	1,046	2	99.8%	588	545
Goods and services	1,745	-	(55)	1,690	1,619	71	95.8%	14,239	1,225
Administrative fees	21	-	-	21	29	(8)	138.1%	88	20
Advertising	-	-	-	-	-	-	-	20	-
Catering: Departmental activities	10	-	-	10	27	(17)	270.0%	90	17
Communication	30	-	-	30	24	6	80.0%	151	20
Infrastructure and planning services	-	-	-	-	-	-	-	12,500	-
Contractors	-	-	-	-	-	-	-	110	109
Property payments	-	-	-	-	-	-	-	160	-
Travel and subsistence	1,632	-	(55)	1,577	1,452	125	92.1%	1,041	985
Operating payments	30	-	-	30	30	-	100.0%	39	38
Venues and facilities	22	-	-	22	57	(35)	259.1%	40	36

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for the year ended 31 March 2017

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payment for capital assets	-	-	-	-	-	-	-	1,881	15,082
Buildings and other fixed structures	-	-	-	-	-	-	-	1,563	15,082
Buildings	-	-	-	-	-	-	-	1,563	15,082
Machinery and equipment	-	-	-	-	-	-	-	318	-
Other machinery and equipment	-	-	-	-	-	-	-	318	-
TOTAL	9,816	-	1,125	10,941	10,890	51	99.5%	21,600	21,593

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Sub-programme 6.1: Agric-Business Support and Development

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3,170	(220)	(75)	2,875	2,829	46	98.4%	14,742	2,031
Compensation of employees	2,615	(220)	(20)	2,375	2,329	46	98.1%	1,722	1,673
Goods and services	555	-	(55)	500	500	-	100.0%	13,020	358
Payment for capital assets	-	-	-	-	-	-	-	1,563	15,082
Buildings and other fixed structures	-	-	-	-	-	-	-	1,563	15,082
TOTAL	3,170	(220)	(75)	2,875	2,829	46	98.4%	16,305	17,113

Sub-programme 6.2: Macro Economics Support

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6,646	220	1,200	8,066	8,061	5	99.9%	4,977	4,480
Compensation of employees	5,456	220	1,200	6,876	6,942	(66)	101.0%	3,758	3,613
Goods and services	1,190	-	-	1,190	1,119	71	94.0%	1,219	867
Payment for capital assets	-	-	-	-	-	-	-	318	-
Machinery and equipment	-	-	-	-	-	-	-	318	-
TOTAL	6,646	220	1,200	8,066	8,061	5	99.9%	5,295	4,480

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PROGRAMME 7 – STRUCTURED AGRICULTURE EDUCATION AND TRAINING

Sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 Further Education and Training (FET)	17,455	-	(1,200)	16,255	16,163	92	99.4%	14,310	14,231
7.2 Higher Education and Training	-	-	-	-	-	-	-	6,200	6,160
Total	17,455	-	(1,200)	16,255	16,163	92	99.4%	20,510	20,391

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	17,455	-	(1,200)	16,255	16,163	92	99.4%	14,810	14,716
Compensation of employees	13,075	-	(1,100)	11,975	11,917	58	99.5%	11,328	11,258
Salaries and wages	11,170	(38)	(1,100)	10,032	9,975	57	99.4%	9,478	9,473
Social contributions	1,905	38	-	1,943	1,942	1	99.9%	1,850	1,785
Goods and services	4,380	-	(100)	4,280	4,246	34	99.2%	3,482	3,458
Administrative fees	85	-	-	85	54	31	63.5%	80	56
Minor assets	-	-	-	-	-	-	-	100	7
Catering: Departmental activities	59	-	-	59	45	14	76.3%	162	55
Communication	-	-	-	-	-	-	-	2	-
Contractors	-	-	-	-	-	-	-	130	-
Agency and support / outsourced services	1,731	-	-	1,731	1,731	-	100.0%	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	1	-
Inventory: Farming supplies	-	-	-	-	-	-	-	66	30
Inventory: Food and food supplies	60	-	-	60	-	60	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	5	-
Inventory: Learner and teacher support material	60	-	(50)	10	-	10	-	12	-
Inventory: Materials and supplies	60	-	(50)	10	-	10	-	28	5
Inventory: Medical supplies	-	-	-	-	-	-	-	18	-
Inventory: Medicine	-	-	-	-	-	-	-	2	-

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	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	50	-	-	50	25	25	50.0%	276	174
Consumable: Stationery, printing and office supplies	50	-	-	50	98	(48)	196.0%	165	62
Property payments	484	-	-	484	434	50	89.7%	1,234	1,233
Travel and subsistence	1,641	-	-	1,641	1,789	(148)	109.0%	1,072	1,741
Operating payments	100	-	-	100	70	30	70.0%	129	95
Payment for capital assets	-	-	-	-	-	-	-	5,700	5,675
Buildings and other fixed structures	-	-	-	-	-	-	-	2,866	2,865
Other fixed structures	-	-	-	-	-	-	-	2,866	2,865
Machinery and equipment	-	-	-	-	-	-	-	2,834	2,810
Other machinery and equipment	-	-	-	-	-	-	-	2,834	2,810
TOTAL	17,455	-	(1,200)	16,255	16,163	92	99.4%	20,510	20,391

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APPROPRIATION STATEMENT
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Sub-programme 7.1: Further Education and Training (FET)

2016/17								2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	17,455	-	(1,200)	16,255	16,163	92	99.4%	14,310	14,231
Compensation of employees	13,075	-	(1,100)	11,975	11,917	58	99.5%	11,308	11,253
Goods and services	4,380	-	(100)	4,280	4,246	34	99.2%	3,002	2,978
TOTAL	17,455	-	(1,200)	16,255	16,163	92	99.4%	14,310	14,231

Sub-programme 7.2: Higher Education and Training

2016/17								2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	-	-	-	-	-	-	500	485
Compensation of employees	-	-	-	-	-	-	-	20	5
Goods and services	-	-	-	-	-	-	-	480	480
Payment for capital assets	-	-	-	-	-	-	-	5,700	5,675
Buildings and other fixed structures	-	-	-	-	-	-	-	2,866	2,865
Machinery and equipment	-	-	-	-	-	-	-	2,834	2,810
TOTAL	-	-	-	-	-	-	-	6,200	6,160

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PROGRAMME 8 – RURAL DEVELOPMENT COORDINATION

Sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.1 Development Planning and Monitoring	15,473	-	1,895	17,368	16,871	497	97.1%	33,232	39,833
8.2 Social Facilitation	2,964	-	450	3,414	3,413	1	100.0%	1,713	1,315
Total	18,437	-	2,345	20,782	20,284	498	97.6%	34,945	41,148

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	18,437	512	1,833	20,782	20,284	498	97.6%	24,945	41,124
Compensation of employees	14,991	-	540	15,531	15,527	4	100.0%	14,029	13,551
Salaries and wages	12,134	950	540	13,624	13,623	1	100.0%	11,896	11,893
Social contributions	2,857	(950)	-	1,907	1,904	3	99.8%	2,133	1,658
Goods and services	3,446	512	1,293	5,251	4,757	494	90.6%	10,916	27,573
Administrative fees	32	7	-	39	39	-	100.0%	174	30
Advertising	-	-	-	-	-	-	-	25	-
Catering: Departmental activities	32	-	-	32	-	32	-	210	114
Communication	83	-	26	109	94	15	86.2%	188	56
Contractors	-	-	68	68	68	-	100.0%	300	7,942
Consumable supplies	-	-	-	-	-	-	-	387	387
Property payments	400	-	-	400	395	5	98.8%	4,310	4,620
Transport provided: Departmental activity	-	-	-	-	-	-	-	30	19
Travel and subsistence	2,831	-	458	3,289	3,089	200	93.9%	1,958	2,505
Training and development	-	505	645	1,150	900	250	78.3%	3,000	11,714
Operating payments	68	-	26	94	94	-	100.0%	238	89
Venues and facilities	-	-	70	70	78	(8)	111.4%	96	97

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Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	-	(512)	512	-	-	-	-	10,000	24
Households	-	(512)	512	-	-	-	-	10,000	24
Social benefits	-	-	-	-	-	-	-	-	24
Other transfers to households	-	(512)	512	-	-	-	-	10,000	-
TOTAL	18,437	-	2,345	20,782	20,284	498	97,6%	34,945	41,148

Sub-programme 8.1: Development Planning and Monitoring

Economic classification	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	15,473	512	1,383	17,368	16,871	497	97.1%	23,232	39,833
Compensation of employees	12,654	-	90	12,744	12,502	242	98.1%	13,122	12,597
Goods and services	2,819	512	1,293	4,624	4,369	255	94.5%	10,110	27,236
Transfers and subsidies	-	(512)	512	-	-	-	-	10,000	-
Households	-	(512)	512	-	-	-	-	10,000	-
TOTAL	15,473	-	1,895	17,368	16,871	497	97.1%	33,232	39,833

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Sub-programme 8.2: Social Facilitation

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2,964	-	450	3,414	3,413	1	100.0%	1,713	1,291
Compensation of employees	2,337	-	450	2,787	3,025	(238)	108.5%	907	954
Goods and services	627	-	-	627	388	239	61.9%	806	337
Transfers and subsidies	-	-	-	-	-	-	-	-	24
Households	-	-	-	-	-	-	-	-	24
TOTAL	2,964	-	450	3,414	3,413	1	100.0%	1,713	1,315

PROGRAMME 9 – ENVIRONMENTAL AFFAIRS

Sub-programme	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
9.1 CD: Office Support	3,599	-	(165)	3,434	3,435	(1)	100.0%	4,046	3,778
9.2 Environmental Policy , Planning and Coordination	2,857	-	-	2,857	2,405	452	84.2%	2,787	2,439
9.3 Compliance and Enforcement	6,805	-	(290)	6,515	6,185	330	94.9%	6,131	5,958
9.4 Environmental Quality Management	19,243	-	(2,500)	16,743	17,058	(315)	101.9%	17,335	16,889
9.5 Environmental Empowerment Services	62,458	-	-	62,458	60,859	1,599	97.4%	55,756	56,713
Total	94,962	-	(2,955)	92,007	89,942	2,065	97.8%	86,055	85,777

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	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	89,590	-	(855)	88,735	87,563	1,172	98.7%	84,849	81,700
Compensation of employees	70,359	(3,800)	(855)	65,704	65,613	91	99.9%	65,671	65,606
Salaries and wages	58,590	(1,605)	(455)	56,530	56,530	-	100.0%	56,677	56,665
Social contributions	11,769	(2,195)	(400)	9,174	9,083	91	99.0%	8,994	8,941
Goods and services	19,231	3,800	-	23,031	21,950	1,081	95.3%	19,178	16,094
Administrative fees	237	-	-	237	173	64	73.0%	222	115
Minor assets	24	22	-	46	46	-	100.0%	393	88
Catering: Departmental activities	244	-	-	244	47	197	19.3%	346	288
Communication	471	12	-	483	407	76	84.3%	520	382
Infrastructure and planning services	109	-	-	109	51	58	46.8%	19	-
Legal services	100	-	-	100	-	100	-	-	-
Contractors	5,475	328	-	5,803	5,803	-	100.0%	5,217	2,643
Agency and support / outsourced services	-	-	-	-	-	-	-	95	-
Inventory: Clothing material and supplies	-	61	-	61	161	(100)	263.9%	40	28
Inventory: Fuel ,oil and gas	160	-	-	160	18	142	11.3%	71	71
Inventory: Materials and supplies	45	-	-	45	23	22	51.1%	49	15
Consumable supplies	320	664	-	984	989	(5)	100.5%	1,620	1,551

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	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	146	68
Operating leases	1,753	1	-	1,754	1,747	7	99.6%	339	339
Property payments	4,600	1,935	-	6,535	6,052	483	92.6%	5,603	5,211
Travel and subsistence	5,341	617	-	5,958	5,968	(10)	100.2%	3,735	4,830
Training and development	20	-	-	20	18	2	90.0%	-	-
Operating payments	285	-	-	285	266	19	93.3%	720	465
Venues and facilities	47	160	-	207	181	26	87.4%	43	-
Payment for capital assets	5,372	-	(2,100)	3,272	2,379	893	72.7%	1,206	4,077
Building and other fixed structures	5,315	(7)	(2,100)	3,208	2,315	893	72.2%	800	3,783
Buildings	2,315	937	(2,100)	1,152	937	215	81.3%	800	464
Other fixed structures	3,000	(944)	-	2,056	1,378	678	67.0%	-	3,319
Machinery and equipment	57	7	-	64	64	-	100.0%	406	294
Other machinery and equipment	57	7	-	64	64	-	100.0%	406	294
TOTAL	94,962	-	(2,955)	92,007	89,942	2,065	97.8%	86,055	85,777

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Sub-programme 9.1: CD: Office Support

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3,599	-	(165)	3,434	3,435	(1)	100.0%	4,011	3,686
Compensation of employees	1,717	(540)	(165)	1,012	1,011	1	99.9%	1,584	1,575
Goods and services	1,882	540	-	2,422	2,424	(2)	100.1%	2,427	2,111
Payments for capital assets	-	-	-	-	-	-	-	35	92
Machinery and equipment	-	-	-	-	-	-	-	35	92
TOTAL	3,599	-	(165)	3,434	3,435	(1)	100.0%	4,046	3,778

Sub-programme 9.2: Environmental Policy Planning and Coordination

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2,857	-	-	2,857	2,405	452	84.2%	2,716	2,439
Compensation of employees	2,562	-	-	2,562	2,129	433	83.1%	2,084	2,035
Goods and services	295	-	-	295	276	19	93.6%	632	404
Payment for capital assets	-	-	-	-	-	-	-	71	-
Machinery and equipment	-	-	-	-	-	-	-	71	-
TOTAL	2,857	-	-	2,857	2,405	452	84.2%	2,787	2,439

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**APPROPRIATION STATEMENT
for the year ended 31 March 2017**

Sub-programme 9.3: Compliance and Enforcement

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6,805	-	(290)	6,515	6,185	330	94.9%	6,031	5,958
Compensation of employees	5,262	-	(290)	4,972	4,970	2	100.0%	4,930	4,887
Goods and services	1,543	-	-	1,543	1,215	328	78.7%	1,101	1,071
Payment for capital assets	-	-	-	-	-	-	-	100	-
Machinery and equipment	-	-	-	-	-	-	-	100	-
TOTAL	6,805	-	(290)	6,515	6,185	330	94.9%	6,131	5,958

Sub-programme 9.4: Environmental Quality Management

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	16,928	-	(400)	16,528	17,058	(530)	103.2%	16,335	16,228
Compensation of employees	15,027	(660)	(400)	13,967	14,359	(392)	102.8%	14,080	14,048
Goods and services	1,901	660	-	2,561	2,699	(138)	105.4%	2,255	2,180
Payment for capital assets	2,315	-	(2,100)	215	-	215	-	1,000	661
Buildings and other fixed structures	2,315	-	(2,100)	215	-	215	-	800	464
Machinery and equipment	-	-	-	-	-	-	-	200	197
TOTAL	19,243	-	(2,500)	16,743	17,058	(315)	101.9%	17,335	16,889

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APPROPRIATION STATEMENT
for the year ended 31 March 2017

Sub-programme 9.5: Environmental Empowerment Services

	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	59,401	-	-	59,401	58,480	921	98.4%	55,756	53,389
Compensation of employees	45,791	(2,600)	-	43,191	43,144	47	99.9%	42,993	43,061
Goods and services	13,610	2,600	-	16,210	15,336	874	94.6%	12,763	10,328
Payment for capital assets	3,057	-	-	3,057	2,379	678	77.8%	-	3,324
Buildings and other fixed structures	3,000	(7)	-	2,993	2,315	678	77.3%	-	3,319
Machinery and equipment	57	7	-	64	64	-	100%	-	5
TOTAL	62,458	-	-	62,458	60,859	1,599	97.4%	55,756	56,713

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2017

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1

Per programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Prg 1: Administration	138,573	137,803	770	1%
Prg 2: Sustainable Resource Management	70,519	69,507	1,012	1%
Prg 3: Farmer Support and Development	450,129	449,652	477	0%
Prg 4: Veterinary Services	111,778	111,593	185	0%
Prg 5: Research and Technology Development Services	63,149	62,885	264	0%
Pr 6: Agricultural Economics Services	10,941	10,890	51	0%
Prg 7: Structured Agricultural Education and Training	16,255	16,163	92	1%
Prg 8: Rural Development Coordination	20,782	20,284	498	2%
Prg 9: Environmental Affairs	92,007	89,942	2,065	2%

Explanation of variance:

The variance is as a result of problems encountered with the service provider to deliver an equipment for the air quality monitoring station, the service provider could not get the equipment in South Africa, and it is only sold overseas.

**Mpumalanga Department of Agriculture, Rural Development Land and Environmental Affairs
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2017**

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	895,995	891,863	4,132	0%
Compensation of employees	532,197	531,137	1,060	0%
Goods and services	363,798	360,726	3,072	1%
Transfers and subsidies	8,629	8,625	4	0%
Provinces and municipalities	338	338	-	0%
Departmental agencies and accounts	845	845	-	0%
Households	7,446	7,442	4	0%
Payments for capital assets	68,646	67,368	1,278	2%
Buildings and other fixed structures	30,698	29,805	893	3%
Machinery and equipment	37,948	37,563	385	1%
Payment for financial assets	863	863	-	0%
Total	974,133	968,719	5,414	1%
4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Agriculture, Forestry & Fisheries	227,758	226,933	825	0%
Land Care Project Grant: Pov Re&Inf	6,208	6,183	25	0%
Comprehensive Agricultural Support Programme Grant	172,414	171,614	800	0%
Ilima/Letsema Projects	49,136	49,136	-	0%
Public Works, Road & Transport				
Expanded Public Works Programme	4,215	4,215	-	0%
Total	231,973	231,148	825	0%

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STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
REVENUE			
Annual appropriation	1	974,133	1,002,624
Departmental revenue	2	7,973	14,982
TOTAL REVENUE		982,106	1,017,606
EXPENDITURE			
Current expenditure			
Compensation of employees	3	531,137	514,929
Goods and services	4	360,726	403,931
Total current expenditure		891,863	918,860
Transfers and subsidies			
Transfers and subsidies	6	8,625	7,550
Total transfers and subsidies		8,625	7,550
Expenditure for capital assets			
Tangible assets	7	67,368	78,936
Total expenditure for capital assets		67,368	78,936
Payments for financial assets	5	863	-
TOTAL EXPENDITURE		968,719	1,005,346
SURPLUS FOR THE YEAR		13,387	12,260
Reconciliation of Net Surplus for the year			
Voted funds		5,414	(2,722)
Annual appropriation		4,589	(2,680)
Conditional grants		825	(42)
Departmental revenue	12	7,973	14,982
SURPLUS FOR THE YEAR		13,387	12,260

**Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs
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**STATEMENT OF FINANCIAL POSITION
as at 31 March 2017**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
ASSETS			
Current assets		18,435	15,300
Unauthorised expenditure	8	12,262	12,262
Cash and cash equivalents	9	4,012	-
Receivables	10	2,161	3,038
Non-current assets		-	-
Receivables	10	-	-
TOTAL ASSETS		18,435	15,300
LIABILITIES			
Current liabilities		18,065	14,906
Voted funds to be surrendered to the Revenue Fund	11	16,131	10,794
Departmental revenue to be surrendered to the Revenue Fund	12	1,055	802
Bank Overdraft	13	-	2,789
Payables	14	879	521
TOTAL LIABILITIES		18,065	14,906
NET ASSETS		370	394
Represented by:			
Recoverable revenue		370	394
TOTAL		370	394

**Mpumalanga Department of Agriculture, Rural Development, Land and
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**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2017**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
Recoverable revenue			
Opening balance		394	257
Transfers:		(24)	137
Debts revised		-	-
Debts recovered (included in departmental receipts)		(24)	-
Debts raised		-	137
Closing balance		<u>370</u>	<u>394</u>
TOTAL		<u>370</u>	<u>394</u>

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**CASH FLOW STATEMENT
for the year ended 31 March 2017**

	Note	2016/17 R'000	2015/16 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		981,881	1,017,507
Annual appropriated funds received	1.1	974,133	1,002,624
Departmental revenue received	2	6,149	13,818
Interest received	2.3	1,599	1,065
Net (increase)/decrease in working capital		1,235	(8,340)
Surrendered to Revenue Fund		(7,797)	(19,251)
Current payments		(891,863)	(916,138)
Payments for financial assets		(863)	-
Transfers and subsidies paid		(8,625)	(7,550)
Net cash flow available from operating activities	15	73,968	66,228
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(67,368)	(78,936)
Proceeds from sale of capital assets	2.4	225	99
Net cash flows from investing activities		(67,143)	(78,837)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(24)	135
Net cash flows from financing activities		(24)	135
Net increase/(decrease) in cash and cash equivalents		6,801	(12,474)
Cash and cash equivalents at beginning of period		(2,789)	9,685
Cash and cash equivalents at end of period	16	4,012	(2,789)

ACCOUNTING POLICIES
for the year ended 31 March 2017

Summary of significant accounting policies

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

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

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

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

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

4. Rounding

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

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

6. Comparative information

6.1 Prior period comparative information

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

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

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

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy

ACCOUNTING POLICIES
for the year ended 31 March 2017

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.

Accruals and payables not recognised are measured at cost.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9. Aid Assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

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

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

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**ACCOUNTING POLICIES
for the year ended 31 March 2017**

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15. Payables

Loans and payables are recognised in the statement of financial position at cost.

16. Capital Assets

16.1 Immovable capital assets

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at fair value for recording in the asset register.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

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**ACCOUNTING POLICIES
for the year ended 31 March 2017**

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined accurately, 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) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Biological assets are subsequently carried at fair value

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined accurately, 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) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

17. Provisions and Contingents

17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

ACCOUNTING POLICIES
for the year ended 31 March 2017

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department

17.4 Commitments

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

18. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

ACCOUNTING POLICIES
for the year ended 31 March 2017

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

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

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

22. Events after the reporting date

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

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

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**ACCOUNTING POLICIES
for the year ended 31 March 2017**

24. Departures from the MCS requirements

The management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements

28. Inventories

At the date of acquisition, inventories are recorded at cost price in the statement of performance.

Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.

Subsequent measurement of the cost of inventory is determined on the weighted average basis.

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

29. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

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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	2016/17			Final Appropriation R'000	2015/16 Appropriation received R'000
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000		
Administration Sustainable Resource Management Farmer Support and Development Veterinary Services Research and Technology Development Services Agricultural Economics Services Structured Agricultural Education and Training Rural Development Coordination Environmental Affairs	138,573 70,519 450,129 111,778 63,149 10,941 16,255 20,782 92,007	138,573 70,519 450,129 111,778 63,149 10,941 16,255 20,782 92,007	- - - - - - - - -	141,325 97,457 437,264 116,146 47,322 21,600 20,510 34,945 86,055	141,325 97,457 437,264 116,146 47,322 21,600 20,510 34,945 86,055
Total	974,133	974,133	-	1,002,624	1,002,624

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1.2 Conditional grants

	Note	2016/17 R'000	2015/16 R'000
Total grants received	30	231,973	226,038
Provincial grants included in Total Grants received		-	-

2. Departmental revenue

		2016/17 R'000	2015/16 R'000
Sales of goods and services other than capital assets	2.1	4,131	3,867
Fines, penalties and forfeits	2.2	1,397	1,435
Interest, dividends and rent on land	2.3	1,600	1,069
Sales of capital assets	2.4	225	99
Transactions in financial assets and liabilities	2.5	620	8,512
Total revenue collected		7,973	14,982
Less: Own revenue included in appropriation	12	-	-
Departmental revenue collected		7,973	14,982

2.1 Sales of goods and services other than capital assets

		2016/17 R'000	2015/16 R'000
Sales of goods and services produced by the department	2		
Sales by market establishment		478	547
Other sales		3,653	3,320
Total		4,131	3,867

2.2 Fines, penalties and forfeits

		2016/17 R'000	2015/16 R'000
Fines		1,397	1,435
Total		1,397	1,435

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2.3 Interest, dividends and rent on land

	2016/17 R'000	2015/16 R'000
Interest	1,599	1,065
Rent on land	1	4
Total	1,600	1,069

2.4 Sale of capital assets

	Note	2016/17 R'000	2015/16 R'000
Tangible assets			
Machinery and equipment	26.2	225	99
Total		225	99

2.5 Transactions in financial assets and liabilities

	Note	2016/17 R'000	2015/16 R'000
Receivables		616	127
Other Receipts including Recoverable Revenue		4	8,385
Total		620	8,512

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3. Compensation of employees

Note

3.1 Salaries and Wages

	2016/17 R'000	2015/16 R'000
Basic salary	367,437	356,160
Performance award	7,830	7,614
Service Based	30,898	28,928
Compensative/circumstantial	231	434
Other non-pensionable allowances	54,584	53,541
Total	460,980	446,677

Other non-pensionable allowances include: overtime, leave discounting, capital remuneration, housing allowance and non-pensionable allowance for SMS and MMS.

3.2 Social contributions

Note

	2016/17 R'000	2015/16 R'000
Employer contributions		
Pension	45,594	44,039
Medical	24,459	24,108
Bargaining council	104	105
Total	70,157	68,252
Total compensation of employees	531,137	514,929
Average number of employees	1 367	1 480

Out of 1367 average number of employees, 74 are contract workers.

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4. Goods and services

	<i>Note</i>	2016/17 R'000	2015/16 R'000
Administrative fees		2,022	1,867
Advertising		827	3,025
Minor assets	4.1	308	499
Bursaries (employees)		-	4
Catering		1,662	1,773
Communication		7,411	8,783
Computer services	4.2	2,042	1,837
Consultants: Business and advisory services		256	173
Infrastructure and planning services		24,312	18,595
Laboratory services		572	382
Legal services		7,332	3,760
Contractors		45,592	95,557
Agency and support/outsource services		1,941	204
Audit cost – external	4.3	7,024	6,482
Fleet services		12,675	9,639
Inventory	4.4	86,732	87,785
Consumables	4.5	9,777	10,384
Operating leases		19,158	19,347
Property payments	4.6	21,797	39,145
Rental and hiring		278	-
Transport provided as part of the departmental activities		111	133
Travel and subsistence	4.7	56,908	53,609
Venues and facilities		3,813	3,584
Training and development		44,505	31,929
Other operating expenditure	4.8	3,671	5,435
Total		<u>360,726</u>	<u>403,931</u>

4.1 Minor assets

	<i>Note</i>	2016/17 R'000	2015/16 R'000
Tangible assets			
Machinery and equipment	4	308	499
Total		<u>308</u>	<u>499</u>

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4.2 Computer services

	Note	2016/17	2015/16
	4	R'000	R'000
SITA computer services		291	413
External computer service providers		1,751	1,424
Total		2,042	1,837

4.3 Audit cost – External

	Note	2016/17	2015/16
	4	R'000	R'000
Regularity audits		7,024	6,482
Total		7,024	6,482

4.4 Inventory

	Note	2016/17	2015/16
	4	R'000	R'000
Clothing material and accessories		259	179
Farming supplies		52,452	55,621
Food and food supplies		6	-
Fuel, oil and gas		3,954	5,648
Materials and supplies		16,808	15,303
Medical supplies		574	111
Medicine		1,292	5,026
Other supplies	4.4.1	11,387	5,897
Total		86,732	87,785

4.4.1 Other Supplies

	Note	2016/17	2015/16
	4.4	R'000	R'000
Other assets for distribution		11,387	5,897
Total		11,387	5,897

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4.5 Consumables

	Note	2016/17	2015/16
	4	R'000	R'000
Consumable supplies		6,042	7,163
Uniform and clothing		1,043	651
Building material and supplies		448	476
Communication accessories		446	6
IT consumables		191	135
Other consumables		3,914	5,895
Stationery, printing and office supplies		3,735	3,221
Total		9,777	10,384

Other consumables include: Linen & soft furnish, crockery & cutlery, disposable paper, groceries, toiletries, tube-light & lightbulb, wash/clean detergent, fuel supplies, material suppliers, medical kit and laboratory consumables

4.6 Property payments

	Note	2016/17	2015/16
	4	R'000	R'000
Municipal services		8,979	7,709
Property maintenance and repairs		11,685	31,424
Other		1,133	12
Total		21,797	39,145

Other property payments refer to Fire protection and Safeguard & security

4.7 Travel and subsistence

	Note	2016/17	2015/16
	4	R'000	R'000
Local		56,634	53,596
Foreign		274	13
Total		56,908	53,609

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4.8 Other operating expenditure

	Note	2016/17	2015/16
	4	R'000	R'000
Professional bodies, membership and subscription fees		324	255
Resettlement costs		125	236
Other		3,222	4,944
Total		3,671	5,435

Other include: Laundry services, courier & delivery services, non-life insurance premium, printing & publication services

5. Payments for financial assets

	Note	2016/17	2015/16
		R'000	R'000
Debts written off	5.1	863	-
Total		863	-

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5.1 Debts written off

	Note	2016/17	2015/16
		R'000	R'000
Other debt written off	5		
Ex-employees		527	-
Other: KZN Medical Aid		13	-
National departments		52	-
Provincial departments		112	-
Public entities		159	-
Total		863	-
Total debt written off		863	-

6. Transfers and subsidies

	Note	2016/17	2015/16
		R'000	R'000
Provinces and municipalities	31	338	7
Departmental agencies and accounts	Annex 1A	845	1,655
Households	Annex 1B	7,442	5,888
Total		8,625	7,550

7. Expenditure for capital assets

	Note	2016/17	2015/16
		R'000	R'000
Tangible assets		67,368	79,936
Buildings and other fixed structures	27.1	29,805	45,646
Machinery and equipment	26.1	37,563	33,262
Biological assets	26.1	-	28
Total		67,368	78,936

7.1 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets			
Buildings and other fixed structures	29,805	-	29,805
Machinery and equipment	37,563	-	37,563
Biological assets	-	-	-
Total	67,368	-	67,367

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7.2 Analysis of funds utilised to acquire capital assets – 2015/16

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Buildings and other fixed structures	45,646	-	45,646
Machinery and equipment	33,262	-	33,262
Biological assets	28	-	28
Total	78,936	-	78,936

7.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2016/17 R'000	2015/16 R'000
Tangible assets			
Machinery and equipment		3,181	5,777
Total		3,181	5,777

8. Unauthorised expenditure

8.1 Reconciliation of unauthorised expenditure

	Note	2016/17 R'000	2015/16 R'000
Opening balance		12,262	9,540
Prior year error		-	-
As restated		12,262	9,540
Unauthorised expenditure – discovered in current year (as restated)		-	2,722
Less: Amounts approved by Parliament/Legislature without funding and written off in the Statement of Financial Performance		-	-
Current		-	-
Less: Amounts transferred to receivables for recovery			
Unauthorised expenditure awaiting authorisation / written off		12,262	12,262

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8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2016/17 R'000	2015/16 R'000
Current	12,262	12,262
Total	12,262	12,262

8.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2016/17 R'000	2015/16 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	12,262	12,262
Total	12,262	12,262

9. Cash and cash equivalents

	2016/17 R'000	2015/16 R'000
Consolidated Paymaster General Account Disbursement	4,013 (1)	-
Total	4,012	-

Note

10. Receivables

		2016/17 Current R'000	2016/17 Non- current R'000	2016/17 Total R'000	2015/16 Current R'000	2015/16 Non- current R'000	2015/16 Total R'000
Claims recoverable	<i>10.1 Annex 3</i>	1,212	-	1,212	1,581	-	1,581
Recoverable expenditure	<i>10.2</i>	2		2	-	-	-
Staff debt	<i>10.3</i>	670	-	670	1,167	-	1,167
Other debtors	<i>10.4</i>	277	-	277	290	-	290
Total		2,161	-	2,161	3,038	-	3,038

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10.1 Claims recoverable

	<i>Note</i>	2016/17	2015/16
	<i>10</i>	R'000	R'000
National departments		-	53
Provincial departments		157	314
Public entities		1,055	1,214
Total		1,212	1,581

10.2 Recoverable expenditure (disallowance accounts)

	<i>Note</i>	2016/17	2015/16
	<i>10</i>	R'000	R'000
Salary tax debts		2	-
Total		2	-

10.3 Staff debt

	<i>Note</i>	2016/17	2015/16
	<i>10</i>	R'000	R'000
Current employees		280	294
Ex-employees		390	873
Total		670	1,167

10.4 Other debtors

	<i>Note</i>	2016/17	2015/16
	<i>10</i>	R'000	R'000
KZN Medical aid		-	13
University of Mpumalanga		277	277
Total		277	290

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11. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2016/17 R'000	2015/16 R'000
Opening balance		10,794	14,856
Prior period error	11.1	-	2
As restated		10,794	14,858
Transfer from statement of financial performance (as restated)		5,414	(2,722)
Add unauthorised expenditure for current year		-	2,722
Paid during the year		(77)	(4,064)
Closing balance		16,131	10,794

11.1 Prior period error

	<i>Note</i>	2015/16 R'000
Nature of prior period error	11	
Relating to 2015/16 (affecting the opening balance)		2
Rounding off of the voted funds to be surrendered		2
Total		2

12. Departmental revenue to be surrendered to the Revenue Fund

	<i>Note</i>	2016/17 R'000	2015/16 R'000
Opening balance		802	1,010
Prior period error		-	(1)
As restated		802	1,009
Transfer from Statement of Financial Performance (as restated)		7,973	14,982
Own revenue included in appropriation		-	-
Paid during the year		(7,720)	(15,189)
Closing balance		1,055	802

12.1 Prior period error

	<i>Note</i>	2015/16 R'000
Nature of prior period error	12	
Relating to 2015/16 (affecting the opening balance)		(1)
Rounding off of the departmental revenue funds to be surrendered		(1)
Total		(1)

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13. Bank Overdraft

	Note	2016/17 R'000	2015/16 R'000
Consolidated Paymaster General Account		-	2,789
Total		-	2,789

14. Payables – current

	Note	2016/17 R'000	2015/16 R'000
Clearing accounts	14.1	879	187
Other payables	14.2	-	334
Total		879	521

14.1 Clearing accounts

	Note	2016/17 R'000	2015/16 R'000
	14		
Salary Reversal Control		-	7
Salary: Pension Fund		-	1
Sal GEHS Refund Control		12	-
Sal Reversal Control		613	-
Salary: Income tax		254	179
Total		879	187

14.2 Other payables

	Note	2016/17 R'000	2015/16 R'000
	14		
Description: Capital contribution:			
Funds received from Office of the Premier (CRDP award)		-	5
Balance transferred by DEDT on funds received for court case: Environmental		-	329
Total		-	334

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15. Net cash flow available from operating activities

	2016/17 R'000	2015/16 R'000
Net surplus as per Statement of Financial Performance	13,387	12,260
Add back non cash/cash movements not deemed operating activities	60,581	53,968
(Increase)/decrease in receivables – current	877	3,071
(Increase)/decrease in other current assets	-	-
Increase/(decrease) in payables – current	358	(8,689)
Proceeds from sale of capital assets	(225)	(99)
Expenditure on capital assets	67,368	78,936
Surrenders to Revenue Fund	(7,797)	(19,251)
Net cash flow generated by operating activities	73,968	66,228

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

	2016/17 R'000	2015/16 R'000
Consolidated Paymaster General account	4,013	(2,789)
Disbursement	(1)	-
Total	4,012	(2,789)

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

Liable to	Nature	Note	2016/17 R'000	2015/16 R'000
Claims against the department		Annex 2A	114,853	185,260
Total			114,853	185,260

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18. Commitments

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Current expenditure			
Approved and contracted		140,306	182,542
Approved but not yet contracted		-	46
		<u>140,306</u>	<u>182,588</u>
Capital expenditure			
Approved and contracted		100,326	114,180
		<u>100,326</u>	<u>114,180</u>
Total Commitments		<u><u>240,632</u></u>	<u><u>296,768</u></u>

19. Accruals and payables not recognised

19.1 Accruals				2016/17	2015/16
				R'000	R'000
Listed by economic classification					
	30 Days	30+ Days	Total		Total
Goods and services	9,325	-	9,325		7,926
Transfers and subsidies	303	100	403		1,792
Capital assets	485	853	1,338		261
Other(Compensation of employees)	745	19	764		773
Total	<u>10,858</u>	<u>972</u>	<u>11,830</u>		<u>10,752</u>
				2016/17	2015/16
				R'000	R'000
Listed by programme level					
Prg1: Administration				1,775	2,914
Prg2: Sustainable Resource Management				1,904	232
Prg3: Farmer Support and Development				5,863	4,480
Prg4: Veterinary Services				1,663	979
Prg5: Research and Technology Development Services				264	603
Prg6: Agricultural Economics Services				62	26
Prg7: Structured Agricultural Education and Training				86	232
Prg8: Rural Development Coordination				36	678
Prg9: Environmental Affairs				177	608
Total				<u>11,830</u>	<u>10,752</u>

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				2016/17	2015/16
19.2 Payables not recognised				R'000	R'000
Listed by economic classification					
	30 Days	30+ Days	Total		Total
Goods and services	2,953	2,259	5,212		5,278
Transfers and subsidies	441	62	503		9,661
Capital assets	-	-	-		1,016
Other(Compensation of employees)	48	153	201		272
Total	3,442	2,474	5,916		16,227

				2016/17	2015/16
				R'000	R'000
Listed by programme level					
Prg1: Administration			2,480		4,416
Prg2: Sustainable Resource Management			214		6,406
Prg3: Farmer Support and Development			2,463		3,598
Prg4: Veterinary Services			690		749
Prg5: Research and Technology Development Services			9		784
Prg6: Agricultural Economics Services			17		-
Prg7: Structured Agricultural Education and Training			-		3
Prg8: Rural Development Coordination			24		183
Prg9: Environmental Affairs			19		88
Total			5,916		16,227

Included in the above totals are the following:				2016/17	2015/16
				R'000	R'000
Confirmed balances with other departments	<i>Note</i>		1,432		1,865
Total		<i>Annex 4</i>	1,432		1,865

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20. Employee benefits

	2016/17 R'000	2015/16 R'000
Leave entitlement	33,606	31,535
Service bonus (Thirteenth cheque)	14,939	14,576
Performance awards	9,143	8,273
Capped leave commitments	62,707	61,657
Other	1,183	1,954
Total	121,578	117,995

Leave entitlement include leave with negative balance amounting to R74, 669.96. The performance awards disclosed is 1.5% of the total compensation of employees' budget of R609, 517.00 for 2017/18. Capped leave commitments include leave with negative balance amounting to R77, 746.26. Others refers to long service award 20, 30 and 40 years for 2017/18

21. Lease commitments

21.1 Operating leases expenditure

2016/17	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	2,551	-	2,551
Later than 1 year and not later than 5 years	-	-	872	-	872
Total lease commitments	-	-	3,423	-	3,423

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2015/16	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	3,003	-	3,003
Later than 1 year and not later than 5 years	-	-	2,085	-	2,085
Total lease commitments	-	-	5,088	-	5,088

21.2 Finance leases expenditure

2016/17	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2,252	2,252
Later than 1 year and not later than 5 years	-	-	-	2,418	2,418
Total lease commitments	-	-	-	4,670	4,670

2015/16	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	976	976
Later than 1 year and not later than 5 years	-	-	-	72	72
Total lease commitments	-	-	-	1,048	1,048

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22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Opening balance		53,805	20,661
As restated		<u>53,805</u>	<u>20,661</u>
Add: irregular expenditure – relating to prior year		20,608	-
Add: irregular expenditure - relating to current year		1,977	33,144
Less: Prior year amounts condoned		-	-
Irregular expenditure awaiting condonation		<u>76,390</u>	<u>53,805</u>

Analysis of awaiting condonation per age classification

Current year	22,585	33,144
Prior years	53,805	20,661
Total	<u>76,390</u>	<u>53,805</u>

22.2 Details of irregular expenditure

Incident	Disciplinary steps taken	2016/17 R'000
ALA/393/16/MP: The department has appointed Sizanolwazi Trading and Investment who scored the second highest points. The reason for not appointing the bidder with the highest number on points was that they have a number of projects that were given to them which are still not complete. We considered this reason and is not justifiable not appoint a bidder with the highest points as the specification did not stipulate projects that are not yet completed by the bidder will be considered in evaluating the bid.	None	1,511
ALA420/16/MP: The department has awarded a contract to Mlobamba Road Construction amounting to R916, 263.94. The supplier declared that they intend to sub-contracting 30% of the value of the award but did not indicate who the subcontractor would be, the subcontractor's B-BBEE status level and whether the subcontractor is an exempted micro enterprise that has the capability and ability to execute the sub-contract. In evaluation of this award, points were awarded based on the suppliers B-BBEE status level.	None	466

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Incident	Disciplinary steps taken	2016/17 R'000
ALA393/16/MP: The Bid Adjudication Committee (BAC) recommended on 13 March 2017 that the accounting officer makes the final approval to award a bidder who scored the highest points. Contrary to this, the accounting officer on 22 March 2017 opted to appoint Tazi Investment who scored the second highest points. The reason for appointing a bidder other than the one recommended by the BAC was that Tazi Investment had already been appointed for three years in one region for the same project and had experience with the department. We considered this reason and is not justifiable not to appoint the bidder with the highest points as recommended by the BAC. This is because the bid specification did not stipulate that experience with the department will be considered in evaluation and adjudication of the award but indicated that previous working experience was considered in order to determine if the supplier has performed similar work , thereby proving the this supplier can deliver be considered.	None	-
ALA/429/16/MP: The department made an award to the supplier who declared that is intend to sub-contract but did not indicate the percentage of the contract to be subcontracted.	None	-
Total		1,977

23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

<i>Note</i>	2016/17 R'000	2015/16 R'000
Opening balance	1,724	1,724
Fruitless and wasteful expenditure – relating to prior year	-	-
Fruitless and wasteful expenditure awaiting resolution	1,724	1,724

23.2 Analysis of awaiting resolution per economic classification

	2016/17 R'000	2015/16 R'000
Current	1,724	1,724
Total	1,724	1,724

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24. Related party transaction

- During the year under review the department received service from the Department of Public Works Roads and Transport that are related to the department. The Department of Agriculture, Rural Development and Land and Environmental Affairs occupies Government building in the Province provided by the Department of Public Works, Roads and Transport free of charge.
- During the year under review the department received Security services from the Department of Community Safety, Security and Liaison.
- During the year under review the department received IT services from Provincial Treasury

25. Key management personnel

	No. of Individuals	2016/17 R'000	2015/16 R'000
Political office bearers	1	1,902	1,902
Officials:			
Level 15 to 16	1	1,400	1,366
Level 14 (incl. CFO if at a lower level)	8	8,661	6,554
Total		11,963	9,822

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26. Movable Tangible Capital Assets

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2017**

	Opening balance	Value adjustmen ts	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	407,676	-	32,251	13,769	426,158
Transport assets	46,046	-	643	1,549	45,140
Computer equipment	15,866	-	5,581	2,441	19,006
Furniture and office equipment	9,523	-	289	430	9,382
Other machinery and equipment	336,241	-	25,738	9,349	352,630
BIOLOGICAL ASSETS	5,722	1,308	270	600	6,700
Biological assets	5,722	1,308	270	600	6,700
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	413,398	1,308	32,521	14,369	432,858

Movable Tangible Capital Assets under investigation

Included in the above total of the movable tangible capital assets per the assets register are assets under investigation

	Number	Value R'000
Machinery and equipment	77	1,077

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26.1 Additions

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE
YEAR ENDED 31 MARCH 2017**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	37,563	110	(3,181)	(2,241)	32,251
Transport assets	2,467	-	-	(1,824)	643
Computer equipment	5,860	110	-	(389)	5,581
Furniture and office equipment	289	-	-	-	289
Other machinery and equipment	28,947	-	(3,181)	(28)	25,738
BIOLOGICAL ASSETS	-	270	-	-	270
Biological assets	-	270	-	-	270
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	37,563	380	(3,181)	(2,241)	32,521

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26.2 Disposals

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR
THE YEAR ENDED 31 MARCH 2017**

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	2,959	10,810	13,769	202
Transport assets	1,369	180	1,549	202
Computer equipment	203	2,238	2,441	-
Furniture and office equipment	-	430	430	-
Other machinery and equipment	1,387	7,962	9,349	-
BIOLOGICAL ASSETS	-	600	600	-
Biological assets	-	600	600	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	2,959	11,410	14,369	202

The sale for capital assets amounting to R225, 000.00 include R23, 000 for laptops that were sold for R1000.00. The above R202, 000.00 is only for auctioned vehicles

26.3 Movement for 2015/16

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR
THE YEAR ENDED 31 MARCH 2016**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	376,223	328	32,905	(1,780)	407,676
Transport assets	41,556	(71)	4,822	(261)	46,046
Computer equipment	15,029	-	1,588	(751)	15,866
Furniture and office equipment	9,134	(52)	509	(68)	9,523
Other machinery and equipment	310,504	451	25,986	(700)	336,241
BIOLOGICAL ASSETS	3,723	-	2,195	(196)	5,722
Biological assets	3,723	-	2,195	(196)	5,722
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	379,946	328	35,100	(1,976)	413,398

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26.3.1 Prior period error

Nature of prior period error

2015/16
R'000

Relating to 2015/16 (affecting the opening balance)

Furniture & Office equipment

(52)

Other machinery & equipment

451

Transport equipment

(71)

Total

328

Asset were classified as Furniture & Office Equipment and Other machinery & equipment.

26.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Machinery and equipment R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	28,561	702	29,263
Value adjustment	-	-	-	-	28	28
Additions	-	-	-	317	124	441
Disposals	-	-	-	(1,965)	(71)	(2,036)
TOTAL MINOR ASSETS	-	-	-	26,913	783	27,696

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	733	-	733
Number of minor assets at cost	-	-	-	24 966	541	25 507
TOTAL NUMBER OF MINOR ASSETS	-	-	-	25 699	541	26 240

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Minor Capital Assets under investigation

Included in the above total of the minor capital per the asset register are assets that are under investigation

	Number	Value R'000
Machinery and equipment	94	144

MINOR ASSETS

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	29,120	431	29,551
Prior period error	-	-	-	387	-	387
Additions	-	-	-	627	315	942
Disposals	-	-	-	(1,573)	(44)	(1,617)
TOTAL MINOR ASSETS	-	-	-	28,561	702	29,263

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	737	-	737
Number of minor assets at cost	-	-	-	25 838	525	26 363
TOTAL NUMBER OF MINOR ASSETS	-	-	-	26 575	525	27 100

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26.4.1 Prior period error

Nature of prior period error	2015/16 R'000
Relating to 2015/16 (affecting opening balance)	
Other machinery & equipment	387
Total	387

Asset were classified as other machinery & equipment.

26.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	11 135	-	11 135
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	11 135	-	11 135

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	2,387	13	2,400
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	-	2,387	13	2,400

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27. Immovable Tangible Capital Assets

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE
YEAR ENDED 31 MARCH 2017**

	Opening balance	Value adjustmen ts	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	19,265	-	34,616	(31,344)	22,537
Other fixed structures	19,265	-	34,616	(31,344)	22,537
Capital Work in progress (Effective 1 April 2016)	101,101	-	28,540	(33,351)	96,290
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	120,366	-	63,156	(64,695)	118,827

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27.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	29,805	15,495	(10,684)	-	34,616
Other fixed structures	29,805	15,495	(10,684)	-	34,616
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	29,805	15,495	(10,684)	-	34,616

27.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES		31,344	31,344	-
Other fixed structures	-	31,344	31,344	-
TOTAL DISPOSAL OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	31,344	31,344	-

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27.3 Movement for 2015/16

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE
YEAR ENDED 31 MARCH 2016**

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	11,162	12,032	20,421	(24,350)	19,265
Other fixed structures	11,162	12,032	20,421	(24,350)	19,265
LAND AND SUBSOIL ASSETS	51,490	-	-	(51,490)	-
Land	51,490	-	-	(51,490)	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	62,652	12,032	20,421	(75,840)	19,265

27.3.1 Prior period error

	2015/16 R'000
Nature of prior period error Relating to 2015/16 (affecting opening balance)	12,032
Guard houses	132
Diptanks	2,833
Monitoring systems and other fix structures	9,067
Total	12,032

27.4 S 42 Immovable asset

Assets subjected to transfer in terms of S 42 of the PFMA - 2016/17

	No of asset	Value of asset R'000
BUILDINGS AND OTHER FIXED STRUCTURES		
Other fixed structures	5	23,210
Total	5	23,210

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28. Prior period errors

28.1 Correction of prior period errors

2015/16
R'000

Assets

Receivables: non-current assets	(2,839)
Receivables: current assets	2,839
Movable tangible asset: Furniture & office equipment	(52)
Immovable Tangible Asset: Other fixed structure	12,032
Movable Tangible asset - Other machinery & equipment	451
Minor asset: Other machinery & equipment	387
Movable tangible asset – Transport equipment	(71)
Net effect	12,747

Liabilities

Voted funds to be surrendered to revenue funds	2
Departmental revenue to be surrendered to revenue fund	(1)
Net effect	1

29. Transfer of function

In April 2016, Fresh Produce Market was shifted to the Department of Economic Development and Tourism. An amount of R16, 579,000 was incurred as expenditure for Fresh Produce Market by the Department of Agriculture, Rural Development, Land and Environmental Affairs during the 2015-16 financial year. Although the budget and function of the Fresh Produce Market was transferred, we have not transferred the amount of R16, 579, 000 which we had already spent on the Fresh Produce Market from Immovable Tangible Capital Assets to the Department of Economic Development and Tourism as the official process of handing over has not yet been finalised.

There was also a transfer of the Agricultural Hub to the Department of Economic Development and Tourism on April 2016. No funds were spent on function by the Department of Agriculture, Rural Development, Land and Environmental Affairs since its inception.

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30. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					Amount received by department	Amount spent by department	SPENT		2015/16	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available			Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000			R'000	R'000	%	R'000
Land care	6,208	-	-	-	6,208	6,208	6,183	25	100%	5,948	5,921
Comprehensive Agricultural Support Programme	172,414	-	-	-	172,414	172,414	171,614	800	100%	169,684	169,803
Ilima/Letsema projects	49,136	-	-	-	49,136	49,136	49,136	-	100%	46,270	46,220
Expanded Public Works Programme	4,215	-	-	-	4,215	4,215	4,215	-	100%	4,136	4,136
	231,973	-	-	-	231,973	231,973	231,148	825		226,038	226,080

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31. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Reallocation by National Treasury/national department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Mbombela Municipality	150	-	(144)	6	338	-	-
	150	-	(144)	6	338	-	-

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ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2015/16
	Adjusted Appropriation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Agric Sector Education & Train Authority	1,700	-	(855)	845	845	100%	1,655
	1,700	-	(855)	845	845		1,655

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ANNEXURE 1B
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave gratuity	2,754	-	2,650	5,404	6,301	117%	4,369
Injury on duty	1,187	-	855	2,042	1,141	56%	1,481
Sub-total	3,941	-	3,505	7,446	7,442		5,850
Total	3,941	-	3,505	7,446	7,442		5,850

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ANNEXURE 1C

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIP MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2016/17	2015/16
	R'000	R'000
Fixed structured that were constructed by the department on behalf farmers	31,344	3,929
Machinery and equipment that were acquired on behalf of farmers	1,746	378
Total	33,090	4,307

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ANNEXURE 2A
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2017

Nature of Liability	Opening Balance 1 April 2016 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/re duced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2017 R'000
Claims against the department					
Bio-mass	3,135	-	-	-	3,135
M Sithole	2,352	-	(2,352)	-	-
PS Makua	107	-	-	-	107
Irricon Irrigation (PTY) LTD	187	-	-	-	187
Barend Greyling and Others	13,000	-	-	-	13,000
Dirk Johannes Taljaard	73	-	-	-	73
MB Mahlangu	16	-	-	-	16
Kiaatbult Boedery CC	562	-	-	-	562
Armino Alexandre	123	-	-	-	123
Sabelo Obed Mhlongo	45	-	-	-	45
Malaza Ruth Nhlambatse	39	-	-	-	39
Bangiswa Joana Skhosana	616	-	-	-	616
Nkomazi Security Services	54	-	-	-	54
Isaak Fikisana Mokwele	42	-	-	-	42
Frans Daniel Mahlangu	29	-	-	-	29
Ntandoyani Trading	25	-	-	-	25
Kanjani Trading (PTY) LTD	68,768	-	-	-	68,768
Mabulala Indlala Co-operative	73	-	(73)	-	-
Itakane Trading T/A Capitol Cateres	1,732	-	(1,732)	-	-
Bay Drive Trading (PTY) LTD	94,282	-	(89,835)	-	4,447

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Nature of Liability	Opening Balance 1 April 2016 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2017 R'000
Claims against the department (continue)					
Michael Bredenkamp	-	16	(16)	-	-
Inzuzo Projects Engineer CC	-	23,585	-	-	23,585
Subtotal	185,260	23,601	(94,008)	-	114,853
TOTAL	185,260	23,601	(94,008)	-	114,853

Claim for Michael Bredenkamp was withdrawn by the Plaintiff.
 Claim for Bay Drive (PTY) LTD was reduced from R94, 282,098.15 to R4, 446, 543.26
 Claim for M Sithole was reclassified as interdepartmental payables

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ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
MP Department of Land Affairs	-	-	-	9	-	9
Local Government and Housing Mpumalanga	-	-	-	4	-	4
National Department of Agriculture	-	-	-	5	-	5
National Department of Health	-	-	-	28	-	28
Department of Water Affairs & Forestry	-	-	-	7	-	7
Department of Environmental Affairs	-	-	-	1	-	1
National Department of Public Works	-	-	-	21	-	21
KZN Prov Gov Agric & Environment	-	-	48	16	48	16
MPU Provincial Legislature	-	-	-	74	-	74
MP Department of Social Development	-	-	-	18	-	18
Department of Economic Development	-	-	107	-	107	-
Western Cape Dept. of Agriculture	-	-	-	60	-	60
Rural Development & Land Reform	-	-	2	-	2	-
MP CoGTA	-	-	-	124	-	124
	-	-	157	367	157	367
Other Government Entities						
Mpumalanga Parks Board	-	-	-	147	-	147
GEPF	-	-	-	12	-	12
SARS	-	-	1,055	1,055	1,055	1,055
	-	-	1,055	1,214	1,055	1,214
TOTAL	-	-	1,212	1,581	1,212	1,581

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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
Current						
Mpumalanga Department of Public Works, Roads and Transport	1,432	43	-	-	1,432	43
Mpumalanga Department of Community Safety, Security & Liaison	-	708	-	-	-	708
Mpumalanga Office of the Premier	-	-	-	-	-	-
Mpumalanga Department of Economic Development and Tourism	-	1,114	-	-	-	1,114
Mpumalanga Office of the Premier	-	-	2,388	-	2,388	-
TOTAL	1,432	1,865	2,388	-	3,820	1,865

Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs
VOTE 5

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 5
INVENTORY

Inventory	Note	Quantity	2016/17 R'000	Quantity	2015/16 R'000
Opening balance		1 896	9,872	74 749	4,936
Add/(Less): Adjustments to prior year balance		-	-	-	-
Add: Additions/Purchases - Cash		126 946	86,732	948	96,106
(Less): Issues		(126 209)	(74,696)	(73 801)	(91,170)
Add/(Less): Adjustments		-	-	-	-
Closing balance		2 633	21,908	1 896	9,872

UNAUDITED SUPPLEMENTARY INFORMATION
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 6

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	101,101	28,540	(33,351)	96,290
Other fixed structures	101,101	28,540	(33,351)	96,290
TOTAL	101,101	28,540	(33,351)	96,290

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	71,631	19,431	(20,421)	70,641
Other fixed structures	71,631	19,431	(20,421)	70,641
LAND AND SUBSOIL ASSETS	51,490	-	(51,490)	-
Land	51,490	-	(51,490)	-
TOTAL	123,121	19,431	(71,911)	70,641